

PRIVATE AND CONFIDENTIAL

1st August 2016
Our Ref: NSA/Fee/

Dear ,

The Financial Conduct Authority (FCA) are introducing new Capital Adequacy requirements for SIPP Providers with effect from 1st September 2016.

Part of these requirements is to impose a higher levy on Pension Schemes which hold Non Standard Assets (NSA), as defined by the FCA. For SIPP Providers to meet this higher levy the FCA expect the Capital Adequacy requirements to be reflected in the SIPP charges.

Whilst all investments held under the Lifetime SIPP are permissible SIPP investments under the HMRC legislations the FCA has confirmed that NSA's include non regulated investments, unquoted shares and third party loans.

Our records show your SIPP currently holds NSA's and therefore to ensure we meet the FCA requirements we will be invoicing your SIPP for £300 + VAT to cover the costs and requirements to date, an invoice regarding this will follow by post shortly.

Your SIPP bank account currently holds sufficient funds to cover these fees and we will arrange for them, to be drawn on 31st August 2016.

The annual fees on your SIPP will also be increased by £300 + VAT p.a. with effect from your next SIPP fee renewal to cover future costs and requirements regarding the holding of your NSA investment(s).

If you do not wish to continue with your Lifetime SIPP due to the increase in fees you are able to transfer out to another pension provider. In order to action this we require the completion and return of our transfer out form prior to 31st August 2016 before the fee increase is imposed. Please note that the due to the potential illiquid nature of the NSA(s) within your SIPP the transfer of assets will likely need to be in specie and you must ensure the receiving scheme is happy to accept the NSA(s) in specie. Our standard Transfer Out in specie charge is £300 + VAT.

If you are unsure on how to proceed we recommend you seek independent financial advice from a suitably authorised adviser. If you do not have a financial adviser the following links may be of use when appointing one, www.unbiased.co.uk and <http://www.fca.org.uk/consumers/financial-services-products/investments/financial-advice/finding-an-adviser>. Please note that The Lifetime SIPP Company and our appointed administration company, Hartley SAS Limited, are not regulated to provide any form of financial advice.

Yours sincerely

The Lifetime SIPP Company Limited

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The Lifetime SIPP Company Limited is authorised and regulated by the Financial Conduct Authority (No. 464526)

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