

STOCKPLAN and The SIT ISA

# Share Exchange Scheme



# SIT Savings Share Exchange Scheme

Our cost-effective Share Exchange Scheme enables you to trade existing holdings of most UK equities and gilts for shares in The Scottish Investment Trust PLC - through the SIT STOCKPLAN or the tax-efficient SIT ISA.

## What are the benefits of exchanging your shares for SIT shares?

- The Scottish Investment Trust PLC (SIT) is a classic 'buy and hold' global growth investment trust, which has been independently managed for over 120 years.
- SIT's global portfolio of carefully selected equities provides spread of risk and opportunity for reward.
- SIT offers greater diversity than most individual investors could possibly achieve.
- The charges for our Share Exchange Scheme and for **SIT STOCKPLAN** and **The SIT ISA** are very competitive.
- SIT's fund managers are highly experienced professionals, with years of research and share selection expertise.
- You are saved the time and effort required to monitor and manage an unwieldy portfolio of individual investments.

## Exchanging your individual UK holdings for an investment in The Scottish Investment Trust PLC

- A low-cost exchange fee from only £30 per shareholding.
- Most listed UK equities - and many gilts - accepted.
- Minimum exchange just £500 in total value.

## STOCKPLAN

**STOCKPLAN** is an investment trust savings scheme.

Investment can be by monthly instalments of £25 or more and/or lump sums of £250 or more. There is no maximum investment.

There are no entry or annual charges - other than stamp duty of 0.5% and dealing spread (average 0.5%) - and it costs just £11.95 to sell. A transfer out fee of £30 + VAT applies if you transfer your holding to another broker or to certificated form.

For further information on **STOCKPLAN** - including Terms & Conditions, Key Features and an Application Form - please telephone us free on **0800 42 44 22** and ask for a **STOCKPLAN** brochure, or you can download the brochure from our website [www.sit.co.uk](http://www.sit.co.uk)

## The SIT ISA

**The SIT ISA** is a stocks and shares Individual Savings Account. Investment can be by monthly instalments of £50 or more and/or lump sums of £500 or more up to the annual ISA investment limits.

Share exchange proceeds will apply towards both:

(a) your annual ISA allowance,

**and**

(b) your minimum SIT ISA investment.

There are no entry or exit charges - other than stamp duty of 0.5% and dealing spread (average 0.5%). The annual fee is just 0.6% (including VAT), currently capped at £30 + VAT.

For further information on The SIT ISA - including Terms & Conditions, Key Features and an Application Form - please telephone us free on **0800 42 44 22** and ask for **The SIT ISA** brochure, or you can download the brochure from our website [www.sit.co.uk](http://www.sit.co.uk)

## Share Exchange Scheme Charges

The SIT Savings Share Exchange Scheme charge is just 1.25% of the amount realised with a minimum charge of £30 and a maximum charge of £312.50.

Proceeds, less charges, are then invested in STOCKPLAN or The SIT ISA, these schemes' normal charges applying.

## Procedures for Share Sale & Exchange

Pages 2 and 3 of this booklet provide completion instructions for processing a Share Exchange request. Once the completed documentation is received by the Administrator, we will:

- (1) Proceed to sell those securities which we can sell on your behalf - with proceeds applied to your STOCKPLAN or ISA immediately for re-investment into SIT shares.
- (2) Advise you of any securities which we cannot accept for a Share Exchange.

We make every effort to maintain flexibility in our approach. Each share or gilt is considered on its own merits with the vast majority of UK listed securities and gilts accepted.

# Completion Instructions

Please note that an ISA investment must, by regulation, be made in the name of one UK investor only. Any existing holdings being exchanged into an ISA must be registered in exactly the same name as The SIT ISA account.

An existing SIT ISA investor\* need not complete another ISA Application Form. Proceeds may be applied to their existing account, by quoting the ISA Account Code.

\* If you have not invested in consecutive tax years, a new application will be required.

We can only accept jointly-held holdings where these are to be exchanged into a jointly-held STOCKPLAN. Please note that the Certificate Title should match the STOCKPLAN account title, including any designations.

## Your Checklist

Each Share Exchange must be accompanied by the following:

1. A completed **Form of Instruction**.
  - a. This form may list more than one shareholding or undertaking to be exchanged.
  - b. **All** proceeds of any sale, less selling charges, will be applied to purchase SIT shares on the terms listed on the form.
2. If applicable, a completed **Application Form** for STOCKPLAN or The SIT ISA.
  - a. This application should include instructions on any investment in addition to the Share Exchange proceeds (if applicable).
  - b. Continuing monthly investments require completion of the Direct Debit Form.
3. The applicable **Share Certificate(s)**.
4. A completed **CREST Transfer Form** for each separate security to be sold.
5. A cheque for any **additional STOCKPLAN or SIT ISA investment** (payable to **SIT STOCKPLAN or The SIT ISA** where applicable).

## Your Form of Instruction

1. The **Name and Address** on this form should match the Personal Details on your existing SIT STOCKPLAN, SIT ISA or accompanying application and **Share Certificates**.
2. Please fill in your existing SIT STOCKPLAN or SIT ISA **Account Code**, if applicable.
3. The **Shares to be Sold** should be listed for **each applicable certificate number**. Please use one line on the form for each separate certificate number (even if the different numbers refer to the same company).

You may sell all - or part - of any holding. The **Number of Shares or Units** section has a separate column for all shares submitted, shares to be sold and any balance certificate to be returned to you.

ISA applicants should indicate the value of shares to be sold.

If you wish to sell an entire holding, you may write 'ALL' in the To be Sold column. If you run out of space, photocopies may be attached for additional shares.

4. Please tick the box - **STOCKPLAN or The SIT ISA** - for **Allocation of Proceeds**. Care should be taken that the total of Share Exchange proceeds meets minimum investment requirements for the scheme. If The SIT ISA is selected, only shares or gilts up to the value of the allowable annual ISA investment limit (less any cash invested) will be realised. A balance certificate will be obtained for any unsold element.
5. Given valid instructions for an exchange, shareholdings will normally be sold within 24 hours of receipt of the instructions by our nominated broker, Halifax Share Dealing Ltd (HSDL), and the proceeds, less charges, will be reinvested on the next normal dealing day following receipt of the sale proceeds by the scheme Administrator.
6. Please read the **Share Exchange Agreement** carefully. This section explains your rights and obligations, as well as the obligations of SIT Savings Limited, in the proposed share exchange.
7. Then, sign and date the **Declaration**.

# Completion Instructions

## Your CREST Transfer Form(s)

1. If a CREST Transfer Form is printed on the reverse of any of your share certificates, it is perfectly acceptable to use that form.
2. **One form only** should be completed for **each security** to be sold. It may cover shares included on more than one certificate (differing certificate numbers).
3. Shares registered in joint names may only be sold and exchanged into a STOCKPLAN in the same joint names.
4. The **Name of the Company, Security** and **Registered Holder(s)** must agree with that stated on the Share Certificates and Form of Instruction.
5. The **Amount of Shares** or **Other Securities** to be sold must equal the number stated in the box marked To be Sold on your Form of Instruction.
6. **Designation** (if any) need only be filled in for an account which has special instructions (a designation) in the description or makeup of the share owners.
7. **The Balance Certificate(s) Required** must equal the Balance box on your Form of Instruction. Please note that balance certificates may take up to six weeks to be sent to you from the date of sale.
8. The Form of Instruction must be **signed** - by all registered holders.
9. Any errors or omissions on the form will require its return to you, unprocessed.
10. The appropriate Share or Gilt Certificates **must be attached**.

## Your Share or Gilt Certificates

1. A Share or Gilt Certificate must be enclosed for each share or gilt to be exchanged.
2. Each Share or Gilt Certificate must be listed on the Form of Instruction and must be accompanied by an applicable CREST Transfer Form.

## Your Cheque

Any additional cash investment will require a separate cheque, made payable to **SIT STOCKPLAN** or **The SIT ISA**.



# Form of Instruction

## SIT Savings Share Exchange Scheme

SIT STOCKPLAN and The SIT ISA

Please complete in BLOCK CAPITALS

### Personal details

Surname	Title (Mr, Mrs, Miss, Ms)
Forename(s)	
Address	
	Postcode
Daytime Telephone	Email

SIT STOCKPLAN or SIT ISA Account Code

(if applicable)

Please note that if you are **not** an existing SIT investor, a **SIT ISA OR STOCKPLAN application form must be completed and returned** with your documentation.

Type of Contract Required:

STOCKPLAN

The SIT ISA

### Shares to be Sold

Name of Company (Ordinary Shares or Stock only)	Certificate Number (If more than one, list each number separately)	Number of Shares or Units			Value of Shares to be Sold
		Submitted	To be Sold	Balance to be Returned	

1. If you require more space, a photocopy of this page may be attached.
2. You may insert a **figure** (in £) or a **percentage** in the To be Sold column, rather than a number of shares or units. In this case, any balance of shares will be returned to you - with the sale calculated to the nearest whole share that satisfies your requirements.

# Declaration (Share Exchange Agreement)

1. I/We hereby request SIT Savings Limited (SIT) and its Administrator, Halifax Share Dealing Limited, to sell the securities listed overleaf as "To be Sold" and to apply the proceeds of sale, less charges, in accordance with my/our instructions, with any unsold securities being returned to me/us.
2. I/We warrant that I am/we are the legal and beneficial owner(s) of the securities and that they are held by me/us free from any lien, charge, security or other encumbrance.
3. I/We undertake to send to SIT or its Administrator:
  - (a) any dividends, issues, rights or other benefits arising from the securities after the date of their sale and to which I am/we are not entitled, and
  - (b) any notices or communications relating to the securities sold immediately after they are received by me/us.
4. I/We understand that:
  - (a) SIT and its Administrator will endeavour to sell the securities and to purchase shares of The Scottish Investment Trust PLC on my/our behalf on an execution-only basis, in accordance with the Administrator's Order Handling Policy, and
  - (b) transactions on my/our behalf might be aggregated with those for other clients of SIT.
5. I/We understand that the sale of the securities and the purchase of shares of The Scottish Investment Trust PLC on my/our behalf will take place in accordance with SIT's published practice and I/we agree that SIT will not be responsible for any unfavourable change in prices between the date of this Declaration and the date of sale, or between the date of sale and the subsequent date of purchase of SIT shares.
6. I/We understand that, if any information supplied by me/us is incorrect, or if any security certificate (or other evidence of title) is held to be invalid for any reason, SIT reserves the right to take any remedial steps within its power. This may include repurchasing, at my/our expense, any securities which I was/we were not entitled to sell and reselling any shares of The Scottish Investment Trust PLC the purchase of which cannot be covered by the proceeds of sale in fact available. I/We agree to meet all costs incurred by SIT in so acting and that SIT will not be responsible for any losses arising from its so acting.
7. I/We confirm that:
  - (a) I/we have received the SIT STOCKPLAN / SIT ISA brochure (as applicable) including Terms & Conditions and Key Features, and
  - (b) I/we have not received any advice from SIT as to whether the sale of the securities and the purchase of shares of The Scottish Investment Trust PLC is suitable in my/our personal circumstances.
8. I/We understand that the sale of the securities will constitute disposals for the purposes of Capital Gains Tax which might, depending upon my/our personal circumstances, give rise to a liability to pay such tax.

Signed 1

Date

Signed 2

Date

(if applicable)

NOTE: WE RECOMMEND THAT YOU USE REGISTERED POST

POST DOCUMENTATION TO:

**SIT Schemes  
Halifax Share Dealing Limited  
Lovell Park Road  
Leeds  
LS1 1NS**

Have you enclosed the applicable share or gilt certificate(s) and CREST transfer form(s) - with a cheque?  
(if applicable).

Have you checked that you have completed each form - and signed - as necessary?

## Additional Notes

In some rare cases, it might take additional time to sell a portion of your shareholdings. If the balance of your shareholdings can be more quickly traded and reinvested, we will do so - adding the exchange value of the remaining holdings as soon as is practicable. In this event, we will always advise you of any delay for individual shares - and the reasons.

Exchange transactions using the SIT Savings Share Exchange Scheme would normally constitute a disposal for Capital Gains Tax purposes. If you are in any doubt about your CGT position, please consult your professional adviser.

As share exchanges take some time, you may receive offers for rights issues, allotment letters for scrip or even dividends to which you may no longer be entitled. If this happens, the documents should be forwarded to the Administrator without delay. We will send you a contract note for each of your Share Exchange Scheme transactions, as well as timely correspondence on any further requirements. Your contract notes should be retained for Capital Gains Tax purposes.

Please remember that past performance may not be repeated and is no indicator of future performance. The capital value of shares and the income from them can go down as well as up and cannot be guaranteed. Investors may not get back the amount originally invested.

## Further Information

### ADMINISTRATOR

For queries on an ongoing Share Exchange transaction, please contact:

#### SIT Schemes

Halifax Share Dealing Ltd

Lovell Park Road

Leeds

LS1 1NS

Telephone: 0845 850 0181

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Any queries that you might have about the SIT Savings Share Exchange Scheme, SIT STOCKPLAN or The SIT ISA may be directed to the managers at:

#### Investor Relations

SIT Savings Limited

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6 Albyn Place

Edinburgh EH2 0BR

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Fax: 0131 226 3663

Email: [info@sit.co.uk](mailto:info@sit.co.uk)

Website: [www.sit.co.uk](http://www.sit.co.uk)



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SIT Savings Limited, a wholly-owned subsidiary of The Scottish Investment Trust PLC, is the plan manager of The SIT ISA, STOCKPLAN and STOCKPLAN: A Flying Start and is authorised and regulated by the Financial Services Authority, 25 The North Colonnade, Canary Wharf, London E14 5HS

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