

OPEN
PENSION

SHARED INVESTMENT IN OFF-PLAN PROPERTY DEVELOPMENT



LONDON &
COLONIAL

INNOVATION YOU CAN TRUST

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1. Investment Request

To London & Colonial:

We, the persons identified in section 7, wish you, as Trustee of the Open Pension, to acquire the asset identified below for the benefit of our respective Open Pension Arrangements identified in section 7.

Name of development, address and location

.....

Nature of development

(e.g. hotel room, apartment etc)

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Details of unit/s to be purchased

(Apartment number/s, block, unit etc)

--

Purchase Price

--

Currency

--

Basis of Payment:

Single Payment

Staged Payment*

*Please give details of the payment option offered by the seller that you wish us to select

.....

We wish you to meet the purchase price and all costs and expenses from the cash available in our Arrangements. We understand that if we have chosen a stage payment option the initial deposit and any interim payments we have made could be lost if for any reason there is not enough cash available in our Arrangements to pay the balance when due.

We wish the benefit of the asset to be allocated between our respective Arrangements in the percentage shares shown in section 7. These shares will apply for all purposes related to the asset including the allocation of the purchase price, the costs and service of any borrowing, all other costs or charges associated with the asset and the distribution of the income and eventual net sale proceeds.

2. Information and Advice

We understand –

- (a) that neither the Trustee nor its Administrator is authorised to give us financial or investment advice and that no information given to us by you is intended to be and will not be taken as advice to us of any kind nor as any kind of recommendation of an investment in this asset and
- (b) that you have obtained legal advice in your capacity as Trustee in order to assess the risks of ownership and to ensure the acquisition of the appropriate title and
- (c) that the advice you have obtained does not cover the investment merits, marketability or value of the property but only the risks of ownership.

We have reviewed:

- Due diligence report / Report on Title
- Promissory Contract of Purchase and Sale
- Management / Rental agreement
- Investor Pack

We have obtained whatever information, reports, legal and other advice we require regarding the investment including the potential income and the associated costs and expenses which may fall to be paid out of our Arrangements.

3. Alterations to shares in the investment

If at any time we so agree, the shares allocated to our respective Arrangements may at our request be altered in exchange for a transfer of cash or other assets between our Arrangements equal in value to the alteration in the shares allocated to the Arrangements in question.

For this purpose the value of the asset will be taken as the price that you consider could reasonably be expected to be obtained if the asset were sold to an independent third party in the open market.

4. Withdrawal of value to pay benefit

If a benefit shall become payable under any of our Arrangements and there is insufficient liquidity in that Arrangement to provide the benefit that has become payable then either -

- (a) the cash necessary to finance the benefit may be provided by means of an alteration to our respective shares as described in section 3 above, or
- (b) the asset shall be sold, if necessary at auction without reserve, within one year of the date on which the benefit becomes payable and without further reference to us.

5. Sale

If the asset is not sold in the circumstances described in section 4 above, it will be sold either

- (a) upon your receipt of a request signed by all of us to sell the asset or
- (b) if it becomes necessary to do so in order to comply with any law or regulatory requirement applying to the Open Pension.

6. General

We understand that nothing in this document shall be interpreted to override any of the provisions of the Open Pension or to inhibit or qualify any of your rights or duties under the Scheme either as Trustee or as Scheme Administrator. We also understand that you will take such advice and make such enquiries as you consider necessary and that you will not proceed with or will withdraw from this transaction if any aspect is, or subsequently is discovered to be, unacceptable to you.

All information supplied by us to you or your Solicitors either direct or through our legal or other advisers is true and accurate in all respects.

We will jointly and severally indemnify and keep you fully indemnified in respect of any loss claim action damage incurred or suffered by you in respect of the asset.

You may disclose any relevant information relating to the transaction (a) to any party that you consider necessary for any purpose connected with the asset and (b) to HM Revenue and Customs or any other statutory authority or body regulating or concerned with the administration of the Open Pension.

7. The Open Pension Arrangements and the respective Shares

We understand and agree that: -

There could be a delay in selling the asset if a purchaser cannot be found. This means that the Scheme Administrator may not be able to crystallise that part of the fund for lump sum or pension purposes.

The asset will need to be valued from time to time. The cost of any valuation will be borne by my Open Pension Arrangement.

We will pay all tax charges due if HMRC determine that the asset we wish to purchase is deemed to be taxable property.

We understand and agree that if a tax charge is imposed on the scheme administrator because of the purchase of the asset then the Scheme Administrator will be entitled to deduct the amount of the charge from my Open Pension Arrangement in order to settle their liability to HM Revenue & Customs.

We hereby request you to proceed with the acquisition of the asset identified in section 1 on the basis described in this application and our respective shares shown below.

<u>SIPP Reference</u>	<u>In respect of:</u>	<u>Share of Asset</u>
<input type="text"/>	Name <input type="text"/>	<input type="text"/> %
	Signed <input type="text"/>	Date <input type="text"/>
<input type="text"/>	Name <input type="text"/>	<input type="text"/> %
	Signed <input type="text"/>	Date <input type="text"/>
<input type="text"/>	Name <input type="text"/>	<input type="text"/> %
	Signed <input type="text"/>	Date <input type="text"/>
<input type="text"/>	Name <input type="text"/>	<input type="text"/> %
	Signed <input type="text"/>	Date <input type="text"/>





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