

## KEY FEATURES OF THE ADVANCE HARTLEY SIPP

Provided and operated by Hartley Pensions Limited

### keyfacts<sup>®</sup>

**Please read the following document carefully to ensure that the Advance Hartley 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 Advance Hartley SIPP is established under one master trust deed and set of rules (copies of which are available on request), and is registered in accordance with the Finance Act 2004 under The Hubwise SIPP. The 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.

#### Risk

Investments can fall as well as rise and you may find that the value of your SIPP does not meet your investment expectations. Past performance of investments is not necessarily an indication of future performance. 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 do not give financial or tax advice under any circumstances.**

With the freedom to choose your own investments comes responsibility; you should make sure that you are comfortable making investment decisions. Please note that the Advance Hartley SIPP is denominated in British Pounds therefore you may experience bank charges when investing in products with a different currency. The charges for the Advance Hartley SIPP are described in this Key Features Document.

#### 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 SIPP are free\*\* from income, dividend and capital gains tax.

#### Who can open an Advance Hartley SIPP?

Any UK resident person can open an Advance Hartley SIPP.

#### How do I open an Advance Hartley SIPP?

To open an Advance Hartley SIPP you need to:

- read the Advance Hartley SIPP Terms and Conditions, the Hubwise Securities Limited Terms and Conditions, this Key Features Document and any other documentation which we provide you with, very carefully;
- be aware of the risks attached to a Advance Hartley SIPP and be comfortable with the fact that the value of your investments could fall as well as rise;
- complete and send to us the relevant application form;
- either transfer an eligible existing pension (see details below) or make a first contribution to your SIPP.

By choosing to open a Advance Hartley SIPP, you are agreeing to be bound by the Terms and Conditions of The Advance Hartley SIPP and Hubwise Securities Limited, the rules of the scheme operated by Hartley Pensions Limited and to make 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.

\* HM Revenue and Customs practice and the law relating to taxation are complex and subject to individual circumstances and changes which cannot be foreseen.

\*\* Tax concessions are not guaranteed and may change in the future. Tax free means the investor pays no tax.



### **Can I transfer my existing pension to an Advance 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 adviser regulated by the Financial Conduct Authority who holds the appropriate pension transfer qualifications. If the value of your transfer is £30,000 or above, the transfer must be on a fully-advised basis by a suitably-qualified pensions specialist. Please contact us if you wish to transfer your existing pension to a Advance Hartley SIPP. Please note that, although we do not charge a fee to transfer your pension into a Advance 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 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 '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](http://www.hartleypensions.com). Please seek specialist tax advice if you have specific tax concerns. All contributions made into your SIPP are subject to a correctly completed contributions form which can be found on our website, [www.hartleypensions.com](http://www.hartleypensions.com).

### **Is there a minimum contribution level?**

If you transfer your existing pension to an Advance 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 Advance 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.

### **Who manages the investment portfolio held in my Advance Hartley SIPP?**

All investment decisions in relation to your Advance Hartley SIPP are taken by you personally and your financial adviser. We are neither managers nor advisers; it is imperative that you consider if a Advance Hartley SIPP is an appropriate investment product for you based on your investment experience and personal circumstances.

### **Can I hold property in an Advance Hartley SIPP?**

Yes. Please contact Hartley in the first instance for more details.

### **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 Hartley during office hours (9am to 5pm) and they 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 SIPP on a regular basis to ensure that it is the correct product for your investment needs.

### **How often is my SIPP valued?**

For reporting and legislation purposes we require at least annual valuations on the chosen investments under your SIPP, triennial for commercial property, plus the availability of ad hoc valuations for events such as benefits calculations.

We are reliant on valuations being provided to us, if you choose to invest in commercial property, the valuations are required a minimum of every 3 years, and should be carried out by a qualified member of The Royal Institution of Chartered Surveyors (RICS), and this member should be independent from you. This includes if a sale of the property to an unconnected party is prolonged, or a valuation is required sooner if a sale is intended to a connected party.

In the event valuations are not provided, the value of the investment will be noted on our records as NIL value, until an up to date valuation is provided.

Fees for obtaining the valuation can be paid or reimbursed from cash funds in the pension scheme if sufficient funds are available upon receipt of an invoice.

### **What is the lifetime allowance?**

This is the amount that you can receive over your lifetime before being liable for a tax charge. The current lifetime allowance can be found in the Frequently Asked Questions section on our website. Your 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 relivable\* 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 relivable\* money purchase contributions to your pot to £4,000 a year.

Across all pension arrangements, you may be able to take up to three small pots subject to the SIPP value being under £10,000 and as long as when taken it means all the SIPP funds are exhausted. 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 relivable 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 adviser authorised by the Financial Conduct Authority or suitably qualified tax adviser 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 up to your UK relevant earnings.

### 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.

### 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 an Advance Hartley SIPP cost?

There are costs associated with operating and administering your Advance Hartley SIPP. Advance Platform have come to an agreement by where they will pay all annual administration charges on behalf of your SIPP. Other fees for work in relation to commercial property, divorce and death will be charged to your SIPP. These fees are:

Death	£200
Divorce	£500
Property acquisition	£600
Property administration	£350 pa
Property disposal	£350
Scheme borrowing establishment	£500

Please note that VAT will be charged on all fees

There will be additional fees in respect of the investments held within your Advance Hartley SIPP and the financial advice that you have been given which are not covered by the agreement.



### **Do you set up a bank account for me?**

Yes, a bank account will be set up in the name of your SIPP, currently at RBS. If interest is payable, it may be variable and the current rate of interest paid will be confirmed in the FAQ section of [www.hartleypensions.com](http://www.hartleypensions.com).

### **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.

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

Hartley provides scheme administration services to Hartley Pensions Limited. Upon opening an Advance 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. For more information, please visit: [www.fscs.org.uk](http://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:

Hartley Administration Team  
Hartley Pensions Limited  
5th Floor  
25 Marsh Street  
Bristol  
BS1 4AQ

Or

telephone us on:  
01173 169 991

email us at:  
[newbusinessteam@hartleypensions.com](mailto:newbusinessteam@hartleypensions.com)

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](http://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:

Complaints Manager  
Hartley Pensions Limited  
5th Floor  
25 Marsh Street  
Bristol  
BS1 4AQ

### **Can you 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**

Advance 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.

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**Hartley Pensions Limited**

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