



THE C&P SIPP

(Self-Invested Personal Pension)

Key Features

2018/19

Awarded the Money Facts 5* Rating for 2015, 2016, 2017 & 2018



CORPORATE AND PROFESSIONAL
PENSIONS LIMITED

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Registered in England No 2810635
Authorised and regulated by the Financial Conduct Authority

IMPORTANT INFORMATION

This information is important so please read it carefully before applying for your SIPP.

The Financial Conduct Authority is the independent financial services regulator. It requires us, Corporate & Professional Pensions Limited, to give you this important information to help you decide whether our Self Invested Personal Pension (C&P SIPP) is suitable for you. You should read this document carefully so that you understand what you are buying and then keep it safe for future reference.

Corporate & Professional Pensions Limited do not give financial advice. If you are not sure that a SIPP is suitable for you we recommend that you take advice from a suitably qualified Financial Adviser so that you are fully aware of the alternatives.

Pension Loans

We would like to make you aware that the Trustees of the C&P SIPP do not approve of member's taking loans from their pension funds or receiving remuneration via incentives of any kind as this could lead to an unauthorised payment charge being levied on the pension funds by HMRC.

What is the Corporate & Professional Self Invested Personal Pension?

The Corporate & Professional Self Invested Personal Pension is a specific type of personal pension scheme which offers customers a wide choice of assets in which to invest. SIPPs typically allow the customer to take full control of the underlying assets, or to appoint an authorised fund manager to do this on their behalf. The portfolio may include a range of collective investments from different managers, and may include individual share holdings and commercial property. Charges will reflect the investments made by the customer.

The pension plan is a form of savings for your retirement and provides flexible contribution options so that you can vary your contributions according to your circumstances.

A wide choice of investment options is available to you and you determine the areas in which you wish to invest.

You also have the widest option of retirement benefits so that you can control your retirement income.

Because the plan is registered with HMRC all the normal tax advantages relating to pensions enable you to enjoy tax efficient saving.

Is the Corporate & Professional SIPP a Stakeholder Pension?

The Corporate & Professional SIPP is not a Stakeholder Pension. Stakeholder pensions must meet certain requirements with regard to contribution levels, charges made to your plan and terms and conditions.

A Stakeholder pension may meet your needs just as well as the Corporate & Professional SIPP.

Do you give advice in relation to the Corporate & Professional SIPP?

Corporate & Professional Pensions Limited do NOT give advice in relation to the SIPP either as to the suitability of the SIPP or any investments held within the SIPP.

We do however recommend and encourage you to take financial advice from a suitably qualified Financial Adviser before establishing your SIPP.

What is the Aim of the Corporate & Professional SIPP?

- To provide a tax efficient way for you to accumulate a pension fund for your retirement.
- To enable you to make tax efficient contributions to your pension fund either personally, by your employer or a third party.
- To offer flexibility as you save for your pension as you do not need to commit to a regular pattern of saving.
- To invest in a wide variety of investments that should enjoy the tax advantages associated with registered pension schemes.
- To allow you, at retirement, to benefit from the tax advantages available including a pension commencement lump sum (tax free) and income drawdown.
- To provide financial security for your spouse, partner or dependents should you die.

Can I Join the SIPP?

The SIPP is available if you are self-employed, employed, a pensioner, a carer, in full time education or unemployed.

A parent or legal guardian may also establish a SIPP for a child.

What is Your Commitment?

You must make at least one contribution into your SIPP which may be from yourself, your employer, a third party or by transferring another pension plan into the SIPP.

The funds must be held within the Corporate & Professional SIPP until you take retirement benefits from the plan or they are paid out to a dependent on your death.

You must pay annual charges for your SIPP and these are set out in the Charges Schedule.

You should read and agree the terms and conditions in the application form and sign the form.

Because you are likely to enter into agreements with third parties to make investments under your SIPP you should also read and agree their terms before signing them.

What is Our Commitment?

Corporate & Professional Pensions Limited are the Administrators and Trustees of the Corporate & Professional SIPP and because of the complex nature of pensions and taxation legislation it is important to have knowledge of HMRC's compliance and audit requirements.

Corporate & Professional Pensions Limited are responsible for the day to day running of the scheme and the various reporting requirements to HMRC and the FCA.

Some of the services included are:

- Operating the SIPP bank account
- Dealing with Investment instructions
- Record keeping for SIPP transactions
- Claiming tax relief on contributions
- Paying any tax or charges due to HMRC
- Providing information to HMRC including regulatory reporting
- Calculating, reviewing and paying benefits
- Providing annual statements

You will be informed of any changes in regulation that affect your SIPP.

Corporate & Professional Pensions limited will act as sole trustee of all investments except for commercial property when you will also be made a trustee.

What are the Risks?

The value of your C&P SIPP pension fund and the benefits it aims to provide for you are NOT guaranteed. They will depend on the investments that you have chosen and the investment performance together with charges made and the financial climate when you take benefits.

Investment performance will fluctuate and your investments may not match your expectations. The value of your investments may fall as well as rise and the value of your funds may be less than the contributions or transfers that you have made.

Some investments, such as property may take time to realise and you should take account of this when planning your retirement as it could delay you receiving an income.

If you take benefits earlier than anticipated this could mean that you would receive less than you originally intended.

If you elect to use some or all of your funds to purchase an annuity at retirement the annuity rates may be less than you originally expected.

If you transfer funds into or out of the C&P SIPP you may have to convert them into cash and this may cause you to lose investment growth whilst the transactions are made.

Should the bank holding any cash deposits for your SIPP fail this is covered by the Financial Services Compensation Scheme (FSCS) but there is a limit on any compensation of up to £85,000.

Breaches of legislation may result in H M Revenue & Customs (HMRC) imposing tax charges and/or penalties, which will reduce the value of your SIPP.

Who can make Contributions into the SIPP?

Payments may be made by yourself, your employer or a third party on your behalf.

Transfers can also be received from other pension schemes.

What Contributions may be made? (Annual Allowance & Life Time Allowance)

The Annual Allowance is the term used to restrict pension contributions being made into all your pension plans and if you pay over this amount you may suffer a tax charge on the excess. Care should be taken in deciding what level of contributions to make during the year.

For the year 2018 / 2019 the annual allowance is £40,000. This means that you may contribute up to the lower of 100% of your earnings or £40,000 and receive income tax relief against those contributions.

From 6 April 2016 all input periods have been aligned with the financial year so that they run from 6 April to 5 April the following year.

Anyone can contribute £3,600 gross and receive tax relief even if you do not have any earnings. There is no minimum contribution level and there is no minimum age qualification as a parent or guardian may make contributions for a child.

The frequency of contributions may vary and you can vary the amounts to suit your circumstances.

When an asset is contributed to the SIPP this is termed an "In Specie" contribution and there is a set procedure for this but you must be aware that this could trigger a charge to capital gains tax on the asset being transferred into the pension fund.

Contributions must stop by your 75th birthday and tax relief on contributions also stops on this date.

There is a maximum value known as the Life Time Allowance above which a tax charge may be levied on the excess. The current Lifetime Allowance is £1,030,000.

Tapered Annual Allowance

If your annual income exceeds £150,000 then the annual allowance will be reduced on a tapered basis by £1 for each £2 of income. This means that if you earn £210,000 or more the maximum contribution will be restricted to £10,000 gross. This known as the Tapered Annual Allowance.

Money Purchase Annual Allowance.

The Money Purchase Annual Allowance is triggered when you take benefits from your pension plan by one of the following methods:

- Flexibly Accessing Your Benefits
- Taking above the maximum GAD income if you are in Capped Drawdown

The maximum gross contribution under this allowance is £4,000, effective from 6 April 2017.

How is tax reclaimed?

As the administrator we claim basic rate tax on personal contributions so that for every £100 contributed we will reclaim £25 and this will be added to your pension fund.

Higher rate tax relief should be claimed via Self Assessment and this may reduce your tax bill, alter your tax code, or create a rebate.

Employer contributions are treated as a business expense and will be dealt with by your local tax office.

Can I contribute for previous years?

Provided that you were a member of a registered pension scheme for the years that you are claiming for you may go back three years and contribute up to 100% of your earnings or the relevant annual allowance, whichever is lower, less the contributions already made for those years.

The annual allowances for previous years are:

2017/2018	£40,000	2016/2017	£40,000	2015/2016	£40,000
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Please note that your income for the current year must be sufficient to cover the total contribution. If you are in Flexi-Access Drawdown then you cannot carry forward unused relief from previous years.

What Transfers Can Be Made Into the C&P SIPP?

Transfers from any other UK Registered Pension Scheme or a Qualifying Recognised Overseas Pension Scheme (QROPS) may be accepted.

Transfers of certain assets may be received "in specie" to avoid having to sell them and then repurchase.

Before you commit to making a transfer from another scheme we strongly advise you to seek financial advice from a suitably qualified Financial Adviser.

What is the Scheme Bank Account For?

The bank account is there to provide an audit trail for all deposits into and withdrawals out of your SIPP. Each member has an individual designated account.

This account is not meant to be an investment account although a small rate of interest may be added. We may also receive a small payment from the bank which is used to offset our costs and keep the administration cost down.

What Investments are Allowable?

Most investments are allowable but you must be careful as some investments could result in a tax charge.

All cash funds are initially held in the schemes bank account for you as the member until investment instructions are received. Interest is tax free on this account.

You can change your investments at any time unless there are restrictions on the investments themselves.

Investment income and fund growth are tax free but tax on dividends cannot be reclaimed.

How Do I Make Investments?

Normally you will appoint a Financial Adviser, Stockbroker or Fund Manager who will take your instructions and your investments will be made on a platform which we will open an account with.

If you are an experienced investor you may wish to make your own investment decisions and we will then also open an account for you on a suitable platform so that you can make your investments.

What Retirement Benefit Options Do I Have?

You can normally start to take retirement benefits from age 55 onwards and these would normally comprise of the following:

- 1 A pension commencement lump sum (tax free) usually 25% of your fund
- 2 An Uncrystallised Funds Pension Lump Sum
- 3 An income known as Flexi Access Drawdown.
- 4 A Short Term Annuity
- 5 An Annuity
- 6 A Scheme Pension (an individual scheme is required for this option)
- 7 A combination of the above

We strongly recommend that financial advice is taken from a suitably qualified Financial Adviser before deciding on your retirement options. Alternatively you can visit the Pension Wise website www.pensionwise.gov.org.

Pension Commencement Lump Sum

The normal maximum tax free lump sum is usually 25% of your uncrystallised fund value, up to the lifetime allowance limit. However, you may be able to exceed this limit if you have applied for fixed or individual protection.

Uncrystallised Funds Pension Lump Sum

This is the term used if you wish to crystallise all or part of your fund for immediate payment. 25% of the Uncrystallised Funds pension Lump Sum will be paid free of tax whilst the remainder will be taxed at your marginal rate of income tax. This is not available to you if you have tax-free lump sum protection or rights to a lump sum of more than, or less than, exactly 25%.

Flexi-Access Drawdown

This is the term used if you wish to access income from your pension post April 2015 and allows you to withdraw any amount without reference to GAD rates etc.

Capped Drawdown

If you are already in Capped Drawdown this may continue but if you exceed the GAD limits then you will automatically come under the Flexi-Access Drawdown rules.

What happens if I die whilst being a member of the pension scheme?

If you die, whether taking any retirement benefits or not, and you are under age 75 the accumulated fund may be paid to your nominated beneficiary(s) free of tax and should not be liable to inheritance tax.

The fund may be passed to a beneficiary and they will be able to take a tax free income from the fund.

If you are aged 75 or over your fund may be paid to your beneficiaries as a lump sum and this will be taxed at the recipients marginal rate of income tax. If the benefit is paid to a non-qualifying person such as a company, a trust or the member's estate then tax of 45% will be deducted before payment.

Alternatively your beneficiaries may take an income from the fund, under Flexi Access Drawdown, which will be taxed at their marginal rate of income tax as they draw the funds down.

To become a member of the C&P SIPP

Complete an Application Form, Bank Account Opening Form and Transfer Form if appropriate.

In order for us to comply with anti-money laundering legislation, you will also need to forward original or certified copies of your passport or driving licence and one recent utility bill showing your name and current address. Please note that the utility bill must not be more than 3 months old and mobile phone bills are not acceptable. An electronic check will also be carried out to verify your identity.

Cancellation Rights

Cancellation Rights apply to your SIPP and you will normally have the right to cancel your application within 30 days. This time limit applies from the date that we receive your application and a letter will be sent to you to remind you of your rights.

During the cancellation period we will retain any contributions made and or transfer values received in your designated SIPP Bank account until the cancellation period has expired. No investments will be made during this period.

However, if you wish to make investments immediately you may waive your rights to the cancellation period by completing the appropriate section in the application form and signing the declaration.

Execution Only Confirmation

Corporate & Professional Pensions Limited act as the administrator and trustee to the C&P SIPP and do NOT give advice to you in relation to the establishment or suitability of this SIPP for your circumstances.

Your SIPP will be established on an execution only basis and we do NOT give advice on either investments or pension transfers.

Complaints

If you are not satisfied with any aspect of the services provided by us, you should write to the Managing Director at Corporate & Professional Pensions Ltd setting out the details of your complaint and this will be dealt with in accordance with our complaints procedure.

If you are not satisfied with our response to your complaint you may refer your complaint to the Financial Ombudsman Service (FOS) or the Pensions Ombudsman. Your legal rights will not be affected by addressing your complaint to either of these bodies.

Where your unresolved complaint refers to the administration of your SIPP you should contact The Pensions Ombudsman, who are an independent organisation set up to adjudicate between us so that any problems may be resolved. They can be contacted at:

The Pensions Ombudsman

11 Belgrave Road,
London SW1V 1RB

Tel: 0207 630 2200

Email: enquiries@pensions-ombudsman.org.uk

Where your complaint is about the marketing of your SIPP you should refer your complaint to The Financial Ombudsman Service, who provide consumers with a free independent service for resolving disputes with financial firms. They can be contacted at:

The Financial Ombudsman Service

Exchange Tower
London
London E14 9SR

Tel: 0845 080 1800

Email: complaint.info@financial-ombudsman.org.uk

Corporate & Professional Pensions Limited are covered by the Financial Services Compensation Scheme (FSCS) so that in the event of us becoming insolvent you may be able to claim compensation. Further details can be obtained from:

The Financial Services Compensation Scheme

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