

THE MINERVA SIPP TERMS AND CONDITIONS

This is an important document that sets out the terms and conditions of your Minerva SIPP. You should read the whole document.



The Minerva SIPP is a self-invested pension plan (SIPP) available in the retail market, which allows you choice in how your pension assets are invested. You (or your employer) can contribute to your SIPP and you can arrange for pension benefits held in other pension arrangements to be transferred into your SIPP (though this is a specialist area and you must seek appropriate advice before taking action). For example you might decide to consolidate several different pension entitlements currently with insurance companies or previous employers into one place in your SIPP.

Your SIPP will have its own bank account and all monies paid into your SIPP will be credited to that account, along with investment income and proceeds from investments. When investments are purchased, or when benefits are paid, these will be taken from the bank account.

Please read through these terms for full details on how your SIPP operates. If you have any questions, please contact your adviser or call us on 01228 538 988 or you can browse the information and frequently asked questions at www.minervasipp.co.uk

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1. **Our Services**

- InvestAcc Limited will provide the following services:
 - a) maintenance of administrative records and appropriate systems to establish and administer your SIPP
 - b) maintenance of administrative records and systems to receive contributions, transfers and pay benefits as appropriate
 - c) recovery of basic rate income tax on contributions paid by you, or on your behalf, where appropriate
 - d) production and issue of certificates to verify contributions paid, where requested
 - e) establish and maintain an individual bank account for your SIPP
 - f) any additional services that may be required from time to time to administer the scheme and comply with HMRC or any other regulatory body
 - g) online access availability for you and your adviser to obtain information regarding your SIPP

2. **Legal and Regulatory information**

- The Newcastle Building Society, whose principal office is at Portland House, New Bridge Street, Newcastle upon Tyne, NE1 8AL is the provider of the Minerva SIPP.
- InvestAcc Limited is the Scheme Administrator of the Minerva SIPP and carries out the management of the scheme, which is a registered pension scheme under Chapter 2 of Part 4 of the Finance Act 2004. The registered office of InvestAcc Limited is:

21 Castle Street
Carlisle
Cumbria
CA3 8SY

Telephone: 01228 538 988

Email: info@investacc.co.uk

Facsimile: 01228 535 988

Website: www.minervasipp.co.uk

- In these Terms and Conditions ‘we’ and ‘us’ means InvestAcc Limited.
- InvestAcc Limited is incorporated in England and Wales under registration number 2719226.
- InvestAcc Limited is authorised and regulated by the Financial Services Authority (FSA) under registration number 154918.
- In accordance with FSA regulations we will classify you as a retail client; this provides you with the highest protection under the FSA rules.
- The Minerva SIPP is approved by HM Revenue & Customs (HMRC) for the sole purpose of the provision of pension and lump sum benefits. The Pension Scheme Tax Reference number is 00605996RN.

- The Minerva SIPP was established under trust on 1st August 2003, a copy of which is available from us on request. In the event of any inconsistency between the Rules and these Terms and Conditions, the Rules will be overriding.
- The Minerva SIPP is not an insurance contract.
- The Minerva SIPP cannot be used to contract out of the State Second Pension Scheme but can accept transfers of protected rights funds.
- The benefits payable under this contract may not be surrendered, commuted or assigned except as stated in these Terms and Conditions and as allowed under the Rules.
- InvestAcc Limited reserve the right to amend or supplement these Terms and Conditions from time to time upon 30 days' notice. We will explain the reason for any change.
- These Terms and Conditions shall be governed by and constructed in accordance with English law.

3. Your membership of the scheme

- By signing the application form for the Minerva SIPP you are agreeing to become a member of the scheme on these Terms and Conditions.
- You are accepting our Trust Deed and Rules, Key Features and Schedule of Fees.
- As a member of the scheme you can choose how the assets making up the value of your SIPP are to be invested. Benefits under your SIPP will be determined wholly by reference to the value of the assets and liabilities which are held in respect of your SIPP, including the balance on the SIPP bank account.
- Benefits held within your SIPP will represent a single arrangement, which will be treated as 1000 separate units. We may decide that it should be split into two or more separate arrangements or where we are required to set up one or more separate arrangements to receive transfers of already crystallised benefits or Protected Rights benefits.
- If you are under 18, your legal guardian must sign the application form for your SIPP on your behalf.

4. Contributions and Transfers

- If you are eligible, you and/or any other person may make contributions to your SIPP at any time. These may be single contributions or regular payments. Personal contributions are usually paid net of basic rate income tax and we reclaim that tax relief on your behalf and credit it to your SIPP.
- You are responsible for informing us if you are not entitled to tax relief on the whole or part of a contribution. Any sum reclaimed will not be available for investment until it is received from HMRC, which will normally take between 6 and 11 weeks from the date of your contribution. You are responsible for claiming any higher rate tax relief to which you are entitled. Any contributions paid by your employer will be paid gross.
- Subject to our agreement on each occasion and to any HMRC requirements, a contribution may be satisfied by a transfer to us of assets.
- If you make contributions to your SIPP which, with contributions to other registered pension schemes, are in excess of the amount on which you are entitled to tax relief, we may agree to repayment of the excess contributions to you, provided that sufficient monies are available in your SIPP and we are satisfied that any amounts due to be repaid to HMRC have been repaid out of your SIPP. If insufficient monies are available we may at our discretion dispose of assets to repay you or HMRC. If you have taken benefits under your SIPP or transferred out of your SIPP, you agree to indemnify and keep us indemnified in respect of any tax due to HMRC as a result of any excess contribution being paid.
- Unless you inform us otherwise, the pension input period for your SIPP will be from 6 April to 5 April each year
- Your SIPP cannot be used to contract out of the State Second Pension to receive minimum contributions from the National Insurance Contributions Office.
- Your SIPP can be used to accept a transfer in of Protected Rights benefits.
- It is your responsibility to ensure that a transfer of pension benefits is in your best interests. You should take independent advice from a suitably qualified adviser.
- In relation to investment instructions we will insist the transfer or contribution is cleared funds

5. **SIPP Bank account**

- Upon clearance, all monies in respect of ordinary pension benefits are deposited in the Newcastle Building Society individual pension deposit bank account.
- We will operate the bank account and will be authorised signatory.
- Any credit balance will attract interest at a rate following the Bank of England base rate, depending on the amount deposited. The interest rates are available on our website.
- The bank account may never be overdrawn.

6. **Investments**

- All investments are to be registered in your name and / or InvestAcc Ltd where appropriate as trustees of the Minerva SIPP and designated as an investment of your individual arrangement. Where possible nominee services are to be utilised or non-certificated holdings held.
- Any title documentation received will be treated in accordance with client asset regulations, held in a fireproof safe and audited on a six monthly basis.
- If required, we will instruct our designated stockbroker to purchase equities on behalf of your arrangement.
- We may dispose of any investment if it is our opinion that continued retention of the investment would be unlawful or would impose tax or other costs on us or expose us to liabilities, which in each case your SIPP may not be able to meet.
- We may dispose of any investment if we need to return any tax or any relevant part of a pension contribution.
- We may dispose of any investment if it is no longer a type allowed by HMRC.
- We may dispose of any investment in order to comply with a court order.
- We may dispose of any investment following your death in order to secure payment of benefits.
- InvestAcc Limited will not be responsible for any loss in relation to, or diminution in value of, any investment unless such loss or diminution results from fraud, wilful misconduct, negligence or breach of regulatory duty on the part of any employee of InvestAcc Limited.
- If you instruct us to we will action the sale or encashment of some or all of the investments within your SIPP as selected by you.

- The proceeds of any sale or encashment will not be reinvested until such time as cleared funds have been credited to the SIPP bank account.
- We will use all reasonable endeavours to execute any instructions we receive from you promptly. This is not always possible, so provided we do not act unreasonably then we will not be liable for any loss or profit forgone between the time the instruction was received and when it was executed.
- If any investment or property transaction is to be carried out between your SIPP and you or any person connected with you, then the transaction must take place at open market value.

7. Holding Property

- A Property Purchase questionnaire must be completed by you and forwarded to us.
- We may appoint solicitors and/or surveyors chosen by you to act for us. Stamp duty if applicable will be payable from your SIPP.
- As the owner of the property, we will make decisions that are necessary and reasonable and wherever possible consult with you.
- If borrowing is required, and you request, we will instruct the elected lender.
- If the property is subject to VAT, we will arrange to register your arrangement for VAT.
- If you request, we will arrange buildings insurance via our designated insurance broker. If you arrange the insurance cover, a copy of the insurance schedule is to be forwarded to us.

8. Borrowing

- All borrowing must comply with section 182, Finance Act 2004 and other legal or regulatory requirements.
- The borrowing must be arranged in the name of the scheme member and InvestAcc Limited and designated appropriately.
- We reserve the right to reject any proposed borrowings where repayments cannot be serviced by scheme revenue.
- In all circumstances the liability of InvestAcc Ltd for any proposed borrowings will be limited to the assets for the time being of the arrangement.

9. Transfers out and payment of benefits

- You can require us by written notice to transfer the value of your SIPP to another registered pension scheme at any time, subject to applicable legislation and HMRC rules.

- We will pay benefits out of your SIPP to you in accordance with the rules of the scheme and applicable HMRC rules at the time.
- Upon death, benefits will be paid to your nominated beneficiary in accordance with the scheme rules and HMRC regulation.
- We will transfer assets out of your SIPP in accordance with any court order.
- We will not pay benefits or make a transfer unless we receive the appropriate instructions and documentation from you or the appropriate person.
- We will not pay benefits or make a transfer unless we have received all fees due to us and liabilities have been satisfied.
- After satisfaction of all liabilities of your SIPP and transfer of all assets out of your SIPP or payment of all benefits under your SIPP, we will close your SIPP and you will cease to be a member of the scheme.

10. Valuation and reporting

- Once a year we will provide you with a fully reconciled annual review pack, which will include a formal valuation of your SIPP, calculated as at your review date.
- The formal valuation of your SIPP is based on totalling the value of your assets at the review date less the liabilities at that date. For these purposes the investments will be valued at the close of business on the last business day before the relevant review date. Where there are no published prices for an investment (for example property) it will usually be valued at its original cost price or last valuation where available.
- Where InvestAcc Limited is required by legislation or other regulations to value your SIPP at market value, we will arrange for the investments to be so valued. This will include the appointment of an appropriately qualified valuer in respect of unquoted investments and property. Where we need such a valuer, we will notify you in advance for confirmation of the valuer you wish us to use and agreement to the valuer's fees.

11. Agents

- You may authorise one or more persons (each an agent) to act on your behalf in relation to your SIPP.
- You may wish to appoint a financial adviser or an investment manager.
- We are entitled to assume that any agent remains authorised to act on your behalf until such time as we have written notice of the withdrawal of that person's authority.

12. Fees, Charges and expenses of your SIPP

- The fees and charges payable to us in respect of your SIPP are set out in our schedule of fees.
- All costs and liabilities, which we are entitled to charge to your SIPP, will be deducted from the SIPP bank account. If at any time the credit balance on the SIPP bank account is insufficient to cover all such costs and liabilities in full we may require you to pay an additional contribution and/or dispose of investments so that all amounts due can be paid.

13. Information and communications

- Communications to us from you must be made to us at the address set out in these Terms and Conditions. Any communication in writing from us to you or your agent will be sent to the relevant address provided in your application form until we are told by you that you or your agent would like communications sent to a different address.

14. Data protection and confidentiality

- We will take all reasonable measures to prevent the unauthorised or unlawful processing of your personal data and accidental loss or destruction of / or damage to, such data.
- We will comply with data protection principles set out in Part 1 of Schedule 1 to the Data Protection Act 1998.
- We may disclose information orally or in writing (including email) concerning you and your SIPP to any person authorised by you or required by law.

15. Tax provisions

- You are entitled to pay personal contributions to your SIPP net of basic rate income tax relief within the limits laid down by legislation. If you pay contributions in excess of these limits or if tax relief is not otherwise available, we may deduct from your SIPP an amount in respect of the excess relief and account for it to HMRC.
- The total benefits available under your SIPP and other pension arrangements combined are subject to the lifetime allowance, a figure set by the government. Any amount above this figure that has been accumulated within a registered pension scheme will, subject to any protection you have, be liable to a lifetime allowance charge. We will deduct any lifetime allowance charge from your SIPP as soon as you commence taking benefits where your accumulated crystallised pension funds exceed your personal lifetime allowance. You agree to us making such deductions as necessary after consultation with you or your agent. You also agree to provide us with such information necessary to calculate any lifetime allowance charge payable and agree to indemnify us

against any further tax charges that may arise further to that information being incorrect or failing to be provided.

- We may from time to time become liable to a scheme sanction charge in relation to your SIPP. A scheme sanction charge is a charge to income tax that becomes payable by us as scheme administrator when a scheme chargeable payment is made in accordance with the Finance Act 2004 and will be deducted from your SIPP. You agree to indemnify and keep us indemnified against any such scheme sanction charge, except to the extent that the scheme sanction charge is attributable, directly or indirectly, to any fraud, negligence, wilful default or breach of regulatory duty by us.
- Any VAT on external charges or expenses will be payable in addition to the charges and expenses unless the charge is in respect of property on which we have on your instructions opted to tax the property, in which case the tax should be recoverable.
- The tax charges mentioned are based on relevant legislation and may be subject to change.

16. Complaints

- You can address any complaints about our services, in writing, to the Compliance Officer, InvestAcc Limited, 21 Castle Street, Carlisle, Cumbria, CA3 8SY.
- If the matter is not dealt with to your satisfaction you can write to the Financial Ombudsman Service, South Quay Plaza, 183 Marsh Wall, London, E14 9SR.
- Making a complaint will not prejudice your right to take legal proceedings.

17. Variation and termination

- These Terms and Conditions will apply until you cease to become a member of the scheme or we amend these terms.