



**MC TRUSTEES (PENSIONS) LIMITED**  
MC Trustees Private Pension

# Key Features

**This document provides a summary of the key points of the MC Trustees Private Pension which is administered by MC Trustees (Pensions) Limited. It is an important document and you should keep it safe for future reference**

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**The Financial Services Authority is the independent financial services regulator. It requires us, MC Trustees (Pensions) Limited, to give you this important information to help you decide whether our products are right for you. You should read this document carefully so that you understand what you are buying and then keep it safe for future reference.**

## Introduction

The MC Trustees Private Pension ("MCTPP") is administered by MC Trustees (Pensions) Limited ("MCTPL") and is a Personal Pension and an Appropriate Personal Pension, which enables you to invest your pension fund in a wide range of assets.

The MCTPP was established on 15 May 1995 by irrevocable trust and is now governed by a series of irrevocable trusts and by Rules adopted by the Operator and Trustees on 30 September 2008. You join the MCTPP by completing an application form. You may elect to be appointed as joint trustee of your MCTPP with MC Trustees Limited and MC Nominees Limited. An interest bearing current account will be opened with Cater Allen Private Bank specifically for your MCTPP on which MC Trustees Limited will be the signatory. Cater Allen Private Bank is part of the Santander Group, one of the ten largest banks in the world. If you have elected to be a Trustee, you will also be a signatory on this account.

You will have the flexibility to pay contributions at your chosen rate to the non Protected Rights part of your MCTPP, with HM Revenue & Customs' limits for tax relief. There is no minimum contribution.

You may appoint any authorised investment manager to manage all or part of the fund or manage the investments yourself. Your MCTPP may also invest in commercial property and may borrow for the purposes of investment. The property may be leased to either an unconnected third party or to a connected business at a commercial rent.

The MCTPP accommodates the income withdrawal rules included in the Finance Act 2004.

With effect from 1 October 2008, the MCTPP is able to accept transfers of Protected Rights and Safeguarded Rights, as it has obtained an Appropriate Scheme Certificate. For further information on Protected Rights and Safeguarded Rights, please see the section on Protected Rights, which is appended to this document.

The parties involved in the MCTPP are :

Provider/Operator	MC Trustees (Pensions) Limited, (Co Reg No 05575694) a company authorised and regulated by the Financial Services Authority (FSA Reg No 461226) to establish, operate and wind up personal pensions
Scheme Administrator	MC Trustees (Pensions) Limited. The day to day management and administration of the MCTPP is outsourced to MC Trustees (Administration) Limited (Co Reg No 02352583)
Bare Trustees	MC Trustees Limited (Co Reg No 06196502) MC Nominees Limited (Co Reg No 0398181)
Asset Registration	MC Nominees Limited (Co Reg No 03198181) MC Trustees Limited (Co Reg No 06196502)

Please note that none of the companies in the MC Trustees group is authorised by the Financial Services Authority to give financial advice

The banking facilities for the MCTPP are provided by Cater Allen Private Bank.

**MC Trustees (Pensions) Limited is authorised and regulated by the Financial Services Authority (FSA). Our permitted business is to establish, operate and wind up personal pensions. Our FSA register number is 461226. You can check this on the FSA's register**

**by visiting the FSA's website [www.fsa.gov.uk/register](http://www.fsa.gov.uk/register) or by contacting the FSA on 0845 606 1234**

The information provided in this document is a summary of our understanding of current law, HM Revenue & Customs' and Department of Work & Pensions' practice at the date the document was prepared. It should not be relied upon for detailed advice or as a statement of law. Please also note that current laws may change in the future. This document summarises the key features of the MCTPP. If you require further information, please contact your adviser or MC Trustees :

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## **1 What is the MC Trustees Private Pension and can anyone have one?**

- 1.1 It is a SIPP, which is a personal pension scheme registered with Her Majesty's Revenue & Customs ("HMRC") under Part 4 Chapter 2 of Finance Act 2004.
- 1.2 Anyone can have an MCTPP. You can have one even if you are a member of a company pension scheme.
- 1.3 The MCTPP is governed by a Trust Deed and Rules, as amended from time to time. This Key Features document summarises the main provisions of the Rules and of the HMRC regulations that apply to your MCTPP. However, in the event of any discrepancy between the Key Features and the Trust Deed and Rules, the Trust Deed and Rules will prevail.
- 1.4 Please read these Key Features carefully before completing the application form.

## **2 What can the MCTPP do for me?**

- 2.1 Provide a vehicle in which you can save for your retirement, taking advantage of the tax reliefs available.
- 2.2 Provide benefits in retirement for you and/or your dependants.
- 2.3 Enable you to consolidate your existing pension benefits, including where applicable Protected Rights.
- 2.4 Provide lump sum and pension benefits for yourself and your dependants following your death.
- 2.5 Provide the facility to pay pensions from the fund. This allows you to continue to invest your pension following your retirement.
- 2.6 Provide you with flexibility to choose the level of pension you receive each year, subject to limits set by HM Revenue & Customs ("HMRC").
- 2.7 Provide flexibility for your dependants in the way death benefits can be paid.

## **3 How do I set up an MCTPP?**

- 3.1 You need to tell us that this is what you wish to do and we will provide you with all the documentation for completion and return.

You will need to inject funds to complete the setting up. This may be by contributions or transfer (see later).

- 3.2 We are required under anti-money laundering rules to formally identify you. This means we need to examine certain documents which confirm your name and address. If you prefer, your financial adviser can provide us with a certificate which confirms that he has examined the documents.

## **4 What happens next?**

- 4.1 When we have received the completed documentation from you we will set up a bank account with Cater Allen Private Bank. Any contributions or transfer values will be placed in this bank account and retained there until you, or your authorised agent, instruct us to make an investment. In relation to the making and selling of investments, you are a compulsory signatory.

## **5 Can I change my mind?**

- 5.1 You have cancellation rights in respect of the MCTPP, unless you elected to waive them when you filled in your application form. If you elected to waive your cancellation rights when you

completed your application form, you will not be entitled to a refund of the accompanying contribution (if any).

- 5.2 When we receive your application form, we will bank any accompanying contribution and/or apply for the transfer value, as instructed by you. If you had not already waived your cancellation rights when you filled in your application form, we will issue the appropriate cancellation notice which gives you 30 days to cancel your MCTPP.
- 5.3 If you have elected to transfer other pensions into the MCTPP, you have 30 days from the date we receive the completed transfer in form to change your mind. This right cannot be waived and if you request that we make investments during this period which then have to be realised because you have changed your mind your MCTPP will bear any losses. We also reserve the right to deduct any costs we have incurred in respect of the transfer.
- 5.4 You should be aware that it may not be possible to return a transfer payment we have received. Should this be the case you must nominate another pension scheme to which we can transfer the payment.
- 5.5 If you have decided to take benefits we will send you a cancellation notice which explains that you have 30 days to change your mind. Should you do so you must return any benefits taken and bear the costs incurred by this change of mind.
- 5.6 If you wish to exercise your right to cancel, you must complete, sign and date the cancellation notice we send you and return it to us by post. You have 30 days from the date you receive the notice to exercise your right to cancel.

## **6 What must I do when managing my MCTPP?**

- 6.1 Decide on the investment strategy. You may wish to do this in conjunction with your professional adviser, if you have one.
- 6.2 Regularly review your investment strategy and the benefits being drawn (if applicable).
- 6.3 Pay the charges set out in our fee schedule. These will be deducted from your MCTPP account by MCTPL.
- 6.4 Comply with HMRC rules regarding contributions, investments and benefit levels.
- 6.5 Notify us immediately of any changes to your personal circumstances that may affect your MCTPP, including your eligibility for tax relief on your contributions and the taxation of your benefits.

## **7 What are the charges?**

- 7.1 Our charges schedule, which is appended to this document.
- 7.2 If you have an adviser he will charge you for his advice. You must agree this but the charges may be paid from the fund.
- 7.3 When you invest in stocks and shares or any regulated investment product there will be charges made by the stockbroker or the product provider.
- 7.4 If you decide to buy a property your MCTPP will incur legal and valuation fees in addition to our fees. Stamp duty will normally be payable.

## **8 Can I invest in anything?**

- 8.1 Yes, but there may be substantial tax charges if investments are made in such things as residential property. We will not permit any investment which we believe may attract such a tax charge.

8.2 Typical investments are:

UK quoted stocks, shares, debentures and gilts  
Shares quoted on AIM  
Stocks and shares traded on a recognised overseas stock exchange  
Futures and options relating to shares quoted on a recognised stock exchange  
Hedge funds  
Bank and Building Society accounts  
Unit trusts, investment trusts and OEICs  
Insurance company funds  
Commercial land and property  
Loans – SIPPs can make loans to unconnected third parties

8.3 Your MCTPP may also invest in unquoted shares, but there are tax implications which relate to tangible moveable assets and there are also rules imposed by MCTPL relating to the percentage of the issued share capital of the company that may be owned by your MCTPP and connected parties. Please ask us for further information if you are interested in investing in unquoted shares.

8.4 It is permissible for your MCTPP to enter into investment transactions with you, or persons connected with you. It is imperative that these transactions are carried out at arm's length valuations, otherwise tax changes may apply.

8.5 All quoted investments, eg equities must be registered in the name of an authorised nominee company. Stockbrokers will usually offer this service to their clients.

8.6 You may purchase commercial property, including land. All property purchases/sales must take place at market value. If the property is to be let to you or a party connected with you, the open market rental value must be confirmed by an independent chartered surveyor. ("Connected" is defined in Section 839 of ICTA 1988 – we will be pleased to supply you with a copy if you believe this may apply to you).

8.7 The Trustees of the MCTPP may borrow funds, from any source, to assist with property purchase, or for any other reason. HMRC has placed a restriction on the amount that the Trustees may borrow to 50% of the value of the net assets of the MCTPP immediately prior to the borrowing taking place, ie this does not include the value of the asset you are purchasing. The limit includes any amount borrowed to finance VAT on the property purchase.

8.8 If several parties wish to collectively purchase a property, this can be arranged. We are prepared to consider property purchases including third parties, ie non SIPPs. If you are interested in property purchase, please ask us for further details.

8.9 Please note that none of the MC Trustees group of companies accepts responsibility for the performance of any investment or liabilities associated with any investment.

**9 What are the risks with the MCTPP?**

The risks include:

9.1 Transferring in

By transferring other pension benefits into your MCTPP, you may be giving up:

9.1.1 the right to guaranteed benefits, and or guaranteed increases in benefits.

9.1.2 the right to receive a terminal bonus on with-profits pension plans.

You should also be aware that a penalty may be applied to your existing pension plan on transfer so you should seek appropriate professional advice before transferring existing pension benefits into your MCTPP

## 9.2 Investments

9.2.1 The value of investments can fall as well as rise and is not guaranteed. Past performance must not be taken as an indication of future performance.

9.2.2 You can invest in a range of investments, each of which will carry a different level of risk. You should seek appropriate professional advice when determining your investment strategy.

9.2.3 The cost effectiveness of your MCTPP will depend upon a number of factors, including:

- its size in relation to the initial and ongoing costs (including our charges which may increase in the future)
- the type of investments held
- the frequency with which you deal
- the size of transaction you undertake

If you have a smaller fund, or deal excessively, the value of your MCTPP may be eroded and the costs may be disproportionate to its value.

Some investments may take longer to sell than others eg property, and the sale price may be lower than expected.

## 9.3 Income Withdrawal

9.3.1 Taking income withdrawal may erode the capital value of your fund, especially if investment returns are poor and a high level of income is taken. This may result in a lower income than you had hoped to take in future.

9.3.2 If income withdrawals are close to or at the maximum level permitted by HMRC, such withdrawals may not be sustainable. The higher the pension you elect to receive, the higher the probability that your pension may have to reduce in the future and the lower the provision for your beneficiaries.

9.3.3 If you choose to receive your pension via income withdrawal, there is no requirement to purchase an annuity by the time you reach your 75<sup>th</sup> birthday. (If, however, you have Safeguarded Rights in your MCTPP, then you must purchase an annuity by the age of 75 in respect of these funds). Please see the attached "Additional Information on Protected Rights and Safeguarded Rights" (Page 18) for a definition of Safeguarded Rights. If you continue income withdrawal after you reach the age of 75, the maximum income permitted by HMRC will reduce. The death benefits payable on your death after age 75 will be restricted and the remaining fund on your death will be subject to substantial taxation.

9.3.4 There is no guarantee that annuity rates will improve in the future. If you choose to purchase an annuity, the level of pension you receive when you purchase the annuity may be lower or higher than the pension previously being paid under income withdrawal and/or the annuity you could have purchased initially.

## 9.4 General

9.4.1 The tax benefits, laws and regulations relating to SIPPs could change to your disadvantage in the future.

9.4.2 If you intend to rely on Enhanced Protection and a contribution is paid to your MCTPP, you will lose the Protection and a tax charge may apply when you take your benefits.

9.4.3 If the total value of all of your pension funds exceeds the Lifetime Allowance when you start taking benefits, there may be a tax charge.

## **10 What contributions can I make?**

10.1 There is no limit on the contributions you can make, but the tax relief granted by HM Revenue & Customs only applies up to the 'Annual Allowance'. Contributions may not be made to your MCTPP after your 75<sup>th</sup> birthday.

The Annual Allowance for the tax years up to 2010/11 are:

2007/08	£225,000
2008/09	£235,000
2009/10	£245,000
2010/11	£255,000

If you do make a contribution which exceeds the Annual Allowance, there will be a tax charge of 40% of the excess amount.

The Annual Allowance does not apply in the year you crystallise all your fund or the year you die.

Contributions may only be allocated to the non Protected Rights part of your fund.

## **11 Who can make contributions?**

11.1 Yourself, your employer or another person on your behalf (eg your spouse, parent or grandparent).

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

12.1 No, you can make contributions of any amount at any time convenient to you. There is no extra cost if you increase, decrease or cease contributions at any time.

## **13 Can I contribute to more than one scheme?**

13.1 Yes, provided that the total contributions do not exceed the Annual Allowance.

## **14 I don't live in the UK – can I still contribute?**

14.1 Yes, in the following circumstances:

14.1.1 If you are a UK resident individual or have relevant UK earnings subject to UK tax you can contribute as set out above.

14.1.2 If you are non UK resident, but were UK resident when the MCTPP was set up, and at some time in the last 5 tax years had been resident in the UK you can contribute up to £2,880. We will reclaim basic rate tax to bring the gross contribution up to £3,600.

14.1.3 If you are a non UK resident you can contribute any amount, but you will not get tax relief.

## **15 What can I transfer in?**

15.1 You can transfer in cash or assets from any registered pension scheme, including Protected Rights and Safeguarded Rights. Before transferring an asset you will need to check with us that it is an acceptable investment.

15.2 To start a transfer you need to complete our Transfer In/Transfer in Drawdown form. Please ask us for a copy.

- 15.3 If you are transferring in Protected Rights which are in drawdown, (unsecured pension), we must ensure that your non Protected Rights fund benefits are proportionate, ie if you have used 100% of your Protected Rights fund to provide benefits, you must have used 100% of your non Protected Rights to provide benefits prior to the transfer in of your Protected Rights fund.

## **16 Can I transfer out?**

- 16.1 Yes, but funds providing income withdrawal may only be transferred to registered pension scheme arrangements which have been set up for the purpose of receiving transfers from income withdrawal arrangements.
- 16.2 If you elect to transfer out Protected Rights and Safeguarded Rights, you may only transfer these to a Registered Pension Scheme which has a Contracting Out Certificate. The same rules will apply in respect of the receiving scheme as shown at point 18.4
- 16.3 If you make a transfer to an overseas scheme, a check against your Lifetime Allowance must be carried out before the transfer payment is made. If the value of your MCTPP exceeds your available Lifetime Allowance, then a tax charge of 25% of the excess will be deducted from your MCPP and paid to HMRC before the transfer payment is paid to the overseas scheme.
- 16.4 The transfer may be made in cash or in specie, but will always be made to the Trustee or Administrator of the receiving scheme.

## **17 Is there a maximum fund I can have?**

- 17.1 No, but there is a Lifetime Allowance and amounts greater than this will be subject to additional taxation unless protected (see below).

The Lifetime Allowances have been set as follows:

2007/08	£1.60 million
2008/09	£1.65 million
2009/10	£1.75 million
2010/11	£1.80 million

## **18 What benefits can I get?**

- 18.1 The following are available at any time between 50 (55 after 5 April 2010) and age 75. It may be possible to take benefits earlier if you are in serious ill health or if you established your MCTPP before 6 April 2006 and are entitled to benefits before age 50.
- 18.2 A 'Pension Commencement Lump Sum', commonly known as 'tax-free cash'. This is up to 25% of your fund – but see Point 23 ("My fund is larger than the Lifetime Allowance, how does this affect me?") below.

This can be taken without taking the attaching pension but, if you take a pension, the lump sum **must** be taken at the same time. If your fund contains Protected Rights and non Protected Rights, if you take a lump sum from your Protected Rights fund you must also take a proportionate lump sum from your non Protected Rights fund. Please see the example below:

Fund value £500,000 comprising	£400,000 non Protected Rights (80%)
	£100,000 Protected Rights (20%)

£100,000 of the total fund value is to be used to provide benefits. This must be in the proportion 80% from non Protected Rights and 20% from Protected Rights, so the £25,000 lump sum will comprise £20,000 from the non Protected Rights fund and £5,000 from the Protected Rights fund.

You may take a lump sum from your non Protected Rights fund without taking a lump sum from your Protected Rights fund.

You can take a series of tax free lump sums provided that the total does not exceed your Lifetime Allowance.

All lump sums must be taken before age 75.

- 18.3 'Unsecured Pension', also known as income drawdown. If you are under 75, you can take income drawdown from age 50 (age 55 from 06 April 2010) until age 75.

We calculate the amount of income you may receive using tables compiled by the Government Actuary's Department (GAD). These tables are used to determine the maximum income you may receive from the amount of your fund you wish to use. There is no minimum income.

Every 5 years we will retest the income you receive (as required by HMRC).

- 18.4 If your fund contains Protected Rights and non Protected Rights, and you take unsecured pension from your Protected Rights fund, you must take a proportionate amount of unsecured pension from your non Protected Rights fund. Please see example at 18.2. You may, however, take unsecured pension from your non Protected Rights fund without having to take unsecured pension from your Protected Rights fund.

- 18.5 'Alternatively Secured Pension' from age 75 (this cannot be paid from Safeguarded Rights funds). We calculate this using the GAD tables. A minimum income must be paid at the level of 65% of the maximum income.

- 18.6 When you reach the age of 75, any remaining Safeguarded Rights funds must be used to purchase an Appropriate Annuity, which is a lifetime annuity meeting the annuity requirements set out in or prescribed under Section 29 of the Pension Schemes Act 1993 or regulations 6 - 8 of the Pension Sharing (Safeguarded Rights) Regulations 2000 (see point 20.1 for an explanation of these requirements).

- 18.7 If you take a pension commencement lump sum and recycle some or all of it, either directly or indirectly, to fund an increase in pension contributions then the lump sum will be treated as an unauthorised payment. You will be taxed on that payment at between 40% and 55%. Your pension fund will also be subject to a further tax charge of between 15% and 40% (depending on how much of the tax charge you have paid).

- 18.8 You can choose to purchase a lifetime annuity with some, or all, of your unsecured pension fund at any time. The purchase of an annuity will trigger a review of the maximum pension payable and also a further check against the lifetime allowance.

- 18.9 Pension payments are subject to the deduction of tax under Pay As You Earn (PAYE). The amount of tax depends on your individual circumstances and may be subject to change in the future.

## **19 What is a lifetime annuity? (for non Protected Rights funds)**

- 19.1 A lifetime annuity provides a guaranteed pension for life and is provided by an insurance company.

- 19.2 The annuity available will depend on the value of your fund and the annuity rates at the date of purchasing the annuity. It may also be possible to obtain "impaired life" rates, which will provide a higher income if you are in poor health.

- 19.3 The annuity income may increase each year, may be guaranteed for up to ten years (ie paid irrespective of whether you are alive) and may continue, normally at a reduced level, to your surviving spouse or dependant.

- 19.4 If an annuity is purchased, you will cease to have any involvement with the investment of your pension fund, but will receive a guaranteed income for life. If you use all your fund to buy an annuity your MCTPP will be wound up.

**20 What is an appropriate annuity? (for Protected Rights/Safeguarded Rights funds)**

- 20.1 An appropriate annuity is the same as a lifetime annuity, apart from the fact that an appropriate annuity must provide for a pension of at least 50% of the pension in payment at the annuitant's date of death to be paid to a surviving Partner

**21 How flexible are the benefits?**

- 21.1 Very. You can take your tax free cash and pension at times and in amounts that you wish (subject to HMRC requirements) and, if you have Protected Rights in your MCTPP, subject to the rules contained at 18.2 and 18.4 above.

**22 How do I go about taking my benefits?**

- 22.1 You need to write to us advising us of the benefits you wish to take or the amount of your funds you wish to use to provide these benefits.

We will then provide you with a quotation which tests your request against HMRC requirements. When you have accepted the quotation we will make the payments.

- 22.2 You must nominate a personal bank account to receive payments of tax free cash and pension.

**23 My fund is larger than the Lifetime Allowance, how does this affect me?**

- 23.1 Provided that your fund was accumulated before 6 April 2006 you may protect it against additional tax charges. There are two ways of doing this, namely Primary Protection and Enhanced Protection.

23.1.1 **Primary Protection** can only be claimed if the value of your pension fund at 05 April 2006 exceeded £1.5 million. If you claim this HMRC allows your standard lifetime allowance to be increased based on the amount by which the value of the pension fund at A-day exceeds the Lifetime Allowance.

23.1.2 When you take benefits your protected fund is compared with the increase in the Lifetime Allowance in force at that time. If it has increased at less than the rate of the increase in the Lifetime Allowance no further tax will be payable. If your fund has increased at a higher rate the excess will be taxed.

23.1.3 You can continue to pay contributions when you have primary protection.

23.2.1 **Enhanced Protection** can be claimed whatever the value of your pension fund at 05 April 2006. If you claim this type of protection HMRC allows the full value of your pension benefits accrued at 05 April 2006, as well as all subsequent investment growth, to be protected from any tax charges.

23.2.2 **If you make any contributions after 05 April 2006 Enhanced Protection will be lost.**

- 23.3 Your Lifetime Allowance does not restrict the amount of pension fund you can have but it does restrict the amount that is tax privileged. This means that if your pension fund exceeds your Lifetime Allowance, in the absence of Enhanced Protection the excess will be subject to an additional tax charge of 25% if you take this excess as an income or 55% if as a lump sum.

## **24 How do I claim Protection?**

- 24.1 You need to contact HMRC and obtain a form which must be filled in and returned to them in order to make a claim. You must do this prior to 5 April 2009.

HMRC will send you a certificate which you should retain, sending a copy to us.

It is important to note that claims for protection must include all your pension rights, not just those with MC Trustees.

## **25 What happens if I die before age 75?**

- 25.1 Uncrystallised Funds (non Protected Rights only)

25.1.1 Uncrystallised funds are those where benefits have not yet commenced ie you have not yet received your pension commencement lump sum and commenced your pension.

25.1.2 The investments held under your MCTPP will be realised and their full cash value used to provide benefits for your spouse, dependants, family members or other beneficiaries nominated by you for this purpose.

25.1.3 The trustees (including any additional trustee you have appointed for this purpose) will decide who will receive benefits and the form of the benefits, in their absolute discretion. However, they will take into account any wishes you have expressed through the completion of an 'Expression of Wishes' form.

25.1.4 Death benefits will normally be paid as a lump sum but pensions may be provided for a spouse and/or dependant, either under income withdrawal or by annuity purchase.

25.1.5 Lump sum payments on death are normally free of any inheritance tax but we cannot guarantee that this will be the case. You should consult your adviser if you wish to discuss this.

- 25.2 Uncrystallised Funds (Protected Rights and Safeguarded Rights)

25.2.1 The investments held in your Protected Rights and Safeguarded Rights funds will be realised and their full cash value used to provide benefits for your spouse or civil partner, or any other beneficiaries specifically nominated by you for this purpose. In the event that you do not have a surviving spouse or civil partner and you have not made a specific nomination of beneficiary, the fund will be paid to your Estate and will be subject to inheritance tax. The distribution is not at the Trustees' discretion.

- 25.3 Unsecured Pension Funds (non Protected Rights and non Safeguarded Rights)

25.3.1 If you die whilst in receipt of an unsecured pension, then we will realise the investments held under your unsecured pension and use the full cash value to provide benefits for your spouse, dependants, family members or other beneficiaries nominated by you for this purpose.

25.3.2 Again, the trustees will decide who will receive benefits and the form of the benefits, in their absolute discretion. However, they will take into account any wishes you have expressed through the completion of an 'Expression of Wishes' form.

25.3.3 The value of your fund can be used to pay benefits in the form of:

- a lump sum, subject to deduction of a 35% tax charge; and/or
- applied (with no 35% tax deduction) to provide a pension for your spouse and/or dependant, either by way of an annuity purchase or income withdrawal.

## 25.4 Unsecured Pension Funds (Protected Rights and Safeguarded Rights)

25.4.1 If you die whilst in receipt of an unsecured pension, then we will realise the investments held under your unsecured pension and use the full cash value to provide benefits for your spouse or civil partner or other beneficiaries nominated by you for this purpose. If you have not named a beneficiary, then the cash value will be paid to your Estate and will be liable to inheritance tax. The distribution is not at the Trustees' discretion.

25.4.2 The value of your fund can be used to pay benefits in the form of:

- a lump sum, subject to deduction of a 35% tax charge; and/or
- applied (with no 35% tax deduction) to provide a pension for your spouse or civil partner, either by way of an annuity purchase or income withdrawal.

Children's pensions are not permitted to be paid in respect of Protected Rights and Safeguarded Rights following the death of the member.

## 25.5 Lifetime annuity

25.5.1 If you die after an annuity has been purchased then the benefits payable, if any, will be determined by the terms of the annuity contract.

## 25.6 Definition of Dependant

A person is your dependant if they are :

- \* Your wife or civil partner
- \* Your child who is under the age of 23
- \* Your child who is over 23, but who is dependant on you due to physical or mental impairment
- \* Someone else who was financially dependant upon you

## **26 What happens if I die after age 75? (non Protected Rights)**

26.1 If your pension is being paid under ASP then the full value of your pension fund will be applied to provide pension benefits for your surviving spouse or dependants, either by income withdrawal, or the purchase of an annuity.

26.2 The trustees will decide to whom the pension will be paid to but will take into account any wishes you have expressed by completing an 'Expression of Wishes' form.

26.3 If you do not leave a surviving spouse or dependant, the fund will be paid to a charity nominated by you for this purpose. If this is not to happen the fund may be paid in accordance with your wishes but subject to inheritance tax and scheme taxes.

26.4 Any funds paid to a charity or paid out in pension benefits to your spouse or dependants, will be exempt from IHT. However, if there are any funds left over after the spouse's, or dependant's pension has come to an end then, unless paid to a charity, the funds will become chargeable to IHT and scheme taxes.

26.5 We will deduct any taxes due from your fund before paying any death benefits and pay them to HMRC.

26.6 If you have purchased an annuity then the benefits payable, if any, will be determined by the terms of the annuity contract.

## **27 What happens if I die after age 75 ? (Protected Rights)**

- 27.1 If you die whilst in receipt of alternatively secured pension, then we will realise the investments held in your Protected Rights fund and use the full cash value to provide benefits for your spouse or civil partner or other beneficiaries nominated by you for this purpose. If you have not named a beneficiary, then the cash value will be paid to your Estate and will be liable to inheritance tax. The distribution is not at the Trustees' discretion.

## **28 What happens if I die after age 75 ? (Safeguarded Rights)**

- 28.1 Once you reach the age of 75, you must purchase an Appropriate Annuity with your Safeguarded Rights fund. If you die after the annuity has been purchased then the benefits payable will be determined by the terms of the annuity contract.

## **29 How will I know what my fund is worth?**

- 29.1 We will send you annual statements showing the value.

## **30 Can MC Trustees provide me with advice?**

- 30.1 Neither MC Trustees (Pensions) Limited (nor any other members of the group) can provide you with investment or financial advice, which you should seek from appropriate professional advisers.

## **31 Will you pay any benefits not described above?**

- 31.1 These Key Features describe the main forms of authorised payments that can be paid by a registered pension scheme. We will not knowingly make any payment that is not authorised by Finance Act 2004.

- 31.2 Please note that if an investment transaction is carried out between your MCTPP and either you, or someone connected to you, which is not carried out at a market value, then this will be an 'unauthorised payment'. The amount of the unauthorised payment will be the difference between the actual value of the transaction and the market value. Non-payment of rent by you, or anyone connected to you, will create a debt. If this is not repaid on arms length terms the amount of the debt will be taxed as an unauthorised payment.

- 31.3 We are required to report any unauthorised payments to HMRC. If an unauthorised payment is made, then you, or the person who receives the payment, will be subject to a tax charge of between 40% and 55% of the payment. Your MCTPP will also be subject to a further tax charge of between 15% and 40% of the payment, depending on the amount of the tax charge that you have paid. In extreme circumstances, HMRC may de-register your MCTPP in which case a further tax charge of 40% of the value of the SIPP will be payable to HMRC.

## **32 What if I have further questions?**

For further information please contact your advisor or MC Trustees.

## **33 Would I be better off with a Stakeholder Pension?**

- 33.1 Stakeholder pensions are relatively simple pension plans. The Government has set minimum standards for pension providers for charges, minimum payment levels and terms and conditions.

- 33.2 Stakeholder pensions are generally available and may meet your needs at least as well as a SIPP. If you are in any doubt about the suitability of a SIPP, you should contact your adviser.

- 33.3 Some Stakeholder pensions are also able to accept Protected Rights/Safeguarded Rights.

# Protected Rights and Safeguarded Rights

## Additional Information

With effect from 01 October 2008, the MCTPP has Appropriate Personal Pension Scheme status and is able to accept Protected Rights and Safeguarded Rights.

### **1 What is an Appropriate Personal Pension Scheme?**

- 1.1 It is a scheme (as defined in The Personal Pension Schemes (Appropriate Schemes) Regulations 1997) and is registered with HMRC under Chapter 2 of Part 4 of the Finance Act 2004. It can accept Protected Rights.

### **2 What is the State Second Pension (S2P)?**

- 2.1 S2P is additional to the Basic State Pension and calculated separately.
- 2.2 When you are working, S2P is calculated on the amount you earn between the lower and upper earnings limits. These amounts change annually.
- 2.3 You will accrue benefits under S2P if your status is employed and you have earnings which exceed the lower earnings limit.
- 2.4 The amount of your NI contributions will determine the level of basic State Pension you will receive when you reach State pension age.

### **3 What is Contracting Out?**

- 3.1 You can opt out of S2P, which is known as contracting out. In return for the rights you give up in S2P, the State will pay a contribution into your nominated personal pension plan. The contribution is based on the percentage of your earnings and will vary according to your age and earnings. Any pension fund built up as a result of these contributions is called Protected Rights.
- 3.2 You forfeit your right to S2P for each tax year you are contracted out and may only contract out with one personal pension provider in each tax year. You may not contract out using your MCTPP.
- 3.3 The rules applicable to protected rights are made by HMRC and the DWP. These govern the way you can take benefits from your Protected Rights fund.
- 3.4 Any contributions received by your nominated personal pension plan as a result of your having contracted-out of S2P will be paid by the National Insurance Contributions Office ("NICO") and will be allocated to the Protected Rights part of that plan automatically.

### **4 What are Safeguarded Rights ?**

- 4.1 Safeguarded Rights are contracted out benefits allocated to you following a Pension Sharing Order.

### **5 What must I do when managing my Protected Rights benefits?**

- 5.1 Regularly review the benefits being drawn (if applicable).
- 5.2 Regularly review that contracting out of S2P is still the right option for you.

- 5.3 Comply with DWP rules regarding contributions, investments and benefit levels.
- 5.4 Notify us immediately of any changes to your personal circumstances that may affect your MCTPP, including the taxation of your benefits.

## **6 What are the risks involved with Protected Rights?**

- 6.1 If you had remained in S2P, your pension may have been greater than that payable from the protected rights part of your MCTPP.
- 6.2 The tax benefits, laws and regulations relating to Appropriate Personal Pensions could change to your disadvantage in the future.
- 6.3 If the total value of all of your pension funds exceeds the Lifetime Allowance when you start taking benefits, there may be a tax charge.
- 6.4 If you elect to cease to contract out, your fund may not be large enough to prevent erosion in value as a result of charges.
- 6.5 If you are intending to rely on means tested State benefits, small amounts of pension savings may have an effect on your entitlement.

## **7 What contributions can I make?**

- 7.1 You may not make contributions to the Protected Rights part of your MCTPP and your MCTPP may not accept contributions paid by NICO (National Insurance Contributions Office).

## **8 What can I transfer in?**

- 8.1 You can transfer in Protected Rights from any Appropriate Personal Pension or Registered Pension Scheme.
- 8.2 To start a transfer you need to complete our Transfer In/Transfer in Drawdown form. Please ask us for a copy.

## **9 Can I transfer out?**

- 9.1 Yes, but you may only transfer Protected Rights to another Registered Pension Scheme which has an Appropriate Scheme Certificate and can accept Protected Rights.
- 9.2 The transfer will always be made to the Trustee or Administrator of the receiving scheme.

## **10 Can I cease to be contracted out?**

- 10.1 You can elect to cease to be contracted out at any time. There are no penalties
- 10.2 You cannot contract out using your MCTPP and so we can only receive transfers of Protected Rights which do not attract minimum contributions. This may have an effect on the size of your fund when you elect to take benefits.
- 10.3 MCTPL will continue to deduct charges from your MCTPP for the duration of the contract.

## Terms and Conditions of Business

These terms and conditions set out the contract between you (the Member) and us (MC Trustees (Pensions) Limited) and should be read in conjunction with our key features.

All queries and correspondence should be sent to:

MC Trustees (Pensions) Limited  
Enterprise House  
Meadow Drive  
Hampton-in-Arden  
West Midlands B92 0BD

### 1 DEFINITIONS

**Arrangement** means the individual MC Trustees Private Pension (MCTPP) for a Member.

**DWP** means the Department for Work and Pensions

**HMRC** means HM Revenue and Customs

**MC Trustees** means all the companies named in this section where relevant in the particular context and unless a specific company name is mentioned.

**MC Trustees (Administration) Limited** is the company providing administration services for the Scheme

**MC Trustees (Pensions) Limited** is the company providing and operating the MC Trustees Private Pension. This company is authorised by the Financial Services Authority to establish, operate and wind up personal pensions under reference number 461226

**MC Trustees Limited and MC Nominees Limited** are the Bare Trustees of the MC Trustees Private Pension.

**Member** means the person who completed the application form for the MCTPP and in whose name it has been opened.

**Scheme** means the MC Trustees Private Pension.

**Self Invested Personal Pension** or **SIPP** means the MC Trustees Private Pension.

**Taxable Property** means residential property and most tangible moveable assets

**Us and we** means MC Trustees

**You and your** means the person who completed the application form for MCTPP and in whose name it has been opened.

### 2 TERMS OF THE AGREEMENT

2.1 This Agreement is between the Member and MC Trustees (Pensions) Limited of Enterprise House, Meadow Drive, Hampton-in-Arden, West Midlands, B92 0BD (registered number 05575694) ('the Operator').

2.2 This agreement details the terms of business and the services which will be provided under the Scheme for the Member. The Scheme is a Registered Pension Scheme which has been established for the sole purpose of the provision of pension and lump sum benefits for eligible individuals under the Finance Act 2004.

2.3 The Scheme is governed by a Trust Deed and Rules ('the Rules') and any subsequent deeds amending these. Under the provisions of these documents each Arrangement is a separate trust fund distinct from the other Arrangements under the Scheme. MC Trustees (Pensions) Limited is the Operator and MC Trustees Limited and MC Nominees Limited are the Trustees of the Scheme. MC Trustees (Administration) Limited is appointed by the Operator to administer the Scheme on its behalf and hereby undertakes to administer the Scheme in accordance with the Rules, and this Agreement. A copy of the governing documentation is available upon written request.

### 3 CONTRIBUTIONS AND TRANSFERS

3.1 The Member and/or his/her employer (if applicable) may contribute.

3.2 The Member may also arrange for a transfer of any other pension entitlement he/she may have to the Scheme. Please note that at the outset the Arrangement will be divided into 10,000 equal separate segments ('the Segments'). All contributions and transfer payments received in respect of the Member shall be apportioned equally between the Segments except that the apportionment may be altered for the purposes of rounding up the sum allocated to the nearest penny.

#### **4 INCOME WITHDRAWAL TRANSFERS**

- 4.1 The Member may arrange for a transfer of any Registered Pension Scheme that is currently providing income withdrawal benefits (either as unsecured or alternatively secured pension) in respect of the whole of the assets transferred.
- 4.2 10,000 Segments will be set up in respect of each transfer of arrangements. Each transfer shall be apportioned equally to the 10,000 Segments, except that the apportionment may be altered for the purpose of rounding up the sum allocated to the nearest one pence sterling.

#### **5 MEMBER BANK ACCOUNTS (ALSO REFERRED TO AS THE SIPP BANK ACCOUNT)**

- 5.1 All monies in respect of the Arrangements, not applied for investment purposes, will be held in separate designated Member accounts with Cater Allen Limited (the 'Bank'). No other bank or other deposit taker's accounts may be used. The Trustees will be mandatory signatories to these accounts and, where the Member has so elected, he will also be a signatory to the account.
- 5.2 Where monies are held in the designated Member accounts the credit balance will attract interest at a rate offered by the Bank from time to time.
- 5.3 No bank charges are currently payable on the designated Member accounts but this may change in the future.
- 5.4 Where monies are transferred to an Investment Manager/Adviser permitted to hold funds in respect of the Arrangements, the Investment Manager/Adviser will be responsible for the establishment of Member accounts in a form acceptable to the Operator and shall account for all transactions and interest periodically.

#### **6 POOLED BANK ACCOUNTS**

- 6.1 There may be circumstances when we need to put your money into a pooled bank account held in the name of the Trustee. These accounts are:
- Rental Income
  - PAYE
  - VAT
  - Income Tax
  - Dividend Tax Reclaim
- 6.2 The amounts in these pooled bank accounts may also include money in respect of other clients. Your money will only remain in a pooled bank account until it has been distributed appropriately. No interest is payable to you on any money held within a pooled bank account.

#### **7 ACCOUNTING AND INVESTMENT STATEMENTS**

- 7.1 The Operator maintains records of all transactions and provides the Member with annual statements. Protected Rights will be separately identifiable from any other rights under the Scheme.

#### **8 INVESTMENTS**

- 8.1 You may make any investments except that we will not accept any investments which we consider will be deemed by HMRC to be Taxable Property.
- 8.2 The investment objectives of the Arrangements must have due regard to the overall objective to provide retirement benefits.
- 8.3 Neither the Operator, nor the Trustees provide investment or pensions advice, nor act as Investment Manager to the Arrangements, nor accept any liability for the performance or choice of investments or performance or choice of Investment Fund Provider or execution only stockbroker.
- 8.4 All investment transactions must be carried out on a commercial basis. We reserve the right to decline to make an investment in a particular asset for any reason we deem appropriate.
- 8.5 We do not accept any liability for any tax charges should the Member, their Financial Adviser or Investment Manager invest in assets which are deemed to be Taxable Property.
- 8.6 You may choose, subject to any HMRC rules, the investments of the Arrangements, obtain advice from any person or body appropriately authorised under the Financial Services and Markets Act 2000 and subsequent amending legislation.
- 8.7 Where you have appointed a Financial Adviser then the Financial Adviser will be treated as your Representative and Agent. Investment and disinvestment instructions from the Financial Adviser will be accepted from them on the basis that such instructions are the Member's instructions.
- 8.8 You may appoint a stockbroker of your choice. All investments made by this stockbroker will be held in its nominee

company.

- 8.9 The Trustees will enter into any necessary agreements with the stockbroker. We will limit our liability (and any liability of the Operator) to the value of the Arrangement in question.
- 8.10 We must be specifically instructed each time an investment is required except share dealing which should be directed to the stockbroker. We cannot accept instructions on an ongoing basis to make future investments.
- 8.11 Neither the Operator, nor the Trustee accept liability for any loss occasioned by any Investment Manager/Adviser/Stockbroker or other person or body which is responsible for any fund management or ancillary services connected therewith.
- 8.12 The fees and charges of any financial adviser or stockbroker are in addition to the Operator's charges and shall be payable from funds in the Member's Arrangements.
- 8.13 The Trustee will not exercise voting rights or any other rights in respect of any investment unless directed by the Member to do so.
- 8.14 The Trustee reserves the right to realise investments to pay benefits or fees and charges under the Arrangements.

## **9 COMPLAINTS AND COMPENSATION**

- 9.1 Should you wish to register a complaint in relation to the services provided under this Agreement then such a complaint can be made in writing and addressed to The Administration Manager, MC Trustees, Enterprise House, Meadow Drive, Hampton-in-Arden, West Midlands, B92 0BD.
- 9.2 If your complaint is not resolved to your satisfaction, you can refer it to The Pensions Advisory Service or The Financial Ombudsman service. Their details are available on request.
- 9.3 The MCTPP is covered by the Financial Services Compensation Scheme, which was set up to deal with compensation when firms are unable to meet claims made against them. Your entitlement to compensation would depend upon the circumstances of your claim.

## **10 VARIATION**

- 10.1 The Terms and Conditions of this Agreement may be amended by the Operator by giving the Member 30 business days written notice. This notice will be sent to the Member's home address as last advised to the Operator.
- 10.2 We may remove, change, or add to these conditions or any details forming part of the contract between us:
- To conform with or anticipate any changes in law, order, code of practice or to react to any change in the interpretation of any of these.
  - To comply with the recommendations of the Financial Services Authority
  - To introduce new or improved systems, methods of operation, services or facilities.
  - To enable us to harmonise our banking or charging arrangements.
  - To reflect market conditions.
  - To reflect general banking or other financial services practice
  - To make them clearer or more favourable to you.
  - To rectify any mistake that may be discovered in due course.
  - To enable us to change the provider of banking services to another bank.
  - We may also remove change or add to these Terms and Conditions for any reason which we may consider is valid.

## **11 TERMINATION**

- 11.1 We have the right to make any amendment to these provisions in order to comply with a change of applicable law or regulation, by giving you 30 days written notice. If the change is to the Member's advantage then notice can be given within 30 days of the change.
- 11.2 These provisions as varied, if appropriate, shall continue until the Arrangements have been terminated by the payment of a transfer value to another Registered Pension Scheme or the provision of annuity/death benefits in the appropriate form.
- 11.3 No fees or charges at that time paid shall be refunded and those payable shall remain so. Termination will be

without prejudice to the completion of transactions already initiated and the Trustee is authorised to continue to operate the bank accounts relating to the Arrangements after notice has been given for the purpose of settling or receiving monies in respect of transactions already initiated and paying any expenses or fees due to the Operator or other parties.

## **12 CONFIDENTIALITY**

- 12.1 The Operator and the Trustees undertake not to disclose, at any time, information coming into their possession during the continuance of the Arrangements except to the Member's agents (including their Financial Adviser and Investment Manager) or any investment provider with whom the Plan has been invested or the organisation through which the Plan has been introduced, unless expressly authorised to do so or where required to do so by Law or any regulatory purpose and such information will be held in accordance with the provisions of Data Protection legislation.
- 12.2 We may also give essential information about the Plan to others, but only if necessary to run the Plan.
- 12.3 You should give all instructions and written notices regarding the Scheme to the Operator who will pass them to the Trustee (as appropriate).
- 12.4 Any written notice or communication should be posted or delivered to MC Trustees or faxed to 01675 444601 or as may be notified from time to time. In the event of a dispute no instruction or notice shall be deemed to have been given by or on behalf of the Member unless by proof of receipt.

## **13 JURISDICTION**

- 13.1 This agreement shall be construed in accordance with the laws of England and Wales and the parties submit to the exclusive jurisdiction of the English and Welsh courts.

## **14 CHARGES**

- 14.1 The charges for the Scheme form part of this Agreement and are set out in the current Charges Schedule a copy of which you acknowledge has been supplied to you.
- 14.2 If additional services are offered in the future or additional forms of investment are permitted, then charges for these may not be reflected in the Charges Schedule and you should ensure you refer to the latest Charges Schedule for up-to-date information.
- 14.3 All figures are exclusive of any Value Added Tax (VAT).
- 14.4 All charges will be deducted when required by the Operator from the Member's designated bank account unless there are insufficient funds available.
- 14.5 The Operator reserves the right to require the Trustees to realise investments to pay charges if there are insufficient funds otherwise available and may require sufficient funds to be maintained in the Member's designated bank account to cover charges. The Operator shall be entitled by 30 business days' notice given to the Member to increase the level of fees and charges above the level of any predetermined increases herein provided for.
- 14.6 All fees and charges must be deducted from funds held in the Scheme.
- 14.7 The Operator reserves the right to charge interest on late payment of fees at 3% over base rate as determined by the Bank of England.

## **15 SERVICES**

The following services are provided:

- 15.1 Establishment of Arrangements
- 15.2 Setting up administration record systems
- 15.3 Receipt of contributions/transfer payments into/out of the Scheme
- 15.4 Maintenance of records
- 15.5 Recovery of basic rate tax on Member contributions where applicable
- 15.6 Recovery of tax deducted at source on UK investment income where applicable
- 15.7 Arranging investments on the Members', or their financial advisers' instructions
- 15.8 Annual statements detailing assets, contributions and transfer payments received and amounts of tax recovered from HM Revenue & Customs and detailing Benefit Crystallisation Events which have taken place in the year, together with the percentage of the Lifetime Allowance used.

- 15.9 Setting up bank accounts
- 15.10 Maintaining records of investment transactions
- 15.11 Settlement and payment of benefits
- 15.12 Such other services as may from time to time be necessary to efficiently administer the Arrangements and to comply with HM Revenue & Customs' requirements.

**16 MISCELLANEOUS**

- 16.1 We may operate a telephone recording system and calls may be recorded for training and monitoring or security purposes.

# M C TRUSTEES' CHARGES 2009

- **This document should be read in conjunction with our Key Features Document**
  - **It lists all the charges we may make and breaks them down into categories**
  - **All the terms we use are defined on page 2 in the order they appear on this page**
  - **All fees are subject to VAT**
  - **There will be charges made by the provider of any investment products**
  - **If you have a financial advisor they will charge for their services**
- 

## Set up

	£
Taking in Protected Rights <b>or</b> non Protected Rights (includes 2 transfers)	250
Taking in both Protected Rights <b>and</b> non Protected Rights (includes 3 transfers)	400

## Annual

Basic administration fee	580
Additional fee if both Protected Rights <b>and</b> non Protected Rights are included	117

The annual fee includes the following investments and services:

- Equity based discretionary, advisory or execution only portfolio management using one stockbroker
- Cash
- Insured products subject to no more than 5 holdings for Non Protected Rights & 5 holdings for Protected Rights
- Annual valuations
- Receipt of contributions and reclaiming basic rate tax
- Illustrations

## Further transfers in (after set up)

	£
• Transfer in of additional cash from another pension scheme	150
• In specie transfer in	150
• In specie transfer in (property)	480
• In specie contribution	150
• Supplementary transfer fee in addition to above should benefits be in payment	150

## Commercial Property Investment

• Property Purchase (no borrowing)	580	
• Property Purchase with borrowing	869	
• Annual VAT Management	156	
• Annual property management charge (no borrowing)	985	(Per property
• Annual property management charge (with borrowing)	1,043	per member)
• Property Sale	349	
• Aborted Property Purchase	280	
• Manual payment of loan	25	
• Loan redemption	100	
• Re-mortgage	300	

## Other Investments

• Purchase of unquoted shares	559	(minimum)
• Loans to third parties – Set-up fee	250	
• Loan to third party with legal charge – Set-up fee	300	

• Annual third party loan monitoring	120
• Set-up of additional SIPP bank account	200
• Annual monitoring of additional SIPP bank account	150

## Payment of Benefits

• Pension set up and payment of tax free cash	208
• Pension Payment (per annum)	156
• Subsequent crystallisations	117
• Pension Sharing on Divorce	580
• Purchase of Annuity	290
• Distribution of Death Benefits	580

## Transfers Out

• Transfer to another Provider	580
• Transfer with property to another Provider	869

## Notes

- Additional fees will be charged for unduly time consuming transactions or work not listed above. An example of the first is making an investment in a foreign country where the additional fee might be £250. An example of the second is the appointment of bailiffs to recover rent where the additional fee might be £400. We will give an estimate of the likely costs in individual cases.
- External professional fees (eg for property purchase) will be met by the fund. The average legal fees are approximately £1,000 and lenders' fees are usually 1% of the advance plus £250 for costs.
- Annual fees are deducted from the fund in advance, the effective date being determined by the date the first cash was deposited in the bank account
- Other fees are deducted from the fund on completion of the transaction
- Fees will increase in line with the National Average Earnings Index based on the change during the 12 months to August each year. Any increase will be effective in January and run for 12 months
- MC Trustees (Pensions) Limited is authorised by the Financial Services Authority to operate personal pensions, but not to give financial advice

## Definitions

<b>Set up fee</b>	this is the charge for preparing and processing the documentation to make you a member of the pension. It includes opening the bank account.
<b>Protected Rights</b>	this is the name given to the fund built up by contracting out of the State second pension
<b>Transfer in</b>	taking a cash amount into the scheme from another pension you have
<b>Annual fee</b>	this is the basic charge we make for running the pension
<b>Reclaiming basic rate tax</b>	pension contributions are tax relievable and we reclaim 20 pence from HM Revenue and Customs for each pound you contribute to your pension. This is added to your fund
<b>In specie transfer</b>	the transfer of an asset from another pension scheme to this one
<b>Unquoted shares</b>	these are shares in a private company and are not listed on any stock exchange
<b>Crystallisation</b>	this is the term used to describe taking benefits from your pension
<b>Annuity</b>	a policy issued by an insurance company whereby it provides a guaranteed income for life in exchange for a lump sum

If you would like a copy of this document in larger print, please contact us on 01675 444600.

The MC Trustees Private Pension is administered by MC Trustees (Pensions) Limited.

Tel 01675 444600  
Fax 01675 444601  
Email [mail@mctrustees.co.uk](mailto:mail@mctrustees.co.uk)  
Website [www.mctrustees.org.uk](http://www.mctrustees.org.uk)

MC Trustees (Pensions) Limited is registered in England at Enterprise House, Meadow Drive, Hampton in Arden, West Midlands B92 0BD. Co Reg No 05575694

MC Trustees (Pensions) Limited is authorised and regulated by the Financial Services Authority (reference 461226)

MC Trustees Limited is registered in England at Enterprise House, Meadow Drive, Hampton in Arden, West Midlands B92 0BD. Co Reg No 06196502

MC Nominees Limited is registered in England at Enterprise House, Meadow Drive, Hampton in Arden, West Midlands B92 0BD. Co Reg No 03198181