

**PENSION SCHEMES ACT 1993, PART X**  
**DETERMINATION BY THE PENSIONS OMBUDSMAN**

|                      |                                      |
|----------------------|--------------------------------------|
| <b>Applicant</b>     | Mr Luke Barnett                      |
| <b>Scheme</b>        | The Lifetime SIPP (the <b>Plan</b> ) |
| <b>Respondent(s)</b> | Hartley SAS ( <b>Hartley</b> )       |

**Subject**

Mr Barnett's complaint is that Hartley failed to properly administer the Plan. In particular he says that Hartley failed to flag the non-payment of rent in respect of Consort House (**the Property**).

**The Pensions Ombudsman's determination and short reasons**

The complaint should not be upheld against Hartley because they were not primarily liable for any loss to Mr Barnett. Much of the loss that Mr Barnett claims was not directly attributable to the failure to identify that the Tenant was not paying rent

## DETAILED DETERMINATION

### Material Facts

1. The Plan is a personal pension scheme established under trust in 2006. It has a slightly complicated history, material only insofar as is necessary to identify Hartley's role. The trust was originally established by Butterfield Bank Ltd as "the Provider" with a company then called Hartley SAS Ltd as the trustee. Hartley SAS Ltd changed its name to The Lifetime SIPP Company (**TLSC**) and in 2007 it became "the Provider" as well as the trustee. In March 2008 TLSC resigned as trustee to be replaced by the SIPP Trustee Provider Ltd (it is worthy of passing note that both companies shared their secretary and at least one director). In June 2008, Hartley (the present Hartley SAS Ltd) was party to a Deed describing it as the administrator of the Plan. I have seen a service agreement of 30 April 2008 between Hartley and TSLC.
2. The 2006 Deed, dated 17 January 2006, states (under Rule 26.7) that if the administrator so permits, a member may choose how contributions are invested.
3. Relevant sections of the June 2008 Deed, dated 23 June 2008, state:
  - Under Rule 4.2, that the administrator, Hartley, and the trustee, the SIPP Trustee Provider Ltd shall collect contributions (employer's and member's); any payments (e.g. tax relief) from HM Revenue and Customs (**HMRC**); any transfer payment in respect of Mr Barnett; and any payment in respect of life assurance for him.
  - Under Rule 8.2, the administrator and the trustee shall ensure that the contributions payable are received; make arrangements for the payment of benefits; ensure that proper membership and financial records are kept; if the Plan is wound up to apply all its assets in discharge of its liabilities; and ensure that the Plan is registered with HMRC and the Pensions Regulator.
  - Under Rule 9.2, neither the administrator nor the trustee is responsible, chargeable or liable, for any loss or depreciation of or default upon any of the investments or bank or other deposits, in which the Plan or any part of it may at any time be invested. The exception to this is if there was wilful default by the trustee or neglect, in the case of a corporate trustee which is engaged in the business of providing trustee services for a fee.

4. Mr Barnett joined the Plan, in effect establishing his own self invested personal pension arrangement in 2008. An application form to set up the Plan, dated 31 January 2008, was completed by Mr Barnett. It read:

"I have read the leaflet "The Lifetime SIPP" (TLSC-601) and hereby apply to **The Lifetime SIPP Company Ltd (TLSC)** to become a member of the Lifetime SIPP and agree to be bound by the scheme's Trust deed and Rules. I confirm that, to the best of my knowledge, the information provided on this Application Form and the accompanying Contribution Form is correct.

...

In return for the services to be provided by TLSC, I agree that TLSC may deduct from my fund the charges set out in the leaflet and such charges as I have agreed with CEDAR HOUSE FINANCIAL SERVICES LTD [*this was manually written in*] and may realise any of the investments held for my benefit in order to pay their fees and any third party costs/fees relating to those investments or advice I receive in respect of this arrangement. TLSC is also authorised to seek information from any third party necessary to establish this arrangement.

I hereby appoint CEDAR HOUSE FINANCIAL SERVICES LTD [*this was again manually written in*] as investment managers for the purposes of the Lifetime SIPP and fully understand and agree that in all circumstances I am solely responsible for all decisions relating to the purchase, retention and sale of investments held under the SIPP for my benefit. I agree to fully indemnify **[TLSC]** and Butterfield Private Bank as provider of the SIPP [it will be seen from the dates above that this was an error] against any claim in respect of such decisions."

5. Leaflet 'TLSC-601a Apr'07' under headings 'The Complete Lifetime SIPP' and 'Why The Lifetime SIPP Company' stated:

"As you would expect, the service we provide automatically includes such items as up to two free summaries each year...In particular, we are highly experienced in property purchase and can guide you through the process (a fee will apply for all property purchases and for on-going administration).

...

The Lifetime SIPP Company Ltd (TLSC) is the trustee and administrator of The Lifetime SIPP. We are a specialist in this area, working with professional partners in order to provide a bespoke service to those clients requiring pension fund management and reporting.

...

**Self invested pensions allow you to invest in a wide range of assets.** But more importantly, they put you in total control over the way your money is invested, managed and then returned to you."

6. Leaflet “TLSC-601ew – Sept’08” contains the same wording under the heading ‘The Complete Lifetime SIPP’. Under the heading ‘Why The Lifetime SIPP Company’, it says:

“The SIPP Trustee Provider Limited is the scheme trustee and in conjunction with The Lifetime SIPP Company Ltd they have by a Service Agreement delegated the day by day administration of the SIPPs to Hartley SAS Ltd. Hartley SAS Ltd is responsible for collection of all fees for The Lifetime SIPP Company Ltd.”

Under the heading ‘The Lifetime SIPP: investment options’ it says:

**“As you would expect, The Lifetime SIPP offers planholders a remarkable high level of investment control over the range of investments held, subject to statutory limitations.”**

7. An invoice of the fees for the Plan from Hartley dated 21 January 2008 address to Mr Barnett includes a one-off property purchase fee and a first year property administration fee. On the invoices for subsequent years no charges have been made for property administration.
8. The ‘AGREEMENT FOR SERVICES’ mentioned above between TLSC and Hartley, dated 30 April 2008 (the **Agreement**), sets out in schedule 1 the services provided by Hartley under the Plan (see the Appendix to this determination).
9. The Property is an asset of the Plan and was leased to Alpha Crown and Bridge Ltd (the **Tenant**), apparently arranged by Mr Barnett, as from September 2009.
10. The landlord named in the lease of the Property was The Lifetime SIPP 20157 Ltd (the **Property Company**). I understand that the Property Company’s sole purpose is to act as a “Special Purpose Vehicle” holding the title for the property assets on trust for the Plan. The Property Company has no bank account in its own name and neither receives income nor incurs expenditure. All payments in connection with the property are channelled through the main bank account of the Plan.
11. On 2 September 2009 Hartley wrote to Mr Barnett enclosing a letter from The Royal Bank of Scotland (**RBS**), who held the Plan’s bank account, which stated that a rental cheque for £570 had bounced. They said that they would let him know “if this cheque is declined again”.

12. Rental payments of £1,083 were made by the Tenant on 14 September 2009, 22 September 2009, 15 October 2009, 9 December 2009, 21 December 2009, 29 March 2010 and 22 October 2010. However, as explained later, Mr Barnett did not receive bank statements during this time or subsequently and so was unaware of the amounts paid and unpaid.
13. In April 2012 Mr T, the Tenant's controlling director, informed Mr Barnett that the Tenant was in difficulties and wanted to be released from the lease.
14. Mr Barnett says that he telephoned Hartley and spoke to a member of staff, Ms E, and asked for confirmation that all was in order with regard to the Plan and the rent on the Property. He says that Ms E informed him that everything was normal as far as the SIPP was concerned. He also says that he asked Ms E for an updated 'state of affairs' for the SIPP, but received nothing.
15. Mr Barnett appointed Mr M of Messrs L P & M Property Managers to liaise with Mr T to facilitate the Tenant's exit from the lease. Mr T failed to keep any appointments with Mr M and Mr Barnett discovered later (on 30 October 2012) that the Tenant had abandoned the Property. Mr Barnett says he had previously assumed on the basis of Ms E's assurance that the rent was still being paid.
16. On 28 November 2012, Mr K of Cedar House Financial Services Limited (**Cedar House**), Mr Barnett's financial advisers, sent Hartley an email enclosing a copy of an email from Mr Barnett and advising Hartley to put their PI insurers on notice, put in place an immediate investigation into what had happened, and provide Mr Barnett and himself with their proposals for making good Mr Barnett's losses.
17. On 4 February 2013, Hartley wrote to Mr K stating that their investigation had confirmed that they were not property managers. They said that at no point had they stated they were, or had they acted in a way that they could construed to be, the property managers for the Property. They said it was their understanding that Mr Barnett was in full control of the property management. They pointed out that at the time the Plan was established an account was opened with RBS Bank and Mr Barnett was provided with a bank mandate that both he and Hartley signed. The mandate stated that bank statements would be sent to Mr Barnett's home address. Therefore, they said, Mr Barnett should have received quarterly statements. They said that the Property Company had taken action against the

Tenant for the rent arrears, and confirmed that there was a guarantor under the terms of the lease that they would pursue if required.

18. Following a meeting on 17 April 2013, Hartley wrote to Mr Barnett on 3 May 2013 stating:

“[TLSC] conducts its business through the Independent Financial Adviser Network. TLSC does not receive ‘non-advised’ business. The Independent Financial Adviser (“IFA”), elected by the individual to act on their behalf, should undertake due diligence on all SIPP Providers and recommend the most appropriate SIPP provider that meets the client[']s needs. When TLSC is selected by a client all documentation (regarding the SIPP) is made available to the IFA. It is the duty of the IFA to explain the SIPP and any associated risks to the client. It is not the obligation of TLSC.

...

#### **Bank Account**

...

In 2008 the standard practice adopted by RBS was to send [Hartley] bank statements in the name of the SIPP client, to retain for the records. Receipt of RBS Statements in this manner was a regular occurrence and would not have prompted any suspicion that you were not receiving your own copy. In 2009 RBS changed the way they addressed their bank statements with [Hartley] becoming the addressee. Again, there was no reason for TLSC or [Hartley] to think that you were not receiving bank statements direct.

#### **Rent Receipts**

[Hartley] has no record of any contact with [the Tenant]. [Hartley] did not enter into any negotiations with [the Tenant] regarding the tenancy agreements that were put in place. [Hartley] did not set up the collection of rental payments. This is not part of the remit of [Hartley] and we did not accept any instructions to deviate from our current practices.

Our records show you were aware of the [Plan's] bank account details. This was confirmed to yourself via an email from [Ms K] on Monday 11th November 2008 at 10:43 which contained all of your [Plan] bank details (copy attached). This e-mail is further evidence of having been made aware that it was your responsibility to procure the payment of rent into the [Plan], not that of TLSC or [Hartley].

The rent deposit was drafted by your solicitor, Carpenter Rose. [Hartley] received this on 6 November 2009.

[Hartley] signed the full lease that was drafted by your solicitors, Carpenter Rose, on 20 August 2009. The copy that was signed by [Hartley] was missing the start dates and the tenant signatures. The final completed lease was not returned to [Hartley]. We understand

that it is usual practice for solicitors to produce counterpart documents and we are not aware whether the tenant signed the same copy as [Hartley] or a counterpart copy. The lease is the responsibility of Carpenter Rose. [Hartley] were not informed that the lease started on 5 February 2010.

### **Reporting by [Hartley] to Mr Barnett**

[Hartley] has a duty to produce a Statutory Money Purchase Illustration ("SMPI") on an annual basis. This is contained in the legislation that [Hartley] and other SIPP providers must adhere to. Our records display that you were sent your annual SMPI statements.

Details of [Hartley's] charges are available at any time to clients and IFA's. The client's financial advisers should explain what services are offered for [Hartley] and what charges will be incurred for the services. The Financial Services Authority (now known as The Financial Conduct Authority) expects this to be part of the recommendation process of IFA's. This information should have been provided to you by his IFA.

[Hartley] has internal IT systems which allow for a Scheme Summary to be produced at any time at the request of a client's IFA. It is the duty of the IFA to request a Summary – they are not automatically sent to the IFA/client. This is a tool designed to assist IFA's in conducting regular financial reviews with their clients. [Hartley] cannot give advice to clients, only regulated individuals and companies can do so. It is not the job of [Hartley] to give advice. These reports will detail the overall position of the SIPP and, very importantly, display every transaction that has occurred on the RBS SIPP Bank Account. It is the duty of the IFA and the client to then report any apparent discrepancies to [Hartley], who will then investigate.

...

It is very clear that [Hartley] do not charge for Property Management Services. The average fee undertaken by property managers can range from anywhere between 5% and 10% of your gross rental income for a basic service, to 15% or more for a full management service. An extremely conservative estimate of a 5% property management fee based on the £13,000 per annum expected rental return comes to £650 per annum excluding VAT. In previous correspondence and within this letter we have detailed some of the administrative work we carry out on your SIPP. Our charges for these services per annum is £760 excluding VAT. There is no strength to claim that these invoices inferred [Hartley] was operating as a Property Manager.

...

### **Claim**

**It follows from the above and the points made in Weightman's letter dated 21 March 2013, that your claims are considered to be misguided and ill-founded. It was a matter for you to ensure that the rent was collected from**

**the tenant and paid into the SIPP bank account. Any loss of rent is due to the failure of the tenant to pay and does not stem from any negligence on the part of [Hartley] or TLSC.**

**Further, even if there were any substance to the claims (which there is not), there would have been a considerable period of loss of rent in any event whilst you pursued the tenant for the arrears and then ultimately sought their eviction from the property.”**

19. On 17 June 2013, RBS wrote to Mr Burchell, Mr Barnett’s representative, apologising for the fact that a request for an additional bank statement to be sent to Mr Barnett’s home address was never set up on their records. RBS said that this was why Mr Barnett had not received any additional statements since 2008. They noted that Mr Burchell had advised them that he could not explain why Mr Barnett had not raised this with them since 2008. They also said that Mr Burchell had advised them that Hartley had been receiving bank statements and that he was investigating why it had not been identified that rent payments were not being received into the account, which in total amounted to £50,000. They confirmed that their records had now been amended and additional statements of accounts were posted to Mr Barnett at his home address.

#### **Summary of Mr Barnett’s position**

20. His complaint is Hartley’s failure to have properly administered the Plan through not flagging the non-payment of rent by the Tenant. This is what he expected from Hartley and was what they had done with the Tenant’s earlier rental and rent deposit cheques when they bounced in 2009.
21. Hartley’s literature does not define “total control” and does not elaborate on “managed”. Indeed, the reason for having a SIPP administrator is to ensure that the client’s SIPP functions and actions are managed and controlled in line with FCA and HMRC guidelines, whereby the client is prohibited from having total control. Had he had total control of this matter, he would not have arrived at this situation in the first place.
22. The nomination of Cedar House as investment managers was not entered onto the application form by either him or Cedar House. The investment adviser section of this form was sent blank to Hartley. Cedar House are IFAs and wealth managers, and not property managers. The reason why Cedar House recommended Hartley for administration of the Plan in the first place was



because the arrangement related exclusively to a property transaction, and the ongoing administration of the property.

23. Rent collection is a property administration matter. Hartley failed to report the lack of rent payments on the Property.
24. The invoice for fees from Hartley dated 21 January 2008 shows a fee for 'first year property administration fee'. He relied on that statement and he was entitled to do so.
25. No SMPI statements were received until requested sometime after the Plan was set up and even once these were sent out, they did not give any accurate information about the financial state of the Plan. In fact, the only document issued by Hartley detailing the financial state of the Plan was issued in May 2009.
26. Once he became aware of non-payment of the rent on the Property, despite repeated requests to Hartley, it took them until 2013 to issue the next financial statement.
27. He says that she spoke to Ms E who confirmed that everything 'was normal'. Hartley ought to have had a record of this conversation.
28. If Hartley first realised that there was a lack of rental income on the Property when Cedar House complained in November 2012, this exposes their "complete and utter" lack of administration of the Plan.
29. The Agreement is dated 30 April 2008 but the Plan was set up in February 2008. He is unable to trace ever receiving this document.
30. Leaflet TLSC-601a Apr'07 does not contain a full detailed explanation of fees, but such details as it does contain make it quite clear that property administration is undertaken and charged for.
31. When he attended the Property on 30 October 2012, he discovered that the Tenant had 'trashed' the Property and disappeared. He says that the total loss to his SIPP is £54,031, made up as follows: £42,237 (39 months' rent at £1083 per month) plus £5,792 (renovation required to the Property) plus £6,002 (legal fees incurred).
32. If Mr Barnett had been alerted by Hartley at an earlier stage that no rent was being paid, he would have cancelled the tenancy, removed the Tenant, and

probably would not have lost no more than one year's rental income and the damage that occurred to the property would not have occurred.

### **Summary of Hartley's position**

33. The FCA expects the thorough due diligence of all SIPP providers to be completed by an IFA. They are extremely transparent in the services they offer. Mr Barnett states that Mr K has his own SIPP administered by them that contained commercial property. Cedar House had all information on their services to fully brief Mr Barnett of their services.
34. Three cheques dated 12 August 2009 one for £570 and two for £1083 each from the Tenant was received via Cedar House on 24 August 2009.
35. The application form states "I have read the leaflet "The Lifetime SIPP (TLSC-601)" (annex 2). Within the leaflet it notes that "Self invested pensions...put the planholder in total control over the way money is invested, managed and then eventually returned". Throughout the full application process they have only carried out instructions that Mr Barnett or Mr K have instructed them to do.
36. The Property was purchased on the instructions of Mr Barnett. Neither they nor TLSC are property managers. This task is undertaken by Mr Barnett or he can elect to appoint professional property managers. At no point have they promoted any services that could be construed as property managers.
37. Mr Barnett instructed his own solicitors to complete the purchase of the Property on behalf of the Plan.
38. The client invariably takes full control of all stages of the property purchase. This includes the selection of a suitable tenant. With any investment there are risks involved. The role of the IFA is to ensure the client is aware of all risks with any recommended investment. This includes property purchases. When the risks of an investment materialises it is not the fault of the pension administrator.
39. They have no record of any contact with the Tenant. They did not enter into any negotiations with the Tenant or evaluate the credit worthiness of the Tenant. They did not set up the collection of rental payments. This is not part of their remit and they did not accept any instructions to deviate from their current practices.

40. They have a Ms E working for them but she does not work on the SIPP side of the business and would not have engaged with SIPP clients. She would have had no knowledge of the status of rent collection and would have made that clear if asked. To complete the task that Mr Barnett states was requested, the administrator would have to log into the client's records on their computer systems. Every time an administrator enters a client record it leaves an electronic footprint. There is no footprint to indicate such an event. They have no record of contact by Mr Barnett or a request for work to be completed.
41. They first became aware of the complaint via Mr K on 28 November 2012. They undertook an investigation into the complaint. The majority of the correspondence has been through Mr Burchell. Throughout the process, they received mixed messages from Mr Barnett how they should be responding.
42. RBS have admitted that it was their fault that Mr Barnett did not receive bank statements. The fact that the complaint was upheld by RBS and Mr Barnett's admission that he would have noticed the non-payment of rental payments if he had been receiving the bank statements contradicts the claim against them.
43. TLSC uses the application form along with supporting documentation to obtain the client's agreement to their charges and the services offered in return. The statements that Mr Barnett has agreed to within the application form, along with confirmation that he had read key documentation amounts to his agreement to their fees.

## Conclusions

44. Mr Barnett says that his complaint against Hartley is their failure to administer the Plan properly and to flag non-payment of rent by the Tenant on the Property. However, apart from Hartley's alleged failure to inform him that rental payments from the Tenant had stopped, he has not mentioned any other areas where Hartley have failed to administer the Plan properly.
45. The services provided by Hartley are set out in the Agreement. Mr Barnett says that the Agreement is dated April 2008, but he had set up the Plan in February 2008. At that time TLSC was the trustee and there was no designated administrator other than the trustee. Mr Barnett's rights under the SIPP are derived from his capacity as a beneficiary of the trust, and under my office's jurisdiction, he can look to the trustee or any person to whom the trustee may

delegate administration for those rights. He is not a party to the Agreement, though it may be regarded as identifying where Hartley's liability stops and that of the present trustee starts.

46. The Agreement states under section 4, 'Cash Management and Accounting', that Hartley will maintain the bank account for the Plan which includes receipt of regular, special, voluntary and death in service contributions. There is nothing in the Agreement about collection of rental payments. However, as the rental payments were being paid into Plan's bank account they would be part and parcel of the service in maintaining the bank account. These payments would have been visible to Hartley from the quarterly statements they were receiving.
47. Mr Barnett says that Hartley were the property managers for the Plan and refers to the invoice of 21 January 2008 which shows a fee for 'first year property administration fee'. However, subsequent invoices do not show a fee charged for property administration. The 2008 invoice also shows a fee for a one-off property purchase fee. The fact that the administration fee does not appear on the invoices for subsequent years leads me to the conclusion that this fee was for the administration cost associated with the purchase of the Property.
48. Hartley say they are not property managers for the Plan. They say that either Mr Barnett should have been undertaking this task himself or have appointed a professional property manager.
49. Hartley certainly was not managing the property, as they say. But they were maintaining a bank account as part of their administration services, and those would have included alerting Mr Barnett to potential irregularities if Hartley saw them.
50. What Hartley may mean, in saying they are not property managers, is that if someone had been managing the property properly, the situation would not have arisen. That would be true – and I think it should also have been clear to Mr Barnett that he needed to arrange the management of the Property or deal with it himself.
51. Mr Barnett says that in the past Hartley had flagged the non-payment of rent by the Tenant and expected them to continue to do this. The occasion Mr Barnett is referring to was in 2009 when rent deposit cheques from the Tenant bounced and Hartley informed him of this. The Tenant's cheques in 2009 were the initial

rental payments, but subsequent payments were by BACS. A bouncing cheque would have been much more obvious (because the bank would have returned it) than non-payment by BACS, so it would not have been safe for Mr Barnett to assume from the 2009 events that he could rely on Hartley if there were future failures.

52. In addition, Mr Barnett should himself have been receiving bank statements, and it was not through any fault of Hartley that he was not.
53. So, while I think that Hartley should have realised that there was a problem, I do not find that they are primarily liable for any loss to Mr Barnett. I do not think that the content of the disputed phone conversation with Ms E affects that, even if as described by Mr Barnett.
54. If I had found that Hartley were liable in whole or part, the loss Mr Barnett is claiming is loss of rent for 39 months, renovation of the Property and legal fees incurred. There is nothing to show that if it had been noticed earlier that the Tenant had stopped paying rent, the 39 months of rental income claimed by Mr Barnett would have been paid, or that they would have been replaced by a new tenant.
55. Similarly, Mr Barnett would have incurred the legal fees whether or not Hartley had alerted him earlier.
56. Mr Barnett says that if Hartley had alert him earlier to the fact that no rent was being paid he would have removed the Tenant and no more than one year's rental income would have been lost. While I agree that it might have been possible to reduce the loss if the non-payment had been identified earlier, even if Hartley had been liable, much of the loss that Mr Barnett claims was not directly attributable to the failure to identify that the Tenant was not paying rent.
57. I do not uphold Mr Barnett's complaint.

**Tony King**  
Pensions Ombudsman

20 October 2014



## Appendix

### SCHEDULE I

#### The Services

Hartley will be responsible for the provision of the following services in accordance with the Service Standards:-

#### 1. Records

1.1 Maintenance of copies of appropriate SIPP documentation including Trust Deed and rules, explanatory material, Trustee/employer working practices and other documentation relevant to the orderly administration of each SIPP and making all such documentation freely and promptly available to the Client [TLSC]

1.2 Maintenance of individual records for all SIPPs to include:-

- 1.2.1 relevant personal details excluding nomination beneficiary details
- 1.2.2 contribution history and basic reasonableness check
- 1.2.3 allocation of contributions between investment media funds operated
- 1.2.4 salary and earnings history records updated annually
- 1.2.5 record of benefits transferred from prior employments/pension arrangements
- 1.2.6 additional benefit records including individual member benefit augmentations and historic benefit guarantees and existence of retained benefits as required
- 1.2.7 recording of benefits paid

#### 2. Calculations of Benefit payments

2.1 Hartley shall undertake following the receipt of the information required to do so the calculation, quotation and administration of disbursement of relevant benefits for the member

2.2 Individual transfers-in

- 2.2.1 collation of relevant information
- 2.2.2 preparation of summary of benefits for member
- 2.2.3 recovery of transfer payment

#### 3. Benefit Statements

Production of issue of yearly benefit statements for active and deferred members in a standard format

#### **4. Cash Management and Accounting**

4.1 Maintaining the Trustee's Bank Account in keeping with the Trustee's Financial Management Policy including:-

- 4.1.1 receipt of regular special and voluntary contributions, contributions for death in service benefits and/or expenses being paid in addition to those relating to member funds
- 4.1.2 disinvestment of assets to meet outgoings in accordance with pre-agreed protocols
- 4.1.3 drawing and issuing of payments for all outgoings
- 4.1.4 reconciliation of units held by investment managers with units shown on records for total unit holding
- 4.1.5 maintenance of computerised cash book
- 4.1.6 production of the annual trustees tax return and the form I (SF) or any successor form

#### **5. Administration Reporting Service Standards and Compliance**

- 5.1 Attendance at a monthly administration/management meeting
- 5.2 Production of a monthly administration report
- 5.3 Hartley will disclose on request to the Client or their professional advisors such information as they may reasonably require to carry out their duties
- 5.4 Hartley will inform the Client of any circumstances of which it is aware giving rise to a material breach of Regulations including
  - 5.4.1 non payment of funds within the required timescales
  - 5.4.2 late production of the trustees report and accounts
  - 5.4.3 breaches of the disclosure requirements as required under the Pension Act 1995 or any other legislation governing disclosure
- 5.5 In addition to the regular report a business plan will be maintained and updated regularly. This will set out the timing and responsibilities in relation to major SIPP events, projects and deadlines



**6. Insurance Data**

Annual production of data in respect of active contributing members for death in service insurers and assistance with the underwriting process information regarding late entrants to be provided to Hartley promptly

**7. HMRC**

Dealing with HMRC in relation to each individual SIPP over tax returns and contracting out pension issues as required

**8. Guide to Administration**

Production of a guide to administration for the use of nominated personnel

**9. Trustee Secretarial Services Where Applicable**

- 9.1 Arranging the dates of trustee meetings, location and time, co-ordination of this process with all trustees and other professional advisors to the various SIPPs
- 9.2 Preparing the meeting agenda based on input from other professional advisors, the trustees and other relevant parties
- 9.3 Obtaining all papers required for the meeting and issuing in advance to all attendees
- 9.4 Attending and preparing minutes of each trustee meeting, issuing draft minutes to all relevant parties
- 9.5 Producing final minutes and issuing to all relevant parties
- 9.6 Acting as a liaison point for the trustees on agreed trustee discretionary issues that may arise from time to time

**10. Additional Services**

The provision by Hartley of Additional Services shall be subject to the prior written agreement of the parties as to the provision and extent of such Additional Services and the remuneration therefore payable by the Client