

**Private and Confidential**

Mr & Mrs Franks  
Investment Management Energy (UK) Limited  
39 Main Street  
Elloughton  
Brough  
HU15 1JP

12 August 2014

Dear Paul and Linda,

**Small Self Administered Scheme**

Please find enclosed the draft documentation to establish a small self administered scheme.

For ease of signing I set out below a summary of the paperwork that you will be signing.

1. Trust Deed - this is the legal deed in which the company creates the scheme and appoints members as trustees to hold the assets of the scheme for your benefit. There is nothing in the deed which should give you cause for concern as you control the scheme as the Trustees.
2. Member announcement - As stated, the Company invites you for membership to the scheme and must state what benefits, if any, it is intended to provide. It is written in a format that places no legal requirement for the Company to contribute any specified amount.
3. Service Agreement - The Administrator is legally responsible for making annual returns to HMRC and ensuring the good administrative governance of the scheme. We fulfil those responsibilities for the Trustees as part of our annual administration service. It will need to be signed by you all as the Trustees in order that we can proceed.
4. Please find enclosed an application to open a bank account. We have a bank arrangement for the pension scheme account.

Costs - I confirm that the set up cost amounts to £800.00 plus VAT for one member. The administration of the scheme for one year is on fixed fee terms and this amounts to £400.00 per annum plus VAT; this is invoiced following the commencement of the scheme. It will also be subject to successful registration of the scheme with HMRC. The annual administration fee covers everything necessary for the proper administration of the scheme; it also includes



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guidance, scheme administration, and general care and conduct throughout. It will be collected by direct debit on a quarterly basis.

Finally, I confirm that we do not recommend or promote any investment products or give investment advice. We are however party to the trustee bank account but cannot debit funds without your authorisation. The reason we are party is that it is a requirement of the trust.

Please return all the enclosed paperwork to me at the office; you need not take any copies of the enclosures as I will be returning the originals to you once we have completed the set up of the scheme. When returning the enclosures, I will need a copy of each member's passport plus an original recent utility bill (no less than 3 months old) in order that money laundering requirements can be adhered to.

If you have any questions regarding the enclosures please do not hesitate to get in touch.

Kind regards

Yours sincerely

Brad Davis  
**For Pension Practitioner .Com**

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