

BWSIPP SCHEDULE OF FEES

INTRODUCTION

This document helps you understand the fees for establishing and administering a BWSIPP (your “SIPP”). It also provides you with a comprehensive guide to transaction costs and answers frequently asked questions about our fees.

We also set out some example scenarios to help you understand how your SIPP fee may comprise of several different charges. These give you an indication of the likely fees but the actual fees will depend on the time spent, the level of expertise required, and your bespoke requirements.

All fees are due on the anniversary date (see FAQ 2) of the SIPP unless otherwise stated. Your first invoice will be issued when the set up of your SIPP has been completed and will include the establishment fee and the annual administration fee together with any other fees due. Where fees have accrued in arrears and you transfer your SIPP to another SIPP operator, all accrued fees will become due prior to transfer. Fees which are not fixed are charged on a time cost basis at an hourly rate of between £80 plus VAT for a administrator and £185 plus VAT for a senior client manager depending on the level of expertise needed and the fees shown in the examples are just an indication of the minimum cost for such exercises.

All fees are subject to VAT.

EXAMPLE FEES TO SET UP A BWSIPP

Your independent financial adviser recommends a BWSIPP for you. You have three pension funds with other providers which will all be transferred as cash.

Your adviser facilitates the transfer which means that he has requested pension discharge forms from the current providers and, once received, sends them to us.

We establish your SIPP, set up a bank account and request the transfers. Within a short period of time the other providers transfer their funds to the SIPP bank account and we inform your adviser as each fund is received. Your adviser implements the investment strategy he has agreed with you and with your permission invoices the SIPP for his advice.

Your adviser has chosen to use a fund platform to invest the monies and once the investment has been established there are no additional BWSIPP fees for managing the investments on the platform. There is no charge if the platform is selected from our pre-approved list, but there are charges if the adviser wishes to choose his own (as per this example).

What would the expected costs for this be?

Establishment charges and other initial fees

Establishment fee	£350
Transfer in fee	£0
Investment Account set up fee	£200
Annual administration fee	£555
TOTAL	£1,105 plus VAT

Ongoing charges (on current rates)

Annual administration fee	£555
TOTAL per annum	£555 plus VAT

EXAMPLE FEES TO PURCHASE A PROPERTY

You decide to purchase a commercial property and complete a property questionnaire form provided by us. The property contains no residential element and there are no environmental issues or other concerns. You do not need a mortgage. Your solicitor confirms the property does not need to be VAT registered.

Your adviser disinvests the existing investments and the SIPP fund is used to acquire the client's chosen property. We will be invoicing the tenant on a quarterly basis.

In addition to the BWSIPP fees, you will need to pay for a valuation, solicitor's fees and in some instances stamp duty land tax. These fees must be settled from the SIPP fund.

EXAMPLE FEES TO DRAW BENEFITS

After several years, you decide to start drawing benefits from your SIPP. You want your maximum Pension Commencement Lump Sum at the outset, and then draw income monthly directly from the SIPP.

We obtain a valuation of the investments held within your SIPP on a Revenue-approved basis and calculate the maximum benefits. Your adviser recommends which investments to surrender and arranges this directly via the SIPP's fund platform.

When the monies are received into the SIPP bank account from the fund platform, we arrange for the lump sum to be paid directly to you and set up the monthly income.

Should you decide to stop drawing income, the pension payment fee will no longer apply. We have to recalculate your pension limits at least every three years and this is covered by a separate fee.

What would the expected costs for this be?

Property purchase charges

Property Purchase	£655
TOTAL	£655 plus VAT

Ongoing charges (on current rates)

Annual administration fee	£555
Annual property fee	£148
Annual rental invoice fee	£102
TOTAL per annum	£805 plus VAT

What would the expected costs for this be?

Drawing Benefits charges

Additional valuation during the year	£95
Income drawdown set up fee	£315
TOTAL	£410 plus VAT

Ongoing charges (on current rates)

Annual administration fee	£555
Pension payment fee	£215
TOTAL per annum	£770 plus VAT

DETAILED SCHEDULE OF FEES

General Administration Fees	Fee	Fixed Fee?	When due	FAQs
Establishment Fee				
Where advised by an IFA	£350	✓	on completion	11, 12
Where not advised by an IFA	£500	✓	on completion	11, 12
Annual Administration Fee				
Valuation on anniversary date	£555 included	✓	in advance	13
		✓	n/a	13
Contributions				
In cash	free	✓	n/a	13
In specie	time cost	✗	on completion	14
Transfers In				
In cash (within 6 months of establishment)	free	✓	n/a	11, 16, 17
In cash (after 6 months of establishment)	£75	✓	in arrears	15, 16, 17
In specie	time cost	✗	on completion	16, 17
Transfers Out				
In cash	£250	✓	prior to transfer	13, 15, 19
In specie	time cost	✗	prior to transfer	13, 16, 19
Transfer to QROPS	from £500	✗	prior to transfer	13, 18, 19
Bank Accounts	Fee	Fixed Fee?	When due	FAQs
Set up and annual fees for pre-approved bank accounts	free	✓	n/a	21, 24
Payment from such accounts	£25	✓	in arrears	24
Current account set up fee	£255	✓	in arrears	22
Current account annual fee	£140	✓	in arrears	22
Deposit account set up fee	£255	✓	in arrears	23
Deposit account annual fee	£77	✓	in arrears	23
Payment from such current and deposit accounts	£40	✓	In arrears	–
Non Property Investments	Fee	Fixed Fee?	When due	FAQs
Investment account set up fee (if pre-approved by us)	free	✓	n/a	25, 32
Investment account set up fee	£200	✓	in arrears	25, 26
Unit Trust or Trustee Investment Plan purchase or sale fee	£110	✓	in arrears	25, 26
Other quoted investment purchases or sale	from £110	✗	in arrears	25, 26
Unquoted investments purchase or sale fee	from £1,200	✗	on completion	27
Unquoted investments annual review fee	from £250	✗	in advance	27
Loan set up fee	time cost	✗	on completion	29
Loan annual administration fee	£218	✓	in arrears	29
Borrowing set up fee	time cost	✗	on completion	30
Borrowing annual administration fee	time cost	✗	in arrears	30
Ongoing administration, switches and investments	time cost	✗	in arrears	31

Property Investments	Fee	Fixed Fee?	When due	FAQs
Purchases/Sales				
Property purchase fee	from £655	✗	on completion	33
(example fee for joint purchase by 2 SIPPs)	from £890	✗	on completion	33, 34
Property sale fee	from £350	✗	on completion	33
(example fee for joint sale by 2 SIPPs)	from £410	✗	on completion	33, 34
Mortgage set up fee	from £300	✗	on completion	35
Mortgage rearrangement fee	from £300	✗	in arrears	35
Mortgage repayment fee (in whole or in part)	from £95	✗	in arrears	35
Overseas property purchase or sale fee	from £2,600	✗	on completion	39
VAT				
VAT registration	£300	✓	on completion	41
VAT quarterly returns, charged annually	£288	✓	in arrears	41
VAT inspection or other VAT work	time cost	✗	in arrears	41
Management				
Annual property fee	from £148	✗	in arrears	36
Annual mortgage fee	from £128	✗	in arrears	34
Annual management of jointly owned property	£57 per SIPP	✓	in arrears	38
Annual rental invoice fee per tenant	£102	✓	in arrears	37
Property Manager appointment fee	£117	✓	in arrears	–
Development/refurbishment	from £255	✗	in arrears	42
Lease Arrangement or Amendment	from £320	✗	in arrears	42
Rent review	from £100	✗	in arrears	42
Syndicated Property Investment Fee	Fee	Fixed Fee?	When due	FAQs
Purchase of property share	from £255	✗	on completion	43
Ongoing administration	from £85	✗	in arrears	43
Sale or disposal	from £180	✗	on completion	43
Drawing Benefits	Fee	Fixed Fee?	When due	FAQs
Income Drawdown set up fee	from £315	✗	in arrears	44, 45
Income Drawdown review fee	from £155	✗	in arrears	45
Flexible Drawdown set up fee	time cost	✗	in arrears	46
Lifetime Annuity purchase fee	from £205	✗	on completion	47
Pension payment fee (regular)	£215	✓	in arrears	44 - 46
Pension payment fee (ad hoc per payment)	£115	✓	in arrears	44 - 46
Compulsory Lifetime Allowance test at age 75	time cost	✗	in arrears	46
Lifetime Allowance Charge payment fee	£75	✓	in arrears	–
Other fees	Fee	Fixed Fee?	When due	FAQs
Distribution of death benefits	time cost	✗	in arrears	48
Additional valuation of your SIPP during the year	from £95	✗	on completion	49
Provision of information or consultancy time	time cost	✗	in arrears	49

For more information on our fees, read our Frequently Asked Questions (FAQs) on the following pages. Where fixed fees do not apply please refer to FAQ 4.

FREQUENTLY ASKED QUESTIONS

Please note: references below to “we”, “us” and “our” are to the SIPP administrator. Reference to “annual fee” can be taken as meaning the Annual Administration Fee unless the context suggests otherwise.

GENERAL

1. When are your fees due?

Our fees are invoiced annually on the anniversary of your SIPP. Certain fees may be invoiced and collected during the year, such as where work has concluded on a property transaction.

2. When is the anniversary date of the SIPP?

The anniversary date is specific to your SIPP and is the first day of the month after your SIPP was established. If you wish to change your anniversary date we will pro-rate the advise fee to bring forward your anniversary date.

3. Are your fees listed fixed?

Where indicated, our fees are fixed. The other fees depend on the time expended and the degree of responsibility involved. The figures provided in the table are minimum estimates only.

4. What are your time based rates?

Our hourly rates for administration vary from £80 per hour to £185 per hour depending on the expertise of administration required.

5. How do you collect your fees?

Our fees are invoiced and sent to you or your adviser. They are due within 30 days of the date of the invoice and will be collected from your SIPP current account by us after those 30 days if sufficient funds are available, unless you have settled the fee personally. If there are insufficient funds within your SIPP you must either disinvest some monies or settle the fee personally.

If you wish to settle these personally or via your company, please ask us to reissue the invoice to the paying party (failure to do so, in some cases, may lead to additional tax implications or loss of Enhanced Protection).

6. Are your fees subject to VAT?

Yes, all of our fees are subject to VAT.

7. Do you receive any other income in relation to my SIPP?

We may also receive payments from other banks or investment providers from time to time. Any such payments will be clearly notified to you in writing before you place money with them. For example, we receive 0.2% from the Bank of Scotland for any funds held with them.

8. Who settles my fees?

All expenses, charges and outgoings whether in respect of the investments contained in your SIPP (including the costs of purchase, sale, management, maintenance and valuation of freehold and leasehold properties, if any, and other investments) or other expenses however incurred shall be invoiced to your

SIPP. If these are settled from a source other than your SIPP, HMRC could view the payment as a SIPP contribution (in some cases this may result in the loss of Enhanced Protection).

9. Are there any additional fees not listed?

We reserve the right to charge for additional services on a time cost basis relevant to the expertise and seniority of our staff involved. This includes, but is not limited to, attendance at meetings.

In the event of a levy being made on BW SIPP LLP under the Financial Services Compensation Scheme (FSCS) or any other levy or taxation being imposed, we reserve the right to recover from your SIPP an amount which represents a proportion of such levy or taxation. We will give you a minimum of 30 days notice of any such charge that is due from your SIPP

10. Do your fees increase?

We usually increase our fees annually each June by a percentage not materially exceeding the percentage increase in the monthly National Average Weekly Earnings index over the year. If the index ceases to be published or if the calculation of the index is altered we may substitute a comparable index.

We may at any time increase or amend all or any of our fees or charges payable from your SIPP in such a manner as we may determine. We will give you a minimum of 30 days notice if we amend our fee schedule.

GENERAL ADMINISTRATION FEES

11. What does the establishment fee cover?

The establishment fee covers the creation of the SIPP, including opening the default SIPP bank account and verifying the application form is complete and signed (including correct anti-money laundering identification).

The establishment fee also covers cash transfers requested within the first six months.

12. How can I qualify for the lower establishment fee of £350?

The lower establishment fee applies if you are opening a BWSIPP on the advice of a financial adviser, whose details would need to be included on your application form and who would need to be regulated by the Financial Services Authority and have agreed agency terms with us.

A lower fee applies as your financial adviser should reduce the amount of work for us and there is less paperwork for us to complete.

13. What does the annual fee cover?

The annual fee includes the preparation of an annual statement, regular cash reconciliations during the year, processing of personal and company contributions (except in-specie contributions) and fulfilling all regulatory and legislative requirements and record keeping.

The annual fee does not cover provision of other information such as valuations during the year.

If you notify us of your intention to transfer out to another SIPP Provider within six months of your anniversary date we will offset your transfer fees by half of the minimum annual administration fee paid for in advance provided the transfer is completed in two months. If we receive your notification six months or more after your anniversary date no fees will be refunded. No other fees will be refunded in full or in part where a transfer out is initiated.

14. Why isn't there a fixed fee for in specie contributions?

Contributions can in most cases be made in specie but the work involved is open-ended and depends on the underlying assets and so we cannot provide a fixed fee for accepting in specie contributions. We may be able to give estimates on a case-by-case basis but cannot be bound by a fixed fee.

TRANSFERS

15. When does the fixed fee for transfers apply?

The fixed fee applies where we simply need to process a cash transfer following receipt of a correctly completed transfer form.

The fixed fee does not apply if we are required to complete transfer forms, other than to insert details of our SIPP or for the work involved to disinvest assets if you are transferring out.

The fixed fee does not cover chasing the transferring or receiving scheme administrator. We are happy to attend to this but this will be charged at time cost.

16. What if I want to transfer in assets other than cash?

In most cases we can accept or transfer assets rather than cash (i.e. in specie transfers) but the work involved is open-ended and substantially more involved than a cash transfer.

Therefore the fixed fee does not apply. You or your adviser should check first that we can accept the assets into your SIPP. We can provide a fee estimate but not a fixed fee.

17. How do you charge for the transfer in of partially or fully crystallised funds?

As well as any usual transfer fees, there will be charges associated with the ongoing payment of pension. This may include a small fee for setting up pension payroll if you were not already drawing a pension under your SIPP.

There may also be additional fees to perform the pension reviews if these do not coincide with other pension review dates.

18. Why is the cost of a transfer of my SIPP overseas more than the cost of a transfer to a UK pension arrangement?

There are additional checks that have to be made before we process a transfer overseas, and this is reflected in the fee.

19. What do the transfer out fees cover?

The transfer out fees, including the fixed fee for a transfer out in cash, cover the administration of making the transfer out payment plus also the cost of closing down your SIPP account if the transfer is for the whole of your BWSIPP value.

20. Do your fees cover the cost of transfer advice?

We do not provide transfer advice. Therefore any transfers are processed on the basis that you have received advice from your incumbent adviser or on an "execution only" basis.

BANKING AND CASH DEPOSITS

21. What fees apply to the SIPP's main banking arrangements?

A current account with Bank of Scotland will be opened as part of your SIPP to act as the main account and the cost of this is covered by the establishment fee. There is currently no bank charge for CHAPS payments from this account.

22. When do the current account fees apply?

You are able to select an alternative or an additional current account. We need to conduct due diligence before agreeing to this. A separate current account requires additional monitoring for payments and cash reconciliation. Therefore an explicit charge applies on setting up the account and on an ongoing basis. This is our current account set up fee and our current account annual fee.

If the bank fails our due diligence, for example by not restricting liability to your particular SIPP fund, we will not agree to the account being used. In this instance, we will not charge you the current account set up fee. If you decided against using the bank during the set up process then the fee would apply.

FREQUENTLY ASKED QUESTIONS CONTINUED

BANKING AND CASH DEPOSITS CONTINUED

23. What fees apply if I wish to set up a deposit or fixed term account?

A deposit account set up fee applies to set up the account, unless the deposit account is on our pre-approved list of deposit accounts where we have streamlined procedures. The set up fee covers the cost of the first transfer to the deposit account from the SIPP current account.

Small additional fees may apply where there are further transactions involving that deposit account, such as further deposits, withdrawals or dealing with rollovers of term accounts.

As for current accounts, we conduct due diligence and where this fails we will not charge you for the set-up fee. If you decided against using the bank during the set up process then the fee would still apply.

24. Which bank accounts are on your pre-approved list?

These change from time to time so please contact us for a current list.

INVESTMENT-RELATED FEES

25. How am I charged for buying and selling investments?

Our fees are separate from the fees imposed by a discretionary fund manager or trading platform.

Direct investments are charged per investment as we must complete documentation for each transaction and manually enter the transactions on to our systems. A purchase and sale is regarded as two transactions.

If you wish to regularly buy and sell investments, you may find it is cheaper to use an investment account, e.g. with a discretionary fund manager or an online trading platform, within your SIPP. You or your investment manager can then alter the investments without additional involvement from us and this therefore helps keep your fees down.

The investment account set up charge covers the cost of setting up the account and a transfer of funds from the SIPP current account. If you decide not to proceed any costs we have accrued will be charged.

Small additional fees may apply where there are additional transactions involving that investment account and the SIPP, such as transfers of money to or from the investment account.

26. Do your fees include the stockbroker's, etc, fees?

No, our investment transaction fees relate to the recording and reconciling of investment transactions by us and do not include stockbroker, investment manager or nominee fees and charges.

Any investments other than cash will usually carry charges levied by the investment provider and there may be other expenses involved in acquiring and managing investments.

27. What charges apply to the purchase of unquoted shares?

Unquoted shares are classed as a specialist investment and require individual attention. Therefore our fee is time based and can vary significantly from case to case.

As such, we cannot agree a fixed fee for this work and the estimates given in this fee schedule are constructed assuming that the purchase proceeds without undue complication and allowing for approximately 5 hours of a senior administrator's time.

Because of the nature of unquoted shares, we will review the investment annually to ensure it still complies with current legislation and rules. This is our Unquoted Investment Annual Review fee.

28. What are the fees relating to direct investment in property?

These are set out in detail in the following section.

29. What does the loan set up fee and annual fee cover?

These apply where you wish to make a third party loan. The set up fee covers the cost of drawing up a loan agreement (which we recommend is reviewed by your solicitor) and arranging for the transfer of the money. If security is required, your solicitor will need to arrange this.

The annual loan administration fee covers the cost of calculating the payments due, chasing missed payments and reconciling the repayments made.

30. What are the fees if my SIPP borrows money?

If the borrowing is to fund a property purchase, you should refer to the Property Related Fees section. If your SIPP borrows for any other purpose, there is a fee for arranging the loan and a facility fee for ongoing maintenance and monitoring of the loan, as set out in preceding pages of this schedule. Additional fees will be charged on a time cost basis should the borrowing be varied, such as partly or fully repaid.

31. What will the fees for ongoing administration, switches and disinvestments cover?

Typically these costs could include work carried out to buy or sell further units, process fund switches, dividends or distributions received and reclaim any tax due.

32. Who is on your pre-approved list?

This changes from time to time so please contact us for a current list.

PROPERTY RELATED FEES

33. How do you charge for property transactions?

Our fee is principally time based reflecting the time expended and the degree of responsibility involved. This is necessary as commercial property purchases vary significantly in their level of complexity. As such, we cannot agree a fixed fee for property transactions and the estimates given in this fee schedule are constructed based on a single-tenanted property and that the transaction proceeds without undue complication and allowing for approximately 4 hours of an administrator's time.

We will usually instruct the solicitor and valuer of your choice, giving you the opportunity to negotiate rates with them directly. Their fees, together with all disbursements relating to the acquisition, sale or management of any property, are payable from your SIPP in addition to our fees.

Ancillary work, such as providing information on the finances of a property purchase or advising on how to avoid owning residential property within the SIPP are also charged on a time cost basis and are not included in our fee estimates.

If a purchase or sale fails to complete, you will still be charged for the work incurred.

34. What additional fee applies if a joint purchase or sale is being made?

We would still charge on a time cost basis and our fee is expected to be higher to reflect the additional time required in dealing with multiple parties and if applicable multiple mortgage arrangements.

We do not insist on the BW SIPP LLP being the sole SIPP provider for joint purchases but costs are likely to be higher if we are dealing with a third party SIPP provider as opposed to just BWSIPP members (potentially in partnership with the members or their companies).

35. What is the additional charge for purchasing a property with a mortgage?

If your SIPP borrows to purchase property, the initial costs of dealing with the mortgage will be charged for principally on a time cost basis as part of the overall purchase process.

There will also be an annual mortgage fee due in relation to our work in dealing with the mortgage or any rearrangement. Additional fees will be charged on a time cost basis should the borrowing be varied, such as partly or fully repaid.

36. What do you do for your annual property fee?

Additional responsibility is placed on us where a SIPP owns property as we will be (one of the) registered owners. We have to maintain records of the property and the rent being received and so an additional annual fee applies where your SIPP owns property. This fee also covers the cost of processing six payments each year relating to property expenses.

Additional payments will be subject to our payment fees detailed in the Bank Account section. Property inspections are not included in the property management fee.

37. What does your annual rental fee cover?

This covers the invoicing by us to a single tenant for rent. There will be additional fees where there is more than one tenant.

If you would prefer to issue the rent invoices yourself then we are happy for you to do this but you must ensure we receive copies otherwise additional fees will accrue.

38. Why is there an additional charge for managing joint property?

Where a property has more than one owner, even if the additional owners are connected with your SIPP, we charge for the additional work required in dealing with the income and expenditure between the joint owners.

39. What if the property being purchased is overseas?

Our fees for overseas purchase are likely to be considerably higher as we would need to liaise with a solicitor in the UK as well as overseas.

40. What if I want to purchase residential property?

A purchase of residential property is not generally permitted under the SIPP rules as it gives rise to additional tax charges.

41. What do your VAT fees cover?

Where a property is owned solely by a BWSIPP or a collection of BWSIPPs, we are able to complete the VAT registration and VAT returns in relation to the property. Where there are other owners, it is up to you to appoint someone else to deal with the VAT registration and returns.

The annual VAT return fee covers completion of the quarterly returns normally online, with the information available to us on our files. It does not cover the cost of VAT inspections should these take place or monthly returns, both of which are charged for separately on a time cost basis.

42. What about other property work, such as property sales, property development, lease alterations, etc?

Any work that is not described as fixed fee in the property schedule is charged on a time cost basis, with the hourly rates reflecting the degree of responsibility involved.

43. Why are the fees for Syndicated Property Investments less than for Jointly Owned Property?

For syndicated properties our requirements and responsibilities are less and the investment is managed by the syndicate property manager.

FREQUENTLY ASKED QUESTIONS CONTINUED

DRAWING BENEFITS

44. What are your charges if I simply wish to take my Pension Commencement Lump Sum, without drawing a pension income?

This is only possible if you enter Drawdown and opt to receive nil pension income. An Income Drawdown or Flexible Drawdown set up fee will apply, which covers the cost of paying your Pension Commencement Lump Sum, but you will not be charged a Pension Payment fee until you decide to start receiving income.

Extra fees may apply if up to date valuations of your SIPP assets are required or if investments need to be disinvested.

45. Which charges apply if I want to start Income Drawdown?

The Income Drawdown set up fee will apply, which covers the cost of paying your Pension Commencement Lump Sum if you require this. This is expected to be £315 unless non-standard calculations are required, e.g. if you have lump sum or Lifetime Allowance protection or if the Lifetime Allowance is exceeded.

Extra fees may apply if up to date valuations of your SIPP assets are required or if investments need to be disinvested.

The Pension Payment fee will also apply from when you wish to start drawing income. This fee covers the cost of setting you up on our payroll systems.

In addition, the Income Drawdown review fee will apply at least every three years (annually from age 75) we need to reassess your pension limits in line with HMRC requirements.

46. What if I want to start Flexible Drawdown?

The Flexible Drawdown set up fee will apply when you submit a valid declaration to us to start a Flexible Drawdown arrangement, which could be at the point at which you crystallise benefits or some time after you have started Income Drawdown.

The fee covers the work that we have to undertake to check your declaration and update our systems. The regular pension payment fee or the ad hoc pension payment fee will apply depending on whether you set up regular payments or instead want to make payments at your discretion throughout the year.

47. What does the Lifetime Annuity fee cover?

This covers the cost of sending completed annuity purchase forms to the insurer and transferring funds from the SIPP current account.

It does not cover the cost of disinvesting assets, completing the application form or advice on the annuity purchase or winding up your SIPP.

OTHER FEES

48. What happens after I die and what are the costs?

On death, we will continue to act as a trustee. If you had made a specific nomination beforehand, a new trustee will act in your place too. Our fees continue to apply whilst benefits are being distributed or a pension is being provided to a dependant.

The trustees will need to decide how to distribute the benefits and these discussions will be charged on a time cost basis.

A valuation of the SIPP will be required, subject to the usual fees for this.

Lump sum distributions and accounting for tax, if any, on those distributions attract minor fees where they are paid in cash, but are likely to incur significant fees if benefits are to be paid in specie (noting that any tax has to be paid in cash, of course).

If a dependant is being provided with pension payments then each dependant will need to be set up on our payroll system. The charge for each dependant mirrors the charge for a SIPP member.

49. What do you charge for providing information on my SIPP?

We will not charge for basic information requests from you though we do reserve the right to charge an additional time cost fee where the requests are numerous or you have multiple or complex investments.

We are able to provide information to third parties who provide a letter of authority from you or your legal representatives.

Provision of such information is charged on a time cost basis but it is worth remembering that your investment advisers should be able to liaise directly with the investment providers of your SIPP and therefore will not necessarily need to contact us for information to enable them to provide their advice to you.

GLOSSARY AND EXPLANATION OF TERMS

Administration

The process of looking after the SIPP on an ongoing basis.

Benefit Crystallisation

The act or process of accessing funds in your SIPP to provide you with benefits, at which point a test is made against the Lifetime Allowance. Also often referred to as 'drawdown' or 'drawing benefits'.

Crystallisation

Usually shorthand for Benefit Crystallisation, though crystallisation also occurs for other events such as transferring to a QROPS.

Current Account

A bank account that can accept payments into and out of your SIPP.

Dependant

Your spouse or civil partner at the point at which you crystallised benefits or at the date of your death is a dependant. Non-married partners and children may also qualify as dependants in certain circumstances.

Deposit Account

A bank account that is solely used to hold cash on deposit as an investment with monies only being able to be paid back to the SIPP's current account.

Establishment

The creation of a SIPP plan to the point where it is ready to be used.

Flexible Drawdown

A means of drawing funds from your SIPP, subject to income tax, that differs from income drawdown as there are no limits on how much you can draw each year. Flexible Drawdown is only available to those who can make a valid declaration to us, which includes demonstrating that they meet the Minimum Income Requirement (which for 2011/12 means secure pension income of at least £20,000 during the tax year).

Income Drawdown

Payment of income withdrawals direct from your SIPP, or income paid from a short-term annuity contract purchased by your SIPP, with annual limits assessed at outset and regularly thereafter.

In specie

The transfer of an asset other than cash.

Joint property purchase

Several SIPPS collectively or with their company, themselves personally or a third party join together to purchase a property. This is not the same as a syndicated property.

Investment Account

An account that is opened for the purpose of buying and selling investments where money can only be paid back to the SIPP's current account.

Lifetime Allowance

The overall ceiling on the amount of tax-privileged savings that any one individual can usually accumulate over the course of their lifetime. This amount is £1,800,000 for 2010/11.

Lifetime Allowance Charge

A charge to income tax that arises at Benefit Crystallisation where there is an excess over your available Lifetime Allowance.

Lifetime Annuity

An annuity contract purchased from an insurance company of your choosing that provides you with an income for life in exchange for SIPP funds.

Non-protected Rights

Funds that are not Protected Rights.

Pension Commencement Lump Sum

A lump sum benefit paid in connection with an arising entitlement to a pension benefit (other than a short-term annuity contract). Such lump sums are currently free of tax and used to be known as tax-free cash sums.

Protected Rights

Funds that have been built-up as a result of contracting-out of the State Second Pension.

QROPS

An overseas pension scheme that is established in a country or territory outside the UK and satisfies certain regulatory requirements so that it can accept transfers from UK registered pension schemes.

Registered Pension Scheme

Your SIPP is part of a pension scheme that has been registered with HM Revenue & Customs under Chapter 2 of Part 4 of the Finance Act 2004. You can only transfer pension funds to and from another Registered Pension Scheme.

Syndicated property

A SIPP invests in a share of a property which is owned and managed through a syndicate property manager. (See also 'Joint property purchase'.)

Tax reclaim

In most cases personal pension contributions receive tax relief and BW SIPP LLP reclaim 20p from HM Revenue and Customs for each net 80p you contribute to your pension. This is added to your fund.

Transfer

Transferring the value of pension benefits from one existing pension arrangement to another, either in cash or in specie.

Vesting

Another name for Benefit Crystallisation.

www.bwsipp.co.uk

Amersham

Chalfont Court, Hill Avenue, Amersham HP6 5BB
Tel: 01494 788100 Fax: 01494 788800
Email: amersham@bwsipp.co.uk

Bromsgrove

Silver Springs House, 2 Topaz Way
Birmingham Road, Bromsgrove B61 0GD
Tel: 01527 300000 Fax: 01527 300090
Email: bromsgrove@bwsipp.co.uk

Cheltenham

St James's House, St James's Square, Cheltenham GL50 3PR
Tel: 01242 538500 Fax: 01242 538501
Email: cheltenham@bwsipp.co.uk

Glasgow

163 West George Street, Glasgow G2 2JJ
Tel: 0141 243 4400 Fax: 0141 243 4432
Email: glasgow@bwsipp.co.uk

Leeds

West Riding House, 67 Albion Street, Leeds LS1 5AA
Tel: 0113 394 3700 Fax: 0113 394 3760
Email: leeds@bwsipp.co.uk

Liverpool

Port of Liverpool Building, Pier Head, Liverpool L3 1BW
Tel: 0151 235 6600 Fax: 0151 235 6640
Email: liverpool@bwsipp.co.uk

London

Cheapside House, 138 Cheapside, London EC2V 6BW
Tel: 020 7776 2200 Fax: 020 7776 3800
Email: london@bwsipp.co.uk

General queries

Email: info@bwsipp.co.uk

BW SIPP LLP is a limited liability partnership registered in England & Wales. Registered No. OC322417.
Registered office: Cheapside House, 138 Cheapside, London EC2V 6BW. A list of members of BW SIPP LLP
may be inspected at the registered office. BW SIPP LLP is authorised and regulated by the Financial Services Authority.