



The Xafinity Self Invested Personal Pension (SIPP)

SIPP Unlisted Company Shares Questionnaire & Notes - Sales



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

This document has been written for The Xafinity SIPP. However, if you have a Xafinity Self Invested Personal Pension Plan it is still correct in its technical content but there are some minor differences.

You can find out what SIPP you hold by looking at your Policy Number and the table below explains the differences to consider when reading this document.

| Policy Number | SIPP Name | Differences in this guide |
|--------------------------------|--|---|
| 1nnnnn (6 digits starting '1') | The Xafinity SIPP, and SimplySIPP | None |
| 5nnnn (5 digits starting '5') | Xafinity Self Invested Personal Pension Plan | <ul style="list-style-type: none"> • The SIPP is not Defaqto rated; and • The SIPP Provider is Bank of Scotland |

Unlisted Company Shares Sale Questionnaire

Important Note

Unlisted share investment is not available with the SimplySIPP. If you have a SimplySIPP and wish to invest in unlisted shares, please contact us about moving to the full Xafinity SIPP.

Please fully complete this questionnaire. When returning your answers to Xafinity Pension Trustees Ltd (XPTL) please ensure that you have referred to the notes and have provided any required paperwork.

| | |
|---|---|
| (a) Please state the full name and reference of the SIPP that is selling the unlisted company shares. | |
| (b) Please provide the Company name, registered address and registration number of the Company that the SIPP is to sell unlisted shares in. | |
| (c) Please detail the number of company shares to be sold and expected sale price. | <p>Number of shares: Expected sale price:</p> |
| (d) Does the sale of the shares detailed in (c) represent the SIPP's entire shareholding in the Company? If not, please also confirm what the remaining number of shares will be after this sale and the current valuation of these. | <p>Are all shares being sold?</p> <p>If not, number of shares remaining: Valuation of remaining shares:</p> |
| (e) Please confirm the name of the purchaser and if they are "connected". Where the purchaser is connected, an independent valuation of the shares being sold must be provided. | |
| (f) Are there any other Company agreements that are required in relation to the sale? If so, please provide these together with the full name, address and telephone number of the person that is representing the SIPP's interests. | |
| (g) If XPTL does not hold the share certificate(s), please confirm who currently holds this. | |

Notes

If you have any questions on the notes shown below, please contact your SIPP consultant.

Connected Party – Definitions

Pension legislation requires consideration of whether any pension scheme transaction is with a “connected” party. Where the other party is deemed to be “connected”, the pension scheme must be able to demonstrate that the transaction has been carried out on an arm’s-length basis.

As a result, if the sale of the unlisted company shares is to a connected party, then the price paid must be supported by an independent valuation. In practice, this valuation will normally be provided by the Company Accountant on his headed paper. If the sale is to an “unconnected party” then although an independent valuation is prudent, it is not a requirement.

The definitions of a connected person and connected company are covered below. If you have any questions on whether a proposed transaction is “connected” or not, please contact Xafinity to discuss this.

Connected person

A person is connected with an individual if that person is the individual’s wife or husband, or is a relative, or the wife or husband of a relative, of the individual or of the individual’s wife or husband.

Any two or more persons acting together to secure or exercise control of a company shall be treated in relation to that company as connected with one another and with any person acting on the directions of any of them to secure or exercise control of the company.

Connected company

A company is connected: -

- (a) If the same person has control of both, or a person has control of one and persons connected with him, or he and persons connected with him, have control of the other;
- (b) If a group of two or more persons has control of each company, and the groups either consist of the same persons or could be regarded as consisting of the same persons by treating (in one or more cases) a member of either group as replaced by a person with whom he is connected.
- (c) With another person if that person has control of it or if that person and persons connected with him together have control of it.

In addition, any two or more persons acting together to secure or exercise control of a company shall be treated in relation to that company as connected with one another and with any person acting on the directions of any of them to secure or exercise control of the company.

Notes on Connected Party Definitions

In these Connected Party definitions: -

- “company” includes anybody corporate or unincorporated association, but does not include a partnership, and this section shall apply in relation to any unit trust scheme as if the scheme were a company and as if the rights of the unit holders were shares in the company;
- “control” shall be construed in accordance with Section 416 of ICTA 1988; and
- “relative” means brother, sister, ancestor or lineal descendant.

Shareholders' Agreements & Legal Advice

To complete the sale of unlisted company shares, there may be Shareholders' Agreements and other paperwork that will need to be signed by XPTL.

If this is the case, the SIPP member(s) must choose who will provide XPTL with the relevant legal advice on behalf of the SIPP. Xafinity cannot offer this service. The costs attributed to any such advice will be payable from SIPP funds.

Our Fees

Xafinity will apply charges for the work it carries out in relation to any sale of unlisted company shares and/or additional work linked with the transfer of ownership of the company shares. Details of these charges are available on request from Xafinity and are provided when the SIPP is set up. In addition, all of our fees are fully covered within our SIPP Chargecard. These fees are in addition to any legal, accountant or valuation fees.

Xafinity cannot be held responsible for any fees that arise with any proposed or actual transaction.

Contacting Xafinity

SIPP Trustee: Xafinity Pension Trustees Ltd
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Xafinity SIPP Services Ltd is authorised and regulated by the Financial Services Authority. Our FSA Registration Number is 461791. You can check this on the FSA's website at www.fsa.gov.uk/register. Xafinity Pension Trustees Ltd (1450089) is registered in England at 27 Kings Road, Reading RG1 3AR. Xafinity SIPP Services Ltd is registered in Scotland (No 69096) and its registered office is at Scotia House, Castle Business Park, Stirling FK9 4TZ.

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