



KEY FEATURES OF THE HARTLEY PENSIONS SIPP

Provided and operated by Hartley Pensions Limited, administered by Hartley-SAS Limited

keyfacts®

Please read the following document carefully to ensure that the Hartley Pensions SIPP is the correct product for your investment needs. If you require any more information or clarification before you make your decision, please do not hesitate to contact us.

About us

The Hartley Pensions SIPP is one of several Hartley SIPPs that are each self-invested personal pension schemes established under one master trust deed and set of rules (copies of which are available on request) and registered in accordance with the Finance Act 2004. Each Hartley SIPP is provided and operated by Hartley Pensions Limited, a UK registered company under number 09469576 which is authorised by the Financial Conduct Authority (FCA) to provide regulated products and services. The trustee of the SIPP is Hartley Pensions Trustees Limited, a UK registered company under number 09962237. Hartley Pensions Limited and Hartley Pensions Trustees Limited have entered into a service agreement with Hartley-SAS Limited for the provision of day to day administration services relating to your Hartley SIPP. Hartley-SAS Limited, a UK-registered company under number 06037774 will be your first point of contact in relation to your Hartley SIPP ("your SIPP") - contact details are below.

Risk

Investments can fall as well as rise and you may find that the value of your Hartley SIPP does not meet your investment expectations.

Past performance of investments is not necessarily an indication of future performance.

We do not give financial or tax advice under any circumstances. HM Revenue and Customs practice and the law relating to taxation are complex and subject to individual circumstances and changes which cannot be foreseen.

You should also consider how long you are required to hold a particular investment and if this is suitable for your lifestyle and investment aims. If investing outside of the UK for example, you may experience higher dealing costs and may be subject to varying exchange rates. You should also be aware that the investment/s you choose may pose a liquidity risk and you should consider the timespan of your investment/s and how easily you can disinvest should you wish to do so. We may be asked to pass on information to you from a particular

investment platform; this information should not be construed as us giving advice or recommendations of any sort. With the freedom to choose your own investments comes responsibility; you should make sure that you are comfortable making investment decisions. Please note that all of our SIPPs are denominated in British Pounds therefore you may experience bank charges when investing in products with a different currency. You may incur additional external charges depending on the particular investment provider you choose. Our charging schedule is described below and also on our website, www.hartleypensions.com.

What is a SIPP?

A Self-Invested Personal Pension or SIPP is a tax-efficient investment vehicle through which you can invest in a wide range of UK and international investment products. A SIPP offers up to 45% tax relief on contributions. Any investment gains that arise from your Hartley Pensions SIPP are free from income, dividend and capital gains tax. HM Revenue and Customs practice and the law relating to taxation are complex and subject to individual circumstances and changes which cannot be foreseen.

What is the Hartley Pensions SIPP?

The Hartley Pensions SIPP offers a clear, transparent charging structure. You can transfer your previous pension to this SIPP. Only one investment can be held within the Hartley Pensions SIPP.

What other types of SIPPs do you offer?

We offer the Empire SIPP, Prosperity SIPP, the Contribution-Only SIPP and the Junior SIPP. We have a separate KFD and information sheet per product; please contact us if you would like to enquire about one of the other SIPPs.

Who can open a Hartley SIPP?

Any UK-resident person can open a Hartley SIPP. Please note that we only accept applications via an FCA-regulated financial advisor.



How do I open a Hartley SIPP?

To open a Hartley SIPP you need to:

- read our Hartley Pensions Limited Terms and Conditions, this Key Features Document and any other documentation which we provide you with, very carefully. All of our terms are on our website: www.hartleypensions.com
- be aware of the risks attached to a Hartley SIPP and be comfortable with the fact that the value of your investments could drop as well as rise
- complete and send to us the relevant application form. All of our forms are on our website: www.hartleypensions.com
- either transfer an eligible existing pension (see details below) or make a first contribution to your SIPP

By choosing to open a Hartley SIPP, you are agreeing to be bound by our Terms and Conditions and the rules of the Hartley Pension SIPP Scheme and to make fee payments as and when requested.

Can I change my mind?

Yes, you have a legal right to cancel the establishment of your SIPP, within 30 days of when you receive our welcome pack which contains a cancellation notice. Please note that any fees incurred during the time between the establishment of the SIPP and the cancellation will be borne by you. Similarly, any losses on investments are borne by you.

Can I transfer my existing pension to a Hartley SIPP?

In most cases, yes. We accept transfers in from HMRC-recognised schemes. However, defined benefit schemes (e.g. final salary schemes) generally prevent transfers to a SIPP unless you have received personal advice from an FCA-regulated financial adviser who holds the appropriate pension transfer qualifications and we may insist you take advice to confirm it is in your interests to transfer such pensions. Please contact us if you wish to transfer your existing pension to a Hartley SIPP.

Please note that, although we do not charge a fee to transfer your pension into a Hartley SIPP, your pension provider may charge you to transfer out of their scheme.

How much money can I contribute in a year and what tax relief will I receive on contributions?

There is no limit on the amount of money you can contribute to your SIPP each year but the amount you contribute may have tax implications. The contribution amounts are based on your UK relevant earnings. If you have no relevant UK earnings then you are still able to make contributions up to £3,600 each year. If you do have relevant UK earnings then you can receive tax relief on contributions up to the amount you earn, to a maximum of £40,000. We will claim tax relief at the basic rate (currently 20%) from HM Revenue & Customs (HMRC) on a monthly basis.

However, if you make contributions above the current limit of £40,000, you may incur a tax charge via HMRC's the 'annual allowance tax charge'. The annual allowance is set each year by the UK Government and therefore may change in the future. Further information on the annual allowance tax charge and on contributions in general is available on the technical pages of our website, www.hartleypensions.com. Please seek specialist tax advice if you have specific tax concerns. All contributions made into a Hartley SIPP are subject to a correctly completed contributions form which can be found on our website, www.hartleypensions.com

Is there a minimum contribution level?

If you transfer your existing pension to a Hartley SIPP there is no requirement to make any contribution. There is no minimum level for one off or regular monthly contributions.

Who can contribute to my SIPP?

You can make personal contributions, other people can make contributions e.g. your spouse or parents, and your employer can make contributions.

Can I have more than one SIPP?

We would not open two Hartley SIPPs for you but it is possible to have another SIPP with a different provider. If you run two SIPPs concurrently you may have to pay a tax relief charge to HMRC if you have received more than the allocated tax relief in any one year.

Where can I invest?

Hartley Pensions Limited are not authorised to give advice. The Hartley Pensions SIPP is designed for those accessing the services of James Brearley.

If moving away from James Brearley investments, you will be moved to the Prosperity SIPP.

Who manages the investment portfolio held in my Hartley Pensions SIPP?

You will be required to appoint a financial advisor to manage your portfolio. We are not investment advisors nor managers, nor do we give any financial or tax advice. It is therefore imperative that you consider if a Hartley Pensions SIPP is an appropriate investment product for you based on your investment experience and personal circumstances.

Can I hold property in the Hartley Pension SIPP?

Please contact Hartley in the first instance in relation to holding commercial property. Please note that it is not possible to hold residential property in a SIPP.

What happens if I choose a new or unusual investment?

Our Investment Committee will consider your case and decide if the investment is suitable to be held within a Hartley SIPP.



How can I check the value of my pension?

You can phone us during office hours (9am to 5pm) and we will be able to tell you the current value of your fund. We will send you a yearly statement for your records. It is also prudent to review your Hartley SIPP on a regular basis to ensure that it is the correct product for your investment needs.

What is the lifetime allowance?

This is the amount that you can receive over your lifetime before being liable for a tax charge. The limit is currently £1 million pounds but this is subject to change. Your Hartley SIPP may be subject to additional tax charges at the point you withdraw funds if your pension is valued at more than the lifetime allowance.

When can I access my SIPP?

The earliest age you can start taking money from your SIPP is 55 years (due to rise to 57 in 2028) unless you are in serious ill health, as defined by the Finance Act 2004.

How can I take my benefits?

You can drawdown up to 25% of your SIPP tax free from the age of 55 as a Pension Commencement Lump Sum (**PCLS**), but the remaining pot must form a '**drawdown plan**'. From 2028 the age you can withdraw a PCLS will rise to 57 years.

After taking a PCLS, you can opt to have complete flexibility (known as '**flexi-access**') as to how you drawdown from your drawdown plan (i.e. any combination of lump sums or monthly payment), but each drawdown will be taxed at your normal income tax rate, whether you take further lump sums or a monthly income. As soon as you take any money from your SIPP a restriction on any future tax relievably money purchase contributions to your pot applies of £4,000 a year.

Alternatively, you can take money direct from your pot without having to put the money into a drawdown plan and 25% of this sum will be tax free. This is called an 'uncrystallised funds pension lump sum' (**UFPLS**). You can take one or more UFPLS payments and these can be regular or irregular payments. Payment of a UFPLS will trigger a restriction on any future tax relievably money purchase contributions to your pot to £4,000 a year.

You can also take up to three small pots of up to £10,000. 25% will be tax free and 75% will be subject to marginal rate income tax in the same way as UFPLS. Taking small pot payments does not trigger a restriction on future tax relievably money contributions to your pot.

Taking money from your pot may erode the capital value of your SIPP and could result in a lower income than anticipated in the future. You should take advice from an FCA-authorized financial advisor or suitably qualified tax advisor as to the best method to take your SIPP benefit in your particular circumstances, before making any such decisions.

After I have taken PCLS, does my pension still benefit from tax relief?

Yes. If you are in flexi-access drawdown, until you drawdown from your drawdown plan, you receive tax relief on contributions to your pension up to your annual personal allowance.

What happens if I am in capped drawdown?

If you had started to take payments from your pension prior to the April 2015 pension freedoms, your pension is designated as capped drawdown. This will mean that you are allowed to take income from your pension up to a certain limit each year. You are entitled to keep your pension as capped drawdown or if you wish to have more freedom, you can convert to a flexi-access drawdown arrangement meaning that there would be no capped income limit. You will need to consider implications such as the Money Purchase Annual Allowance and a different charging structure.

Do you offer annuities?

No. If you are looking to purchase an annuity, you must transfer all or part of your pension to an annuity provider.

Is SIPP income subject to National Insurance?

No.

What happens to my SIPP if I die?

When we are notified of your death by your personal representative, we will ask for a copy of your death certificate. We will carry out due diligence on the beneficiary and then discuss options with him or her. Please note that the trustee retains ultimate discretion over the distribution of your pension, despite a beneficiary being named.

If you die before you reach the age of 75, your beneficiary can choose:

1. to take a tax-free lump sum or transfer the SIPP into their own name or an external pension scheme. If you die after the age of 75, your beneficiary can choose to take the whole pot as a lump sum but this will be subject to a tax charge at the marginal rate of the beneficiary; or
2. to transfer the SIPP into a SIPP of their own or take a regular income from the deceased's pension through what is called pension drawdown, which will be taxed at the beneficiary's normal rate of income tax; or
3. to elect to take periodical lump sums. These payments will be treated as income, therefore would be taxable at the beneficiary's normal rate of income tax. The SIPP must be kept open but transferred to the name of the beneficiary and all normal charges e.g. administration fees will apply.



Do I have to choose a beneficiary to receive my SIPP if I die?

No. Clients normally choose a beneficiary e.g. a spouse or a child. This is not legally required but we strongly recommend that you do tell us of your wishes to help ensure we consider paying the correct beneficiaries.

How much does the Hartley Pensions SIPP* cost?

Hartley Pensions SIPP	Uncrystallised	Crystallised
Establishment Fee	£0	£75 + VAT
Annual Administration Fee	£90 + VAT pa	£190 + VAT pa

*If moving away from James Brearley investments, you will be moved to the Prosperity SIPP and a new fee schedule will apply. Details of which can be found on the Hartley Pensions Website www.hartleypensions.com.

When do I pay the annual fee?

We will withdraw the annual fee from your account on a yearly basis, a year from when your Hartley SIPP was established.

Are there any other costs I should be aware of?

Divorce cost fees	£750 + VAT
Paying Death Benefits	£300 + VAT
Increase in Administration fees if an asset defined by the FCA as being non-standard is held.	£250 + VAT per annum

Do you set up a bank account for me?

Yes, a bank account will be set up in the name of your Hartley SIPP, at one of a selection of UK licensed deposit holders which we may change at our discretion.

Cash balance

Please note that we require your Hartley SIPP to maintain a balance of at least £1,000 in cash.

Ability to disinvest

If you owe us any outstanding fees, we reserve the right to disinvest from your most liquid investment, including cash.

If I am not satisfied, can I transfer out to another provider?

Yes, you can transfer out to another provider as long as the provider is HMRC-approved. We are so confident that you will be happy with our service that we do not charge a transfer out fee.

If I have any queries, who can I speak to?

Hartley SAS Limited ("Hartley") provides scheme administration services to Hartley Pensions Limited. Upon opening a Hartley SIPP you will be assigned a dedicated SIPP administrator at

Hartley who will answer any of your queries by telephone or email. Hartley is not a call centre; all of the SIPP team are pension professionals who have gained or are currently studying towards industry-recognised pension qualifications.

Is my money protected in any way?

Whilst your money is being held in your SIPP bank account which we set up for you, it is covered by the FSCS's UK deposit recovery scheme, up to the maximum (£85,000 at the time of writing). When your money is invested on a particular platform/s it may not be covered by the FSCS – please discuss this with your financial adviser. For more information, please visit: www.fscs.org.uk

Who can I contact if I have any further questions?

We are happy to answer any questions you may have. Please write to us at:

SIPP Team Leader
Hartley-SAS Ltd
5th Floor, 25 Marsh Street
Bristol BS1 4AQ

Or telephone us on:
01173 169 991

A government-backed service called Pension Wise is provided by The Pensions Advisory Service and Citizens Advice to assist members and beneficiaries with pension queries or with unresolved issues they may have with pension scheme trustees. You can receive this guidance online, by telephone or face to face. To use the service visit the Pension Wise website at www.pensionwise.gov.uk or call 0800 138 3944.

What happens if I want to make a complaint?

We pride ourselves on our dedication to customer care. However, if you feel that you wish to make a complaint regarding our service, you can write to us at:

SIPP Complaints
Hartley SAS
5th Floor
25 Marsh Street
Bristol BS1 4AQ

If you are unsatisfied with our response, the Pensions Ombudsman can investigate and determine certain complaints or disputes referred to it in accordance with the Pension Scheme Act 1993. You can contact the Pensions Ombudsman at:

The Pensions Ombudsman
11 Belgrave Road
London
SW1V 1RB
www.pensions-ombudsman.org.uk



The Financial Ombudsman can also investigate a wide range of complaints relating to pensions, usually relating to FCA regulations, for example, a complaint about the suitability of advice to start a certain pension arrangements. You can contact the Financial Ombudsman at:

Financial Ombudsman Service
Exchange Tower
London
E14 6SR

The Pensions Ombudsman and the Financial Ombudsman have a memorandum of understanding between them which means that your complaint will be automatically transferred to the other organisation where appropriate.

Can Hartley close my SIPP?

The Trustee has absolute discretion over your SIPP and can close it at any time. In this instance we would give you 30 days notice.

Business language

All communications will be in English.

Law

Hartley SIPPS operate under the laws of England and Wales. Any disputes would be subject to the English Court system exclusively. This Key Features Document and the legislation referred to herein are correct at the time of writing.

September 2018



Hartley Pensions Limited

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