

This document is for investment professionals only and should not be relied upon by private investors.

Our pension

Product
specification

 Adviser Solutions



Our pension

Scheme structure

The assets of the scheme are held by the trustee, FIL SIPP Trustee (UK) Limited. Financial Administration Service Limited is the scheme administrator.

Within the pension a client may have one or more Pension Savings Accounts (or uncrystallised accounts) into which all their regular and single payments will be paid. Depending on the benefits they decide to take, they may also have one or more than one Pension Drawdown Account. Each of these accounts will have a different account number.

Cash may be held within each Pension Savings Account and Pension Drawdown Account. These are not designated bank accounts. All transactions will filter through the cash within each account.

How can investments be made?

An individual can open a plan by:

- Cash transfer, re-registration transfer or a combination of these from another registered pension plan (including drawdown to drawdown transfers)
- Personal contributions
- Third-party contributions
- Employer contributions
- Any combination of the above

Eligibility

- Individuals under the age of 75*
- Resident in the UK for tax purposes or in Crown employment overseas (including married and civil partners of crown servants)
- Non-US persons or nationals

*Individuals over the age of 75 can open an account using pension transfers.

Contributions

- Contributions can be accepted from:
 - The client
 - Their employer
 - A third party
- Payments can be single contributions or regular monthly, quarterly, half yearly or yearly contributions
- Contribution levels can be amended or stopped at any time
- Regular collections are taken by direct debit, and there is a choice of collection dates
- Single contributions can be made by:
 - BACS/CHAPS
 - Cheque
 - Bank transfer
- We will not accept in-specie contributions

Crystallised transfers

The scheme can accept transfers from pension schemes already in drawdown. Each crystallised pension transferred in will be held in a separate account.

Exceptions to in-specie

We will not be able to facilitate the in-specie transfer of any investments not offered through the pension.

We also operate a minimum of £50,000 for in-specie transfers.

Uncrystallised transfers

The pension can accept transfer values from any of the following sources, subject to the client having received advice where applicable from an authorised adviser, as defined by the FCA:

Employer offered/occupational pension schemes including but not limited to:

- Defined Contribution (including GPP) schemes
- Defined Benefit schemes
- Hybrid schemes
- AVC and FSAVC schemes
- Section 32 buy out plans
- Deferred annuity contracts
- Executive pension plans
- SSASs

Personal pension schemes including but not limited to:

- Stakeholder plans
- Retirement annuity contracts
- Personal pension schemes
- SIPPs
- QROPS

How much can be invested?

Minimum contributions to open an account

The following are gross amounts:

Regular contributions	£50
Lump sum – single	£1,000
Transfer payment*	£10,000
Re-registration*	£50,000

Varying contributions

Customers can:

- Stop
- Restart
- Increase/decrease

without penalty or charge, subject to the minimum account opening limits.

Minimum top-up contributions

The following are gross amounts:

Regular contributions	£50
Lump sum – single	£1,000
Transfer payment*	£1,000

*The minimum transfer payment can be from multiple ceding schemes

Investments

What investments can I invest in?

You can invest in a number of different types of funds and exchange traded products. These include unit trusts, OEICs, SICAVs, investment trusts, exchange traded funds and company shares. In addition, a smoothed return pension fund is available. No off-platform investments are allowed.

Investment instructions

Investment instructions should be placed online. Any online instructions received will be placed at the next available dealing point.

Cleared funds

Investments will be made once cleared funds are available.

Switches

Switch instructions will be carried out over two consecutive business days. The switch sell transaction will happen on the first day and the switch purchase on the second day, (before the switch sell transaction has settled). Usual settlement periods will apply to the switch purchase transaction.

Income distributions

Income distributions can be reinvested back into the original investment, or you can also choose to have income distributions paid to cash within the pension account.

Corporate actions

Corporate actions which require an investor decision will be notified to the relevant clients online. In the absence of a response, a default option will be specified.

Cash

Cash can be held within each pension account. We will deposit any money paid to us in one or more trust accounts with authorised banks. When payable, interest on cash held will be credited to your clients' accounts at rates set out at [fidelity.co.uk/cashprotect](https://www.fidelity.co.uk/cashprotect).

Model portfolios

Advisers can apply model portfolios using the Model Portfolio Centre.

The value of investments and the income from them can go down as well as up and clients may get back less than they invest. The minimum age clients can normally access their pension savings is currently 55, and is due to rise to 57 on 6 April 2028.

Taking benefits

Withdrawal options

Our pension facilitates the following withdrawal options:

- Flexi-access drawdown
- Capped drawdown
- Uncrystallised Funds Pension Lump Sums (UFPLS)

The client must have received a positive recommendation to go into drawdown before proceeding.

All withdrawal options must comply with regulations in place at the time.

Flexi-access drawdown

Flexi-access drawdown is the default drawdown product for all new clients, who are able to take unlimited withdrawals, up to the maximum of the value of the pension plan.

While typically 25% of the pension funds can be accessed as a Pension Commencement Lump Sum (PCLS), any further withdrawals will be treated as income for tax purposes, irrespective of the size of the withdrawal.

A taxable withdrawal will trigger the Money Purchase Annual Allowance (MPAA).

Income frequencies and payment dates:

- Income can be taken as one-off, monthly, quarterly, half yearly and annually
- Clients can choose to receive income on the 10th or the 25th of each month

All benefits are taken from cash within an account first. Where there is insufficient cash available we will sell proportionately from your clients' investments or, where available, from the largest holding or nominated assets, to make up the difference.

Clients can use their flexi-access drawdown funds to purchase a guaranteed lifetime income option - with flexibility over how and when they withdraw their income.

Capped drawdown

We will continue to support clients with existing capped drawdown arrangements as long as they remain within the income limits. We will also allow for additional designations. Clients can request to convert their arrangements to flexi-access drawdown at no additional cost. Converting to flexi-access drawdown will trigger the Money Purchase Annual Allowance (MPAA) at the point of the next taxable withdrawal.

The maximum income will generally be reviewed every 3 years until age 75 and annually thereafter, based on the GAD rates for an individual of the same age. We will, at our discretion, allow ad-hoc reviews before the statutory reviews are due.

Full drawdown

All the uncrystallised arrangements move into drawdown on the same pension date and the applicable PCLS is paid out.

The amount of the taxable income will be paid on the payment date and frequency requested by the client.

Partial drawdown

Each arrangement the client has is crystallised in tranches either as a one-off or can be set up for regular crystallisations. The client could choose to take PCLS, income or a combination of both from the tranche being crystallised.

Clients can choose to either:

- Set up a new Pension Drawdown Account with each crystallisation

OR

- Move additional monies into an existing Pension Drawdown Account (for existing capped drawdown clients this will trigger a recalculation of the GAD limits for the entire account)

Uncrystallised Funds Pension Lump Sums

This option allows clients to make one-off withdrawals from their uncrystallised Pension Savings Account, with 25% of the amount paid tax free, and the rest taxed at the client's marginal rate. There are no additional charges for using this option.

Annuity purchases

The client can purchase an annuity in the open market with any funds held within the plan after age 55 (or 57 in April 2028).

The lump sum allowance

An individual's lifetime 'tax-free' lump sum allowance (LSA) will be £268,275, unless they hold LTA protection. The LSA is used up by Relevant Benefit Crystallisation Events (RBCE), which are:

- Pension commencement lump sum ('PCLS') payments.
- The tax free portion of uncrystallised funds pension lump sums ('UFPLS').
- As such, the LSA essentially replaces the PCLS rules, although the reference to crystallising benefits is maintained. In other words, unless PCLS protection exists, the LSA will be limited to the lower of:
 - 25% of the pension benefits coming into payment.
 - The remaining lump sum allowance.
 - The remaining lump sum and death benefit allowance (LSDBA).

Disqualifying pension credits will continue to be excluded from the amount crystallised for the purposes of calculating the maximum tax-free element. Where an individual has a scheme-specific lump sum protection and they take a PCLS, their lump sum allowance will not be reduced by the total tax-free amount of the PCLS. It will be reduced by 25% of the lump sum and arising pension.

The definition of 'availability of lump sum allowance' can broadly be described as the full allowance, less any RBCEs previously taken (whether PCLS or the tax-free element of UFPLS payments, for example).

The individual's LSA as of 6 April 2024 may be lower, or even zero, where benefits have been crystallised prior to this date. Further details can be found in the 'Transitional arrangements' section of this postcard.

Death benefits

The death benefits payable from an arrangement depends on the stage the arrangement is at when the client dies.

Where the client is under the age of 75

At the trustee's discretion taking carefully into account the client's nominations through the Expression of Wish form, the remaining pension account value can be:

- Paid out as a tax-free cash lump sum subject to the lump sum death benefit allowance
- Used to pay beneficiary's income withdrawals tax-free
- Used to offer a combination of the above

Where the client is over the age of 75

At the trustee's discretion taking into account the client's nominations through the expression of wish form, the remaining pension account value can be:

- Paid out as a lump sum subject to the beneficiary's marginal rate of income tax
- Used to pay beneficiary's income withdrawals which are taxable at the beneficiary's marginal rate
- Used to offer a combination of the above

Please note that the UK Government has announced that from April 2027 it is currently their intention for unspent pension pots to be included in the calculation of the value of estates and could therefore be subject to Inheritance Tax. Please visit adviserservices.fidelity.co.uk/inheritance-tax-changes for more information.

Payment of serious ill health lump sum

If a client is suffering from a serious health condition then, provided specific criteria is met and subject to the verification of a registered medical practitioner, the client may commute any pension entitlement held under the scheme and receive the entire amount as a lump sum. Where this lump sum exceeds their remaining LSDBA the excess will be subject to income tax.

Where the client has a guaranteed lifetime income option

If the client purchased a guaranteed lifetime income option and opted for value protection at the outset, any benefit remaining under the value protection will be paid into the SIPP and be payable on the same basis as above. Further detailed information on value protection can be found in the relevant technical guide.

Leavers

Transfers out

It is possible for clients to transfer the value of their fund to:

- Another UK registered pension scheme
- Qualifying Recognised Overseas Pension Schemes (QROPS)

Arrangements in drawdown can only be transferred to another personal pension scheme that offers drawdown.

Transfers out can be made in-specie or as cash.

Pension product charges

Wrapper and platform charges	
Initial administration charge	£0
Annual administration charge	£0
Annual charge for capped drawdown	£0
Annual charge for flexi-access drawdown	£0
Annual platform Service Fee	0.25%
Investor Fee*	£45
Other charges	
Transfer out charge	£0
QROPS transfer out charge	£0
Pension sharing charge	£0

* The Investor Fee will only be deducted from the pension if this is the only sole account held by the client.

- All charges quoted do not incur VAT
- All charges will be paid from cash within the pension. If there is insufficient cash available, we will sell some of the investments, and we will follow client preference wherever possible. After that other investments may be sold, starting normally with the largest investment in the account. We will try not to sell investments that carry dealing charges like exchange traded investments, unless they are the only investments held
- Customers will **not** be given an option for paying charges with assets outside the pension, except in exceptional circumstances at which point we may apply interest
- Customers will **not** be invoiced directly for charges (except in exceptional circumstances)
- In addition to the above, ongoing charges will apply to each investment in the pension, and performance fees may be payable where applicable. There may be a bid-offer spread for dual priced funds, fund managers may levy buy and sell charges, a dealing charge may be applicable when buying or selling exchange traded investments and stamp duty applies when some investment types are bought. Financial Transaction Tax (FTT) applies to purchases of some European exchange-traded instruments, including some domiciled in Europe and traded on the other exchanges, such as the London Stock Exchange (LSE). It is charged as a percentage of the transaction value, and may vary between countries.

Adviser fees

Adviser Initial Fees

Adviser Initial Fees can be applied to all contribution types:

- Single
- Regular
- Cash Transfers

Adviser Initial Fees will be based on gross contributions.

Adviser Initial Fees can also be applied in the event of a crystallisation event when taken as a one-off. Initial fees cannot be applied to regular crystallisations. Any such fee will be taken from the crystallisation value after any pension commencement lump sum is paid out.

Adviser Initial Fees can be taken either as a percentage or a fixed monetary amount.

Adviser Ongoing Fees

Adviser Ongoing Fees will be deducted on a monthly basis in arrears, based on the average daily value for that month.

The average daily value excludes both the purchase price and the notional value of any guaranteed lifetime income option.

Adviser Ongoing Fees can be set up either as a percentage or a fixed monetary amount.

If an Adviser Ongoing Fee is changed mid-month, the revised fee will be applied for the whole calendar month, in which the fee was changed.

Adviser Ongoing Fees can only be set up online.

Adviser Specified Fee

An Adviser Specified Fee option is available. This can only be taken as a fixed monetary amount.

Adviser Specified Fees can only be set up online.

Deduction of adviser fees

Adviser fees will also be paid from cash within the pension. If there is insufficient cash available, we will sell some of a nominated investment if one exists. After that other investments may be sold, starting normally with the largest investment in the account. We will try not to sell investments that carry dealing charges like exchange traded investments, unless they are the only investments held. HMRC require all fees taken from pension arrangements to be on a commercial basis and related solely to the pension arrangement paying the fee, we may need to request further documents from you to establish any fee is within those rules before making payment.

Our pension is available on the following comparison sites:



Functionality and features of our pension

	Web	Phone	Paper
New business			
Detailed quote (pre-sale)	✓	✗	✗
New business application (Pension Savings Account)			
Regular contributions	✓	✗	✗
Single contributions	✓	✗	✗
Transfers (cash)	✓	✗	✗
Transfers (in-specie)	✓	✗	✗
Top up	✓	✗	✗
Investment instructions			
Single buy/sell trade instruction	✓	✗	✗
Single switch instruction	✓	✗	✗
Model Portfolio – assign and rebalance	✓	✗	✗
Amend regular contributions	✓	✗	✗
Client maintenance			
Address change	✓	✗	✗
Name change	✗	✗	✓
NINO change	✗	✗	✓
DOB change	✗	✗	✓
Employment status change	✗	✓	✓
Instructions to remove adviser	✗	✓	✓
Adviser maintenance			
Change of agency	✓	✗	✓
Change of address (bulk)	✗	✗	✓
Amend adviser fee rates	✓	✗	✗
Income drawdown			
Crystallise existing plan	✓	✗	✗
Transfer crystallised plan	✓	✗	✗
Crystallise additional tranche	✓	✗	✗
Ad-hoc review request (capped drawdown only)	✗	✓	✓
Changes to regular income	✓	✗	✗
Information services			
Current valuation	✓	✗	✗
Duplicate statement requests	✓	✗	✗
Duplicate contract note requests	✓	✗	✗
Duplicate tax forms (e.g. P60)	✓	✗	✗
MI Reporting	✓	✗	✗
Generic literature	✓	✗	✗



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