

Alliance Trust Full SIPP

Member's guide to property transaction fees (from 1 June 2009)

1 Purchase, sale (or in-specie transfer) of property

The fee for purchasing or selling a UK property (or for an in-specie transfer of a UK property) is £600, payable on completion. In addition, all the expenses of the transaction, i.e. legal and any other professional fees and disbursements, etc., must be met by the fund.

Borrowing is charged separately (see 4 below).

For transactions involving more than one member, this fee will be increased by £100 for each additional member, with a cap of £1,000 for five or more members.

If a property is jointly owned with non-members of the Full SIPP then there will be an additional fee of £500. This additional fee also applies if the Full SIPP owns a property jointly with the member.

Additional charges may apply in certain cases – see notes below.

Auctions: If the property is to be purchased at auction then there will be a fee of £250 if the purchase does not proceed. If the purchase does proceed then the fee will be as shown above.

This will also apply to in-specie transfers with existing borrowing.

All the expenses of borrowing, i.e. legal fees, lender's fees and any other professional fees and disbursements, etc., must be met by the fund in addition to our fees.

If an existing loan is refinanced then there will be a one-off fee of £250 for dealing with this.

5 Property insurance administration

The property will normally be insured under our block insurance policy, in which case the cost of the insurance cover will be met by the fund and there will be no property insurance administration fee.

If, however, the member does not wish to insure the property under our block insurance policy but, instead, wishes to make alternative insurance arrangements then the alternative cover will need to be comparable to that provided under our block insurance policy. In these cases, there will be an annual property insurance administration fee of £100 for checking that the terms of the cover satisfy our requirements.

2 Property administration

There is an annual property administration fee of £350, payable on completion and on each subsequent anniversary.

This property administration fee covers, amongst other things:

- the work we need to carry out to maintain our records relating to the property.
- general queries from members/property managers relating to the property.
- transfers to and from the member's SIPP bank account relating to the property.

A professional property manager must normally be appointed to manage the property and all the expenses of managing the property must be met by the fund in addition to our fees.

Any work relating to property management problems (e.g. tenant disputes, environmental/contamination matters, non-standard lease variations, etc.) and issues relating to joint ownership of property (e.g. allocation of a property/mortgage between more than one member, reviewing member agreements, etc.) will be charged on the basis of our time charges.

6 New leases/lease renewals

There will be a one-off fee of £250 for each new lease granted and for the renewal of an existing lease.

7 Development/refurbishment

If the property is developed or refurbished then there will be a one-off fee for dealing with this, based on our time charges. A fee estimate will be provided when full details of the development/refurbishment have been provided.

8 Meetings and technical information

We will be pleased to attend meetings and/or provide technical information in relation to any existing or proposed property investments. The fee for this, and for any other work not covered above, will be based on our time charges.

3 VAT registration

If the property is to be registered for VAT then there will be a one-off fee of £100 for registering the property for VAT and an additional VAT administration fee of £50 per quarterly VAT return.

Notes

All fees are subject to VAT.

Additional fees will apply in respect of any non-standard matters, e.g. high value or complex transactions, any work relating to contamination or environmental issues, etc., and any associated third party fees, outlays and disbursements.

If a property transaction is aborted then a fee will be charged for the work completed based on our time charges.

Alliance Trust Savings Limited has the right to vary these charges from time to time on giving notice to you.

The fees set out above relate solely to Alliance Trust Savings Limited's fees. Additional fees may be charged by lenders, professional advisers, etc.

4 Borrowing administration

If a loan is taken out to finance the property purchase/development then there will be a one-off fee of £250 for setting-up the loan and there will also be an additional annual loan administration fee of £100.



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