



The Xafinity Self Invested Personal Pension (SIPP) and SimplySIPP

Basic Funds Key Information



If you require this document in another format for ease of reading, please let us know.

Important

This document gives you important information about Xafinity Basic Funds when used as part of the Xafinity Self Invested Personal Pension (SIPP), [incorporating the SimplySIPP](#). Please read it carefully and keep it with other documents for your SIPP.

What are Xafinity Basic Funds?

- Not everyone wants to actively manage all of their investments all of the time. We have therefore arranged for a number of fund managers to provide a selection of their unit trusts and Open Ended Investment Company (OEIC) funds to members of our Self Invested Personal Pension (SIPP). Because these funds are managed by professional fund managers, you don't have to manage them yourself.
- Unit Trusts and OEICs are pooled investments, which means that your funds are pooled with those of other investors for investing in a wide range of assets. Your share of the fund is determined by the number of units or shares you hold in the funds.
- The funds available include one fund from each of a number of different investment sectors. Most of these funds are index-tracking funds. This means that the fund manager aims to match the returns of a specified index, such as the FTSE All Share Index. We have also included some funds covering sectors where index-tracking funds are not generally available.
- These index-tracking funds allow you to invest in different sectors of the market where the focus is on general market exposure rather than selection of a specific fund manager in that sector.

Its aims

- The aim of these funds is to provide you with a straightforward investment for your SIPP assets where you do not need to actively manage the investments yourself.

Your investment

You can choose what to invest in and when. The following table shows the sector choices available to you and the corresponding Basic Fund in which you can invest. The funds marked with an asterisk (*) are index-tracking funds.

Sector	Fund
United Kingdom Equities	L&G UK Index Trust*
European Equities	L&G European Index Trust*
International Equities	L&G Global 100 Index Trust*
North American Equities	HSBC American Index Fund*
Japanese Equities	HSBC Japan Index Fund*
Pacific Basin Equities	HSBC Pacific Index Fund*
United Kingdom Fixed Interest (Gilts)	L&G All Stocks Gilt Index Trust*
United Kingdom Ethical Equities	L&G Ethical Trust
United Kingdom Money Market	L&G Cash Trust
United Kingdom Property	Norwich Property Trust

The HSBC funds are sub-funds of the HSBC Index Tracker Investment Funds OEIC.

Xafinity may sometimes change the funds available.

Holding your money: Norwich Property Trust Fund Rebates

When you invest in the Norwich Property Trust Fund you will receive rebates on the annual management charge at quarterly intervals.

This is paid by Norwich Union Funds Limited as a single payment to an account in the name of Xafinity held with Bank of Scotland PLC and then distributed to individual SIPP accounts. For the time that it is held in the account, this payment is treated as 'client money'. However due to the short time it is held in the account no interest is earned either by you or us. By completing the Basic Fund Application you are consenting to us holding any such payments in this way.

Our 'client money' account is separate from Xafinity's own accounts and is held with the Bank of Scotland. If the Bank of Scotland is unable to meet its liabilities, your account will be covered by the Financial Services Compensation Scheme. This Scheme pays 100% of the first £85,000.

Frequently Asked Questions

How do I invest in Xafinity Basic Funds?

The Xafinity Basic Funds are available to members of a Xafinity SIPP. If you do not already have a Xafinity SIPP, you will need to apply to Xafinity for a plan before investing. You should consider obtaining advice from an Independent Financial Adviser first to see whether these would be suitable for you.

Once you have a Xafinity SIPP, you can apply for Xafinity Basic Funds by requesting a Basic Funds application pack and completing the application form it contains. You will find contact details for our SIPP team at the end of this document.

The fund manager(s) will not open an account until funds are available. Investments are made by direct credit from your Xafinity SIPP bank account into units or shares in the chosen funds. You cannot make payments directly to the fund manager.

Who will administer Basic Funds?

The Basic Funds will be administered by the relevant fund manager.

We have arranged for you to invest in these funds but we will not be involved in providing the investment services. The funds will be provided and administered by the relevant fund manager.

How do I decide what to invest in?

You can appoint a financial adviser or you can make the investment decisions yourself. Xafinity will only make investments if instructed to do so by you or your adviser. Neither the fund managers nor Xafinity will give you any advice.

Key information regarding all of the funds and other investments is available from Xafinity.

How can I make investments and deal?

Either you or your adviser (if applicable) can do this. Once you have decided on your investment selection, you or your adviser should complete an instruction form and send it to Xafinity. You and your adviser will receive a contract note detailing each purchase or sale.

What limits are there on investment in Basic Funds?

The minimum lump sum investment you can make is £1,000. The maximum is the amount of money permitted by personal pension rules (please see you SIPP Key Features document).

How often will you communicate the value of my investments?

A valuation will be provided each year as part of your normal annual review. Alternatively, you can see the latest available value of your investments by logging on to the Xafinity website. The value of your holdings of Basic Funds will be updated on the website at least once every month.

What happens to income from my investments?

All units and shares in Basic Funds are of 'accumulation' type. This means that income is reinvested in the fund and is therefore reflected in the price of units or shares.

What are the charges for Basic Funds?

We have negotiated the charges for each of the Xafinity Basic Funds with the fund managers concerned. We believe that the resulting charges are very competitive for funds investing in the relevant sectors. There is no initial charge, and the fund management charge is only 0.35% per year or less for all but the Property fund.

The fund management charge is expressed as an annual percentage of the fund and is deducted from the fund monthly. The level of fund management charge differs depending on the fund, as shown in the following table. For the funds marked with an asterisk (*), the published unit prices reflect higher fund management charges than those indicated in the table. Where this is the case, you will receive a rebate of the difference, either through payments into your SIPP bank account or by the granting of additional units or Shares. For the other funds, the low fund management charge is directly reflected in the price of units.

Fund	Annual fund management charge (%)	Rebate on fund management charge (%)	Net effective fund management charge (%)
L&G UK Index Trust	0.2	0.0	0.2
L&G European Index Trust	0.3	0.0	0.3
L&G Global 100 Index Trust	0.3	0.0	0.3
HSBC American Index Fund*	1.0	0.65	0.35
HSBC Japan Index Fund*	0.5	0.25	0.25
HSBC Pacific Index Fund*	0.75	0.4	0.35
L&G All Stocks Gilt Index Trust	0.2	0.0	0.2
L&G Ethical Trust	0.3	0.0	0.3
L&G Cash Trust	0.2	0.0	0.2
Norwich Property Trust*	1.25	0.625	0.625

There are no other charges, except for the regular administration and transaction charges for your SIPP (see the Xafinity SIPP Charges Card for details).

How much commission will be paid?

No commission is payable.

What are the risks of investing in Basic Funds?

- The value of your investments and the income generated from them can fall as well as rise. You may not get back what you originally invested. In some cases you could lose all of your investment. There are no guarantees.
- You should not use the past performance of any investment as a guide to its future performance.
- Investment performance will be reduced by the effect of charges, including annual charges and dealing charges.

- Where a fund invests outside the UK, currency movements between sterling and the currencies of other countries could adversely impact on your investment return.
- Where a fund invests mainly in one geographic area, any decline in the economic performance of that area may affect the prices and value of the shares held by the fund.
- The funds selected may not be the best performing in the sector.
- If you cancel your investment within the cancellation period, you may get back less than the amount you originally invested if the market has fallen in that time.
- Specific fund risks are explained in the full prospectus for that fund.
- If your fund invests in property there could be a delay in selling the fund and this could delay the payment of any benefits. In some cases, the fund manager may impose a notice period, freeze withdrawals or impose penalties depending on whether any property in which the fund is invested needs to be sold.

Can I switch my investment from one fund to another?

Yes. This will be treated as a 'sell' and a 'buy' transaction. This means that you will be charged for both transactions. You may be out of the market for a time after the 'sell' instruction is complete and before the 'buy' instruction can be made.

How long will I be out of the market when I switch from one investment to another?

You will normally be out of the market only if switching between funds managed by different fund managers. In such cases, the process is likely to take at least four days to complete.

Can I sell my investment?

Yes. The proceeds will be paid into your SIPP Bank Account.

What happens if Xafinity changes one of the Basic Funds fund managers or funds?

If Xafinity decides to change the fund or fund manager for one of the sectors covered by Basic Funds in which you are invested, we will write to you to let you know what options are available. You will be offered the opportunity to switch from the old fund to the new fund free of charge. You may also be able to retain your investment in the old fund, but note that the terms available from the fund manager may change. In addition, if you do decide to retain the old fund, it will then be treated as an 'other standard investment' for charging purposes (see the Xafinity SIPP Charges Card for details).

What if I die?

The fund managers will await instructions from Xafinity to rearrange or sell investments. The person dealing with your affairs should contact Xafinity to arrange payment of any death benefits.

How can I complain?

You can complain in writing to the Compliance Officer, Xafinity SIPP Services Ltd, Scotia House, Castle Business Park, Stirling, FK9 4TZ. In addition, you may have the right to complain directly to the Financial Ombudsman Service, South Quay Plaza, 183 Marsh Walk, London E14 9SR.

What if you are unable to return my monies?

The Financial Services Compensation Scheme (FSCS) may provide protection if the fund managers cannot meet claims made against them or because the fund managers cannot return investments or money.

If you are an eligible claimant, you are covered for up to a maximum limit of £50,000 for investments. Further information about compensation arrangements is available from the FSCS website at www.fscs.org.uk.

Your status under the FSCS does not affect any legal right you may have to compensation.

Fund Manager Documentation

For each of HSBC and Legal & General Funds we will give you two documents, produced by the relevant fund manager. One document will include, a 'simplified prospectus,' while the other document gives further information about each of that Provider's funds. These documents cover a wide range of products, funds and topics, **not all of which are relevant to Basic Funds.**

For Norwich Union, the information is provided in a single document. **Again, not all of the information in this document is relevant when investing through Basic Funds.**

Contacting Xafinity

SIPP Trustee: Xafinity Pension Trustees Ltd
SIPP Administrator: Xafinity SIPP Services Ltd

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