Freephone: 0800 634 4862
Fax: 020 8711 2522
Email: info@pensionpractitioner.com

Daws House
33-35 Daws Lane
London
NW7 4SD

Private and Confidential
Mr Neale Jackson
Lonsdale Risk Solutions Limited
79 Lonsdale Gardens
Tunbridge Wells
TN1 1N4

23 August 2010

Neale,

Self Administered Scheme

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

For ease of signing I set out below a summary of the paperwork required 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 as scheme members. There is nothing in the deed which should give you cause for concern as the members control the scheme as the member Trustees. The power of their appointment and removal is vested in the Company alone.

2. Member announcement – As stated, the Company invites them to join 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. Deed of appointment of Practitioner – the attached Deed appoints us to act on your behalf under Deed; this allows us to deal with all matters on the Administrator's behalf. LONSDALE RISK SOLUTIONS LIMITED will be the registered Administrator of the scheme; we will be the Practitioner acting on behalf of the registered Administrator.

   The Administrator is legally responsible for making annual returns to HMRC and ensuring the good governance of the scheme. We fulfil those responsibilities for the Trustees and Administrator as part of our annual administration service.

4. Our Terms of Business – this covers items such as how we operate, the information we hold on your behalf, termination and remuneration. It will need to be signed by you all as the Trustees in order that we can proceed.

5. Costs – I confirm that the set up cost for a three person scheme amounts to £1,250.00 plus VAT for three members. The administration of the scheme for one year is on fixed fee terms and this amounts to £362.50 plus VAT per quarter. The administration fee will be collected quarterly via direct debit. A Direct Debit Mandate is attached. You will need to enclose a cheque with these documents for the set up of the scheme, which amounts to £1,250.00 plus VAT; the total amount being £1,468.75; a VAT receipt will be issued to you on receipt. The cheque is payable to Pension Practitioner .Com Limited.

The annual administration fee covers everything necessary for the proper administration of the scheme; it also includes advice, scheme administration, annual meeting and general care and conduct throughout.

It does not cover any legal work you ask us to arrange for you, such as property purchase, loan documents and deeds. Please note that you will need assist with the provision of a basic set of scheme accounts following the end of the tax year in order that we may carry out the appropriate returns to the Regulator and HMRC.

Finally, I confirm that we are not signatories to any investments or bank accounts and do not recommend or promote any investment products or give investment advice. It will be necessary for you to open a pension scheme bank account to receive payment into the scheme. To this end I enclose a shortened bank account application form.

Investec Bank plc provide specialist bank accounts for pension schemes, they carry with them a cheque and paying in book (any Lloyds TSB branch can accept deposits) plus you will have online banking. Day to day banking is free, although the usual charges on CHAPS/BACS and other activities apply. Further details are given on the enclosed.

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.

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

Kind regards

Yours sincerely

Gavin McCloskey
For Pension Practitioner .Com

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