

2010 Schedule of Fees

for the Suffolk Life SIPP (Deed Poll scheme)

**This is a legally binding document between you and Suffolk Life.
It is part of a set all of which should be read together:**

- » Key Features
- » Personal Illustration
- » Schedule of Fees**
- » Schedule of Allowable Investments
- » Terms and Conditions
- » Policy Provisions

SIPP

SUFFOLKLIFE
THE INTELLIGENT APPROACH

This document helps you understand the fees for establishing and administering a Suffolk Life SIPP. It also provides you with a comprehensive guide to all transaction costs, and answers frequently asked questions about our charges.

What you need to know at a glance

We believe the intelligent way to present our fees is with transparency and openness. We have nothing to hide and by listening to the needs of advisers, we know that some fee information is more important to you, and should be available at a glance:

1. What is the annual fee for administering the Suffolk Life SIPP?	£490 per year for the first pension entitlement
2. What is the cost of cash transfers in?	£0 where advisers meet our requirements (FAQ 3)
3. What is the cost of non-property investment purchase and sale transactions?	£0 – e-investment affiliates (see FAQ 7) £25 to £75 – others
4. What is the cost to establish each unsecured income or alternatively secured pension designation?	£155
5. What is the cost of an income withdrawal facility?	£155 per year

Detailed Schedule of Fees 2010 for the Suffolk Life SIPP

Please also see the frequently asked questions about fees (FAQs) which form part of this schedule of fees.

	Fee	When is the fee taken?
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Pension administration (FAQs 1-6 and 17-22)

» annual fee:	£490	in advance
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Contributions (FAQ 2)

» single contributions after establishment and variations to regular contributions	in Sterling £25 in Euros or US Dollars £100	upon completion of the transaction
» refund of contribution (where allowed)	£25	upon completion of the transaction

Transfers in – per transfer payment per plan (FAQs 3-5)

» in cash where your adviser fulfils our requirements	nil	
» in cash (per pension entitlement transferred)	£75 (max £300)	upon completion of the transaction
» in specie - basic fee (per pension entitlement transferred)	£100	upon completion of the transaction
- with transfers to an investment manager or fund supermarket account	additional £0	
- where investments to be held direct with the fund provider	additional £25 per holding	upon completion of the transaction
- where deeds of assignment are needed	additional £25 per deed	upon completion of the transaction
- where application forms and additional documentation from fund providers are needed	additional £25 per document	upon completion of the transaction
	max in specie transfer fee £300	

Transfers out (FAQ 1 and 6)

» in cash from the default SIPP bank account including where all investments are held by an e-investment affiliate and these have been sold	nil	
» in cash from the default SIPP bank account where investments held by a non e-investment affiliate have been sold	nil (transaction fees will apply)	upon completion of the transaction
» to an overseas pension scheme (must be treated as a crystallisation event). If in specie, this fee also applies	£155	upon completion of the transaction
» in specie – basic fee	nil	upon completion of the transaction
- where investments are held with e-investment affiliates	additional £0	
- where investments are held with non e-investment affiliates	additional £25 per holding	upon completion of the transaction
- where deeds of assignment are needed	additional £25 per deed	upon completion of the transaction
- where additional documentation from a fund provider is needed	additional £25 per document	upon completion of the transaction
	max in specie transfer fee £300	
» annuity purchase or processing of a death or terminal illness payment	nil	

No fees will be refunded in part or full when a transfer out is initiated. This includes but is not limited to establishment, annual and borrowing, property and income facility fees.

Detailed Schedule of Fees 2010 for the Suffolk Life SIPP (continued)

Please also see the frequently asked questions about fees (FAQs) which form part of this schedule of fees.

	Fee	When is the fee taken?
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Statements and valuations (FAQ 1)

» to prepare reconciled annual statement	included in annual fee	
» to prepare additional reconciled valuation	time cost min £100	upon completion of the transaction
» preparing and sending unreconciled statements of assets and liabilities	included in annual fee	

Income withdrawal (FAQs 5, 7 and 19)

» establishment of each unsecured income (UI) or alternatively secured pension (ASP) designation (per sub-plan)	£155	upon completion of the transaction
» annual income facility fee where income is taken (per sub-plan)	£155	in advance
» review of income limits	£155	Upon completion of the transaction

Investment administration (FAQs 8-11 and 20)

» investments made through an e-investment affiliate (FAQ 8)	nil	
» investments not made through an e-investment affiliate in UK authorised unit trust/ OEIC/shares/bonds/equities or insurance fund investments (per fund) (FAQ 8)	£25	upon completion of the transaction
» other investment transactions	£75	upon completion of the transaction
» establish or process transaction on an alternative deposit account	£25 streamlined £75 others	upon completion of the transaction
» connected party transaction - streamlined and stockbroker (or investment manager) transactions (stockbroker fees will still apply)	£75 per holding	upon completion of the transaction
» connected party transaction - manual transactions	principally time cost estimated at around £300 per holding	upon completion of the transaction

Property (FAQs 12-16 and 20)

» annual property facility fee (per pension plan per property)	£100	in advance
» purchase/transfer in specie acquisition fee	principally time cost estimated at around £1,700 to £1,900	upon completion of the transaction
» annual property accounting fee (FAQ 14) (only for properties partly owned by Suffolk Life)	principally time cost estimated at around £600	in arrears
» annual property management fee (FAQ 15) (only for properties wholly owned by Suffolk Life)	principally time cost estimated at around £700	in arrears
» additional annual fee for VAT elected properties (per property)	£150	in arrears
» sale or disposal	principally time cost estimated at around £600 to £800	upon completion of the transaction
» variation of proportion of property ownership	principally time cost estimated at around £500 to £700	upon completion of the transaction

Detailed Schedule of Fees 2010 for the Suffolk Life SIPP (continued)

Please also see the frequently asked questions about fees (FAQs) which form part of this schedule of fees.

	Fee	When is the fee taken?
Banking transactions and borrowing (FAQs 16 and 20)		
» day to day debits and credits (including BACS and cheque payments)	nil	
» CHAPS payments	£12	upon completion of the transaction
» creation of temporary overdraft facility	£35	upon completion of the transaction
» renewal of temporary overdraft facility (every 3 months)	£100	upon completion of the transaction
» establishment, variation, reduction or repayment of loan facility	time-cost	upon completion of the transaction
» annual borrowing facility fee per plan	£100	in advance

Please also see the frequently asked questions about fees (FAQs) which form part of this schedule of fees.

How does VAT apply to fees?

All of our above fees are currently exempt from VAT as the Suffolk Life SIPP is an insurance contract.

Frequently Asked Questions about Fees

Please note: references below to "we", "us" and "our" are to Suffolk Life Annuities Limited.

Pension administration

1. What is the annual fee for?

The annual fee includes the preparation of the reconciled annual statement, regular reconciliations during the year and fulfilling all regulatory requirements including all general communications. Where appropriate, the annual fee also covers any requests to transfer out or to facilitate annuity purchase, and processing a death claim.

No fees will be refunded in part or full when a transfer out is initiated. This includes but is not limited to establishment, annual and borrowing, property and income facility fees.

2. How do the fees for contributions work?

There are no fees for any contributions made at the point of the SIPP being established, whether they be single or establishing a regular contributions by Direct Debit.

Once the SIPP has been established, a separate fee applies to additional single contributions as well as any changes to existing regular contributions in place via Direct Debit.

3. How do the fees for the transfer in of cash benefits work?

If the adviser presents correctly completed discharge forms together with the SIPP application, and is prepared to chase the old pension scheme up to the point of the transfer being executed, no transfer fee will apply.

Alternatively if we arrange it we will charge £75 per transfer, and if handling multiple schemes transfers at the same time, this fee will be capped at £300.

4. How do the fees for an in specie transfer in work?

An in specie transfer is a more complex transaction for us to coordinate, and will also require the involvement of the adviser. Our costs will depend on how the assets are to be held. The in specie transfer fee is payable in addition to any property fees which are due if a property is transferred in specie.

5. How do you charge for the transfer in of partially crystallised funds?

In order to accept the transfer in of partially crystallised funds, a SIPP with a minimum of two plans must be established. One plan will receive all uncrystallised transfers and, under legislation, the other sub-plans (arrangements) receive the crystallised benefits. The sub-plans will be fully crystallised.

Normal full establishment and annual administration fees will apply to the SIPP. Each sub-plan containing crystallised benefits will attract fees for UI or ASP designation, and if income is being taken, annual income facility fees.

6. Do you charge for transfers out?

We do not charge for transfers out that consist solely of cash to a UK pension scheme (a transfer to an overseas pension scheme is chargeable as a crystallisation event). However we do charge transaction fees to disinvest assets to cash. No fees will be refunded in part or full when a transfer out is initiated. This includes but is not limited to establishment, annual and borrowing, property and income facility fees.

Fees for assets transferred out in specie are dependent on how the assets are held.

Crystallisation and income withdrawal

7. What are your charges for going into unsecured income (UI) or alternatively secured pension (ASP) for?

The UI or ASP designation fee covers the work required to reconcile and revalue the SIPP in accordance with legislation and then pay benefits.

If you choose to take income, an annual income facility fee will then be charged for each sub-plan from which income is taken in any year. This covers the administration of PAYE payroll, deduction of tax if required and making the appropriate returns to HMRC. Also included is the facility to vary the level and frequency of income payments.

Investment related fees

8. Why do you charge for transactions not made through e-investment affiliates?

Where an investment manager, broker or fund supermarket does not supply electronic data in a form acceptable to us, we must receive paper contract notes and manually enter these into our systems, hence the charge. A purchase and sale are regarded as two transactions.

9. Is a single authorised unit trust/OEIC or TIP application for two funds one or two transactions?

This will count as two transactions. When we complete an application form for a directly held unit trust, OEIC or insurance company TIP, we apply a transaction fee for each individual fund purchased or sold but we cap the charge at £75 so a single application for three or more funds will attract a maximum charge of £75.

Where investments are to be made for both protected rights and ordinary pension benefits, separate applications will need to be completed and fees charged accordingly.

10. Why are fees charged to set up some investment manager accounts and not others?

If you ask us to open an account with an investment manager with whom we have already been able to agree a global investment agreement, the account opening process is streamlined and so we do not charge an account opening fee. For other organisations we will need to enter into a manual multi-party investment agreement.

You can find an up-to-date list of organisations with which we have a global investment agreement on our website.

11. 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.

Property fees

12. How do you calculate fees for dealing with the purchase of property?

Our fee is principally time based reflecting time expended and the degree of responsibility involved.

13. How much will the solicitor and valuer charge?

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

14. What do you do for your property management fee?

We deal with all general property management issues including invoicing the tenant for rent, chasing any rent arrears, insuring the property on our block policy, invoicing the tenant for the insurance premium, making loan repayments and dealing with tenants' requests concerning matters such as assignments, underlettings and alterations. This fee is charged to the property account so where we wholly own the property on behalf of more than one SIPP plan it will be paid by each plan on a pro rata basis in accordance with the ownership percentage. This fee applies only to the properties wholly owned by Suffolk Life and not those jointly owned by Suffolk Life with another party. Property inspections are not included in the property management fee.

15. What do you do for your property accounting fee?

This fee does not apply when we wholly own a property on behalf of SIPP plan holders. Instead, it applies when we own a share of the beneficial interest in the property and the legal title is held by a nominee. The fee covers our time spent corresponding with the nominee, chasing the nominee for accounting information if necessary, receiving funds from and transferring funds to the nominee, reconciling the nominee's accounts, posting this information on our system and obtaining and recording details of the property insurance where the nominee insures or insuring the property where it has been agreed we will arrange the insurance. This fee is charged to the property account so where we own a beneficial interest in the property on behalf of more than one SIPP plan it will be paid by each plan on a pro rata basis in accordance with the ownership percentage.

Borrowing

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

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.

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.

General

17. Interest

Interest is payable at 2% above Bank of Scotland base rate per annum on overdue fees payable to us after 30 days.

18. When are fees due?

Fees and interest are automatically payable from your SIPP on the appropriate date.

Payable in advance

Annual fees are paid from your SIPP in advance on each subsequent anniversary of your plan.

The income facility fee, property facility fee and borrowing facility fee when applicable are payable in advance. The first property facility fee is charged from the time it becomes payable to the next anniversary on a pro rata basis.

Payable in arrears

The property management fee and property accountancy fee are taken in arrears.

All other fees quoted are paid from your SIPP on completion of each transaction.

19. Do your fees increase?

We may increase fees annually by a percentage not materially exceeding the percentage increase in the monthly National Average Earnings index (the NAE) over the previous year. If the NAE ceases to be published or if the calculation of the NAE 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 three months' notice where we amend or increase any fees by an amount materially exceeding the percentage increase in NAE.

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

Yes. Where the rate of interest earned by any SIPP bank account is less than the interest paid to the Suffolk Life group across all the accounts that the Suffolk Life group has with them, we will retain the difference.

We will also make arrangements for insuring, on our block policy, property held for your SIPP. If any income is earned by us in respect of such arrangements, we will retain it.

In certain circumstances we may also receive income from investment transactions (including transactions using Stocktrade) and the holding of investments by an investment firm (including those on the Cofunds platform).

21. Additional fees

We reserve the right to charge for additional services on a time-cost basis relevant to the expertise and seniority of our staff involved.

22. Is there anything else I should know?

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 charged to your SIPP.

In the event of a levy being made on us under the Financial Services Compensation Scheme or any levy or taxation being imposed on us or your SIPP under any statutory provision affecting the business of SIPP providers, operators, administrators or insurance companies, we may recover from your SIPP an amount equal to the proportion of such levy or taxation that we may reasonably determine. This will be on a basis similar to how the levy, tax, liability, charge or other payment has been calculated.

Explanation of terms

Corporate action	An event initiated by a public company or collective investment scheme that affects the securities issued by that company and requires a response from Suffolk Life
E-investment affiliate	A company with whom we're able to exchange information electronically, cutting out the need to manually handle paper
In specie	A transfer of assets in any form other than cash
OEIC	Open ended investment company
TIP	Trustee investment plan
Investment firm	A firm appointed by the plan holder to manage the investments within the SIPP on their behalf or act on an execution only basis
Crystallisation	The commencement of taking benefits from the plan
Connected party transaction	The process by which the SIPP plan can purchase assets directly from the individual

www.suffolklife.co.uk

Suffolk Life is the trading name of Suffolk Life Pensions Limited (registered in England and Wales number 1180742) and Suffolk Life Annuities Limited (registered in England and Wales number 1011674).

Both companies are authorised and regulated by the Financial Services Authority.

Suffolk Life Pensions Limited is the operator and scheme administrator of the Suffolk Life MasterSIPP.

Suffolk Life Trustees Limited (registered in England and Wales number 6341296) is the trustee.

Suffolk Life Annuities Limited is an insurance company that provides the trustee investment plans to the trustee to hold commercial property investments or into which protected rights benefits are to be invested.

The registered address of all companies is 153 Princes Street, Ipswich, Suffolk, IP1 1QJ, United Kingdom.

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Telephone calls to Suffolk Life are recorded for training, monitoring and fact verification purposes.

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