

ascentric

**Key Features  
of the Ascentric  
Pension Account  
(A Self Invested  
Personal  
Pension – SIPP)**

**keyfacts**®

# 1 Introduction

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The Financial Conduct Authority is a financial services regulator. It requires us, Investment Funds Direct Limited (IFDL) to give you this important information to help you to decide whether the Ascentric Pension Account is right for you. You should read it carefully so that you understand what you are buying, and then keep it safe to refer to in the future.

If there are any Platform changes this document will be updated. The most up to date version will be available on the Platform.

## About the Ascentric Platform

The Ascentric Platform is an advised service which means that your Financial Adviser will manage your Accounts and you will make decisions on your Investments in conjunction with them. Your Financial Adviser is responsible for assessing the suitability of this service, and Investments, for your individual circumstances. The Platform may not be suitable for you if you have a limited amount to invest.

The Platform is an online service that allows you and your Financial Adviser, to view your Investments and their value at any time. We will refer to your Accounts collectively as your Client Portfolio. This means that when we write to you about all of your Investments we'll refer to your Client Portfolio. When we contact you about a particular Account, such as a SIPP, we'll call that your Account. Each of these will have a unique number which we and your Financial Adviser will use when dealing with you. That way you'll always know which part of your Client Portfolio we are referring to.

We do not provide or offer financial, legal or tax advice. You should seek your own financial, legal or tax advice from a financial adviser or another suitably qualified professional.

## Its aims

To allow you to make tax-efficient investments with the aim of saving for your retirement.

To allow you, with advice from your Financial Adviser, to select and purchase Investments for your SIPP.

## Your commitment

To make contributions to your SIPP and, or transfers into it from existing pension schemes.

To notify us immediately of any changes in your personal circumstances that may affect your SIPP membership. This includes your eligibility to continue to receive tax relief on contributions.

To make sure that there is enough cash in your SIPP to pay Charges or withdrawals, when they are due. Your Financial Adviser must actively manage the cash in your SIPP to ensure that Charges may be taken.

To read all of the Fund information given to you by your Financial Adviser, especially that provided by the Fund manager, before you commit to investing in a Fund. Your Financial Adviser will give you the necessary documentation for any investments that they are recommending to you. We take all of the instructions placed via your Accounts in good faith that they were placed with your agreement.

## Risks

If there is not enough cash available in your Account(s) to pay Charges when they are due, we will sell Assets, without further notification, from the largest holding downwards, to provide the cash required. This may happen at a disadvantageous time and this may have a material effect on the balance of Assets within a Model Portfolio.

## Investment related risks

The risks in your SIPP will depend on the Investments you have chosen. Past performance is not a guide to future performance. You should consider your Investments as medium to long term, for example, five years or longer.

The value of Investments and the income generated from them can fall as well as rise and you may not get back what you originally contributed or transferred into your SIPP.

## Capital and longevity risks

Withdrawing income from your SIPP can erode the value of your capital, especially where investment performance is poor and the level of income withdrawn is high. For example, if the value of your capital is eroded by your income you will have less to provide for dependants, or buy an annuity in the future.

The value of your Investments will be reduced by the effect of charges including our Platform Charges and those of your Financial Adviser, Fund managers and Discretionary Fund Managers (DFM).

If you choose to buy an annuity, the rates available in the market can change substantially over short periods of time, both up and down. For example, they could be worse when you buy an annuity than they are now. The longer you wait before buying an annuity, the greater risk you bear of lower levels of income if you live longer than expected.

If you wait longer before buying an annuity, there may be a risk of 'mortality drag' on your income due to a loss of cross-subsidy from pensioners that die earlier. Your Financial Adviser can explain this to you.

## Tax risks

If you die under the age of 75, HMRC rules require that any lump sum death benefit is paid within two years of the date we are notified of the death, otherwise the lump sum will be taxed at the beneficiary's marginal rate. This is a particular risk if you hold Investments that take time to sell, such as collective investment funds that invest in property.

The amount you take from your fund could affect any state benefits that you are entitled to. If the Department for Work and Pensions or your local council judge you to have deliberately spent or given away your pension pot to receive or increase benefits, they may have to re-assess your eligibility and treat you as having the money.

Income you take from your SIPP is taxed at your marginal rate and may affect the level of tax you pay on any other taxable earnings such as State Pension payments, benefits, salary, annuity or investment income.

Tax treatment depends upon your individual circumstances and the rules may change in the future.

## 2 Questions and Answers

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### What is the Ascentric Pension Account?

The Ascentric Pension Account is a registered pension scheme known as a Self Invested Personal Pension (SIPP), which allows you to make your own investment decisions, in conjunction with your Financial Adviser. Like all registered pension schemes a SIPP provides you with a means of saving for your retirement. It is a long-term investment designed to provide you with a lump sum and/or income in retirement.

This SIPP has been set up under trust and accepted as a registered pension scheme by HM Revenue & Customs (HMRC). IFDL is the scheme administrator of this SIPP. IFDL Personal Pensions Limited is appointed as the trustee for the scheme. It owns the cash and Investments within your SIPP, holding them for your benefit under the Scheme Rules. The trustee appoints us to have custody of your cash and Assets.

You can make regular contributions into your SIPP each month or year and may make single contributions whenever you wish. Others, for example your employer, may pay into your SIPP on your behalf.

You may also be able to transfer funds from another registered pension scheme into your SIPP.

### Who can have one?

Anyone who is aged 18 or over, and who is not a US Person, can open a SIPP. If you wish to pay into a SIPP you must be a relevant UK individual. For example, you will be a relevant UK individual if you are resident in the UK for tax purposes or you have relevant UK earnings.

A SIPP cannot be opened jointly with, or on behalf of, anyone else.

### Is this SIPP a stakeholder pension scheme?

No, this SIPP is not a stakeholder pension scheme; however, stakeholder pension schemes are generally available and may meet your needs as well as this pension scheme.

### How can I open a SIPP?

Your Financial Adviser can open a SIPP for you by completing an Application for you to sign.

If we accept your Application, we will open the SIPP once the money has cleared into your Account, or transfers have been made into your SIPP from other registered pensions scheme(s).

### How can I view my Client Portfolio?

When you open your Client Portfolio we will write to you with guidance on how to set up your online access. We will send you step-by-step instructions about how to log in and create your password and PIN. You may print off a valuation of your Portfolio whenever you wish. We will provide you with a statement of your Account(s) every three months.

### How much can I pay in?

You, or another individual on your behalf, may make contributions to your SIPP. HMRC sets a limit on the contributions made in a year, which will qualify for tax relief. This is known as the Annual Allowance and limits the amount of tax privileges available on pension savings. If the total amount of pensions savings made by you, or for you, exceeds the Annual Allowance, there might be a tax charge by you. Your Financial Adviser can tell you the current level of the Annual Allowance or you can find it on [www.gov.uk](http://www.gov.uk)

There is no minimum contribution amount for single lump sum contributions. You may stop and start your contributions at any time without penalty.

Up to age 75, you can make additional contributions, provided you do not exceed the HMRC limits, at any time into your SIPP by cheque or an electronic payment. There is no charge for making additional deposits. This money can then be used to buy your chosen Investments.

You can also make use of any unused pension allowance from the previous three tax years, once your Annual Allowance has been used up for the current tax year. This will apply, provided that you were a member of a registered pension scheme during those years, you have the full Annual Allowance and you have relevant UK earnings to make any additional contributions above the Annual Allowance.

If your total contributions, to all pension schemes during any year, exceed the limit set by HMRC, then tax relief will not be available for the excess contributions and there will be a tax charge payable on them.

### **Will all contributions receive tax relief?**

Under HMRC rules, you can currently receive tax relief at your marginal rate for contributions up to the higher of 100% of your relevant UK earnings up to the level of the Annual Allowance in a year or £3,600.

The Annual Allowance may be lower for your SIPP and any other money purchase pension savings if certain events happen, for example if you take an income from a flexi-access drawdown fund or an Uncrystallised funds pension lump sum.

This Annual Allowance applies to the total contributions you pay to this SIPP and any other registered pension schemes, but will not be applied in the year that you die, or the year that you receive a serious ill health lump sum.

Any contributions over the Annual Allowance will be subject to a tax charge and you will need to notify your local inspector of taxes through your self-assessment tax return if your contributions have exceeded the Annual Allowance.

Contributions from another individual on your behalf, for example, from a spouse or grandparent (other than from your employer) will count towards your personal contributions and will attract tax relief as described above in 'How much can I pay in?'

If, in a tax year, your total pension contributions exceed the maximum amount that can receive tax relief, it may be possible for the amount of excess contributions to be repaid to you. If this occurs, any excess tax relief already received from HMRC must be returned.

### **How do I transfer Investments from my existing pension plan to this SIPP?**

You tell us that you wish to do this and we will deal with the scheme(s) from which you wish to transfer. You may transfer in cash or ask for investments to be transferred from your pension without the need for the investments to be sold. This is known as re-registration.

If you wish to transfer investments into your SIPP we will assess them for a variety of factors including whether the investments are permitted by HMRC. We will tell you if we are unable to accept an investment and request further instruction from you on how the transfer may proceed.

### **What investments are available?**

Your SIPP may be invested in a wide choice of investments. Your Financial Adviser will let you know what is available to you.

There are risks associated with particular types of investments and these will be described in the information provided by the investment manager. Your Financial Adviser is responsible for ensuring that you understand the risks of investing, in general and any particular risks of the investments you are considering.

It is very important that you read the information provided to you about the investments you are considering before you decide to invest.

### **Where can I find documents specific to the investments I am considering?**

The Platform provides information about the Assets in which you can invest together with their charges and applicable discounts. Each Asset shown contains documentation that can be accessed by clicking on 'Details'.

### **Can I switch my investment from one Fund to another?**

Yes. This will be treated as a 'sell' and a 'buy' transaction. This means that your money will be un-invested for a period of time while the receipts of the 'sell' instruction are confirmed and before the 'buy' instruction can be made. This process may take a number of days to complete.

### **What is the tax position for my SIPP?**

If you are a UK resident for tax purposes you will be able to claim tax relief on personal contributions up to £3,600 pa or 100% of your relevant UK earnings, whichever is the higher and subject to the Annual Allowance.

We will credit your SIPP with basic rate tax relief within one day of your personal contributions being received and before we reclaim it from HMRC. If you are liable to higher rate tax on your income, you should reclaim the higher rate relief via your self-assessment tax return. From 6 April 2018, if you are classed as a Scottish resident by HMRC, the tax relief that will be applied to your SIPP will be at the rate set by the Scottish Parliament.

Contributions made in excess of the Annual Allowance will be subject to a tax charge which HMRC will levy against you directly. Contributions paid by your employer will not attract tax relief for you. They are also not a taxable benefit in kind for you.

The Investments in your SIPP usually grow free of UK capital gains and income tax. Where any income tax has been deducted, we reclaim this from HMRC and pay it back to your SIPP.

Any income withdrawals and annuity income will be taxed under the PAYE system.

There is no restriction on the amount of pension fund savings that you can accumulate. However, where the total value of all your pension savings to registered pension schemes exceeds the Lifetime Allowance set by HMRC, you may be subject to a Lifetime Allowance charge. Your Financial Adviser can tell you the current Lifetime Allowance, or you can find it on [www.gov.uk](http://www.gov.uk)

Death benefits from a SIPP are normally paid free of Inheritance Tax. Tax charges may be payable if the member dies age 75 or over. The amount of tax payable will depend upon how your beneficiaries chose to take the death benefit.

If at any time you receive benefits which are not in accordance with current pension rules these will be regarded by HMRC as unauthorised payments and will be subject to any tax charges that are prescribed by legislation.

These tax advantages and any rates quoted are based on our current understanding of UK legislation and may change in the future. Tax treatment depends upon your individual circumstances and the rules may change in the future.

### What could I get back?

You will get the value of your Investment held in the SIPP at the time the Investments are sold. There is no guaranteed amount. The amount you get will depend on the following factors:

- How much you invest;
- The performance of your Investments;
- Any Charges;
- Any income or withdrawals you have taken; and
- The terms of your Investment.

### What are the Charges?

The Charges Document will give you more details about our Charges.

Your Financial Adviser will advise you regarding the charges which will apply to your SIPP, and you may agree that the costs associated with this advice are paid from your SIPP.

Fund managers and DFMs will apply Charges to your chosen SIPP Investments and will be able to provide you with more details about these Charges.

### How do these Charges affect my Investment?

The impact of Charges on your Investment depend on a number of factors including the Assets selected and the level of Financial Adviser charge. This will be shown on the illustration from your Financial Adviser.

### How do I withdraw my money?

You have the freedom to decide how you use your pension fund(s) once you reach the minimum age set by HMRC. There are a number of pension benefit options open to you to make the most of your money. You do not need to have retired to take a lump sum or income from your SIPP.

If you are suffering ill health or your transfer is subject to certain transitional legislation, you may be able to take retirement benefits at an earlier date.

To help you to make decisions, the Government has provided a free and impartial pension guidance service, known as Pension Wise. You can find out more about this service at [www.gov.uk/pensionwise](http://www.gov.uk/pensionwise) or by calling them on 0800 138 3944.

Pension Wise offers guidance, not advice, about your retirement options. You should seek advice about your options from your Financial Adviser.

If you wish to take pension benefits from your SIPP, with us, we will ask you to confirm you have received advice from your Financial Adviser.

### What type of benefits can I take from my SIPP?

Once you are 55 years of age and, subject to our agreement and meeting certain conditions set by HMRC, you can choose to take benefits as a lump sum and/or income in the following ways:

- As an income of any amount over whatever period you choose (known as flexi-access drawdown). There is no maximum limit on the income you can receive provided you have the cash in your SIPP. You can have a tax-free lump sum of up to 25% of the amount you put into flexi-access drawdown, with any income payments taxable as pension under PAYE.
- As a single or series of lump sums from Uncrystallised funds (known as an Uncrystallised funds pension lump sum) 25% of each lump sum will be tax free, with the remainder taxable as if it were a pension under PAYE.
- As capped drawdown, if you have an existing capped drawdown fund. This allows you to choose to take income up to a maximum limit set by HMRC rules, or to take no income. The maximum limit will be recalculated at least every three years if you are under 75 and every year if you are 75 or over. This recalculation could mean your maximum level of income may reduce or increase. If you choose an income over the maximum limit the amount in capped drawdown will automatically convert to flexi-access drawdown.

Taking an income allows you to continue to benefit from the potential for investment growth in your SIPP.

Any new request for income or a lump sum will normally be assessed against your personal Lifetime Allowance at the time, and a tax charge may result if the amount taken, accumulated with any past amounts from this or any other registered pension schemes, exceeds your Lifetime Allowance.

This option will not be available to anyone without a Financial Adviser.

### When can I buy an annuity?

At any time from age 55, although you do not need to purchase an annuity. You can use your SIPP fund on the open market to take advantage of the best rates available from the whole range of annuity providers and insurance companies. An annuity can provide a fixed amount of income, or it can increase each year. It is also possible to buy an annuity which will continue to be paid to your dependants if you die.

### How will my lump sum and/or income be paid?

If you would like to receive a lump sum and/or income, we will pay you by electronic transfer into a bank account in your name.

It is your responsibility to make sure there is sufficient money in your Cash Account, for example by instructing the sale of Investments in your SIPP, to meet any lump sum and/or income payments you request.

### Can I transfer to another pension scheme at any time?

Yes, subject to the SIPP rules and HMRC requirements, you are able to transfer the value of your SIPP to another registered pension scheme or a Recognised Overseas Pension Scheme.

You can transfer both cash and Assets from your SIPP to another registered pension scheme, subject to terms and conditions set by the new pension scheme.

If you want to transfer after you have started taking benefits, the entire amount of your SIPP that has been used to provide these benefits, must be transferred to the new pension scheme at the same time.

You will also need to check with the investment provider of your underlying Investments whether they will make a charge to sell the Assets and transfer the monies in cash or make a charge to re-register the Assets.

### What happens if I die?

If you die under the age of 75, a beneficiary can receive a lump sum tax free up to their Lifetime Allowance or a drawdown pension, free of tax.

If you die age 75 or over, an individual who is a beneficiary can receive a lump sum or drawdown pension taxed at their marginal rate. A beneficiary who is not an individual, such as a company or a trust, can receive a lump sum taxed at 45%.

## Can I change my mind?

### Opening

If you change your mind about opening your SIPP, you have 30 days from the date you receive our confirmation that your SIPP has been opened, to write and tell us. A refund of the sum equal to the payment made will be made to you, your employer or the person that made the payment. This will be less any fall in market value, if the money has been invested, and associated investment charges.

If your SIPP is fully completed, at your express request, before the end of 30 days there is no right to cancel your SIPP.

### Transfers

If you wish to change your mind about a transfer, you have up to 30 days from the completion of the transfer to cancel by writing to us. If you cancel the pension transfer it will be returned to the previous scheme, provided that the previous scheme will accept the return of the Assets. This return will be less any fall in the market value of any investments made and associated investment charges. Alternatively, the Assets may be transferred to an alternative registered pension scheme of your choosing, provided this meets HMRC rules.

If you do wish to cancel your SIPP, or a transfer, please write to us at the address shown in the 'How to contact us' section at the end of this document. Remember to include your full name, address and Account number.

### Benefits

If you wish to change your mind the first time you make an election to receive benefits, you have 30 days from the date you receive our confirmation that your benefits are being paid to cancel. You can cancel by writing to us and refunding in full any lump sum and income payments you have received. Cancellation terminates the contract, but it does not affect your right to take income withdrawals in the future.

## 3 Important information

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### How to contact us

If you have a question or need some help, you should contact your Financial Adviser in the first instance. You can also call Client Services on:

0345 076 6140

Our lines are open 8:30am to 5:30pm Monday to Friday

Client Services, Ascentric, Trimbridge House,  
Trim Street, Bath BA1 1HB

[customerservices@ascentric.co.uk](mailto:customerservices@ascentric.co.uk)

[www.ascentric.co.uk](http://www.ascentric.co.uk)

### Terms

Your rights as the investor in our Platform are set out in the Terms, which may be subject to change in the future.

### Compensation

IFDL is covered by the Financial Services Compensation Scheme (FSCS) in respect of the Platform and the Accounts within it. If you make a valid claim against us in respect of your investments and we are unable to meet our liabilities in full, you may be entitled to redress, from the FSCS, of up to £50,000.

Your cash and investments are always held separately from our own accounts and from those with whom we place the investments. As such, any insolvency practitioner should be obliged to return your cash and investments to you as part of the wind down process.

If your investment provider fails financially, as long as you have selected one covered by the FSCS, the fund prospectus will tell you this, your investments should remain covered up to a maximum of £50,000. However, this does not protect you against losses if the market were to fall in value.

The banks we use acknowledge your money is held as client money which is protected in the event of the insolvency of IFDL. In the event of the insolvency of one of the banks we use, any client money we hold for you is protected under the FSCS up to a maximum of £85,000 for each client and bank with whom client money is held. This limit is applied to banks that are separately authorised and can only be applied once, therefore banks operating under different brands within the same authorisation are covered under the same limitation. The compensation limit of £85,000 includes any other money held by you in accounts with the authorised banks we use, therefore if you have current or deposit accounts with the same bank these will all count towards the compensation limit of £85,000.

Temporary high balances of up to £1 million are protected for a limited period of 6 months from when the sum was first credited to the account or became legally transferrable, the FSCS website has further details on the definition of a temporary high balance.

For further information please visit the Financial Services Compensation Scheme (FSCS) website ([www.fscs.org.uk](http://www.fscs.org.uk))

Financial Services Compensation Scheme  
10th Floor  
Beaufort House, 15 St Botolph Street  
London EC3A 7QU

Telephone: 0800 678 1100

## How to make a complaint

If you have any concerns, or are dissatisfied with our service, please contact us to discuss this and we will aim to resolve your issue straight away. If you are not entirely satisfied, we have an internal complaints procedure which follows the standards required by the Financial Conduct Authority.

Please contact us at:

0345 120 3022

Our lines are open 9:00am to 5:00pm Monday to Friday

Complaints Team, Ascentric, Trimbridge House,  
Trim Street, Bath BA1 1HB

[complaints@ascentric.co.uk](mailto:complaints@ascentric.co.uk)

A copy of our Complaints Policy is available on the Platform. If you are not satisfied with our response, you have the right to refer your complaint to the Financial Ombudsman Service.

## How to contact the Financial Ombudsman Service

The contact details for the Financial Ombudsman Service are:

0800 023 4567 – calls to this number are now free on mobile phones and landlines

0300 123 9123 – calls to this number cost no more than calls to 01 and 02 numbers

The Financial Ombudsman Service, Exchange Tower,  
London E14 9SR

[complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)

## Law

The laws of England and Wales govern the relationship we have with you prior to and on conclusion of any contract, and the parties submit to the exclusive jurisdiction of the Courts of England.

Any taxation information contained in this guide is based on our interpretation of current legislation and HMRC practice. Please remember that current tax benefits may change in the future.

# ascentric

## Contact us.

0345 076 6140

customerservices@ascentric.co.uk

ascentric.co.uk

### Copyright Notice

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Ascentric is a trading name of Investment Funds Direct Limited (IFDL), registered in England and Wales number 1610781 and authorised and regulated by the Financial Conduct Authority No. 114432.

Client Services: 0345 076 6140.

Telephone calls may be recorded for training and security purposes.

Head office: Trimbridge House, Trim Street, Bath BA1 1HB. IFDL is part of the Royal London Group, registered in England and Wales number 00099064.

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