



KEY FEATURES OF THE ASTUTE SELF INVESTED PERSONAL PENSION

This document and the enclosed illustration outline the most important things you should know about the Astute Self Invested Personal Pension (Astute SIPP).

Please read them carefully and keep them with your pension documents. More information is available on request. Your Financial Adviser will be pleased to answer any further questions you might have.

When you take out an Astute SIPP there is an opportunity for the trustees to invest in a range of investments selected by you.

Each investment has its own Key Features Document which will provide you with further information.

The Aims of the Astute SIPP

- To provide you with a tax-efficient way to build up a pension fund.
- To give you more personal control of your pension fund investments.
- To allow you to choose a wide range of investments to build up your pension fund.
- To help your retirement planning cope with changes in your employment situation and your financial circumstances.
- To give you an option to use your fund to receive a pension, or if you prefer, a reduced pension with a tax-free cash sum (sometimes referred to as a Pension Commencement Lump Sum).
- To give you an option to allocate your pension fund to provide a cash sum or a pension for your wife, husband, civil partner or dependant(s) if you die before you retire.
- To allow you to take your pension and tax-free cash sum (if required) in stages.

Your commitment

- To make a payment into your Astute SIPP.
- To give up your rights under any existing pension arrangements if you decide to transfer money in from those arrangements to your Astute SIPP.
- To tell us if you make contributions to all your pension arrangements in one tax year that exceed the value of your annual earnings for that tax year.
- To leave your Astute SIPP invested until you decide to take pension income and a tax-free cash sum (if applicable). You cannot normally take these benefits before you are aged 55.
- To pay any fees or charges in relation to your Astute SIPP.
- To maintain a suitable balance in your designated bank account to cover any fees and charges that are taken from that account.
- To comply with all terms and conditions agreed with Astute Trustee Services Ltd or any third parties relating to your Astute SIPP

Risk factors

Many things can happen that could affect the level of your pension benefits at your chosen retirement age. The value of these pension benefits is not guaranteed.

The Astute SIPP allows you to invest in a wide range of different investments, such as stocks and shares, insurance company investment funds, unit trusts, open-ended investment company (OEIC), shares and commercial property. Each of these will carry its own investment risks and may incur additional costs and charges. It is not possible to go into the detail of every risk that could affect the investments you hold in the Astute SIPP. You should discuss the risks relating to the investments you are considering with your Financial Adviser or your Investment Manager (if you have appointed one).

Some investments such as property may take longer to sell than others and you may not be able to realise your investments when you choose to.

If, for any reason, you confirm to the trustee in the first 30 days that you no longer wish to proceed, we will return the money invested. The amount we give back will be reduced by any fall in the investment value of any investment made to date, and, for any other self-investments made, we will refund the investment less any costs incurred in the purchase and subsequent disposal of these assets. Please refer to the section 'Can I change my mind?' for further details.

The value of your Astute SIPP may fall as well as rise. The value of your Astute SIPP at the time of taking benefits may be lower than the amount paid in.

The benefits you get at your chosen benefit age will depend on many things, including:

- How much has been paid into the Astute SIPP;
- The type of investments you make in the Astute SIPP; and
- The fund growth will depend on the performance of the investments held in the Astute SIPP.

Retiring early

- If you start taking your benefits earlier than your chosen retirement age, the benefits you receive may be lower than those illustrated.

Your existing pension arrangements

- If you are transferring money into an Astute SIPP, your existing arrangement may offer valuable guarantees and protections that your Astute SIPP cannot match. For example, tax-free sum rights may be provided at a higher level than could be provided under your Astute SIPP.
- You may incur exit costs on transfer from your existing provider.

Annuity rates

- Annuity rates are used to calculate the amount of pension you or your dependants receive when you take your benefits or when you die.
- Annuity rates may provide a lower pension than those assumed in the illustration. This might be because:
 - ◇ interest rates when you take your benefits are lower than illustrated; or
 - ◇ life expectancy when you take your benefits is greater than that assumed in the illustration.

Effect of tax

Tax rules may change and affect your pension benefits.

Effect of charges

The level of fees and charges may be higher than those assumed in the illustration.

Changes in your personal circumstances

- Divorce proceedings could result in your fund being split between you and your former spouse, with a lower benefit for you as a result.
- If a civil partnership is dissolved, this could result in your fund being split between you and your former civil partner, with a lower benefit for you as a result.

Changing employment

- You may find that, if you are changing employer, you could be better off transferring the value of your Astute SIPP into your new employer's scheme.

Transfers out

- If you transfer all or part of your Astute SIPP to another pension provider or plan, you may incur costs or surrender charges, depending on the terms and conditions of each investment you hold within your Astute SIPP.
- You should seek financial advice before considering any transfer payment.

What is the Astute Self Invested Personal Pension?

- Your Astute SIPP is a plan within a registered pension scheme (the Scheme) established by Astute Trustee Services Ltd. The Scheme is governed by a trust deed and rules, under which Astute Pension Trustees Ltd have been appointed as scheme trustee and Astute Trustee services is the scheme administrator.
- The Scheme permits investments in a wide range of investment types, including insurance company investment funds, stocks and shares, unit trusts, open-ended investment company (OEIC), shares and commercial property. Please refer to the Terms and Conditions section for the full list of permitted investments.
- All investments under the Scheme are owned by the scheme trustee and member trustee together on behalf of the member.

Is this a stakeholder pension?

No. Stakeholder pensions must meet certain standards and comply with certain rules. These are mainly to do with payment levels, costs, and terms and conditions. Stakeholder pensions are generally available and might meet your needs at least as well as an Astute SIPP.

How flexible is it?

Contributions

- You can make contributions regularly
- There is no minimum amount you or your employer or another party can invest in your Astute SIPP.
- Single 'one-off' contributions can also be made whenever you like.
- In some circumstances the trustee can accept contributions in the form of assets other than cash (known as 'in-specie' contributions).

- There are limits up to which tax relief will be granted on your personal contributions. See ‘What about tax?’ section.
- Contributions must cease by your 75th birthday

Transfer payments

- If you have a pension from another registered pension scheme or qualifying recognised overseas pension scheme, you may be able to transfer the benefits into your Astute SIPP.
- There is no guarantee that doing this will increase your total pension benefits. Please refer to your Financial Adviser who will be able to provide you with more information.
- There is no minimum transfer payment. However, the minimum total SIPP value is £50,000
- In some circumstances, the trustee can accept transfer payments in the form of assets other than cash (known as ‘in-specie’ transfer payments).

Stopping payments

Regular contributions can be stopped at any time. If you do:

- The existing value of any investments will stay invested;
- Charges may continue to be taken from any investments, which will reduce the value of your pension fund;
- When you retire, your pension benefits are likely to be less than you expected. You may get no benefit at all.

Restarting payments

You can restart regular contributions at any time, so long as you are still eligible to contribute to a pension. You may also be able to make up any payments you missed.

Where can the contributions be invested?

Permitted investments

The investments you and your nominated adviser (or an Investment Manager, if appropriate) choose must be allowed by Her Majesty’s Revenue & Customs (HMRC) and the Scheme.

These investments include:

- ◇ insurance company unit-linked funds;
- ◇ stocks and shares;
- ◇ UK commercial property;
- ◇ unit trusts, OEICS and investment trust companies; and
- ◇ deposit accounts.
- ◇ Intellectual Property

Full details of the range of investments permitted are outlined in the Terms and Conditions section.

Designated bank account

If you choose to self-invest, we will set up a designated bank account in the name of the Scheme trustee and member trustee on your behalf. You will not be able to start self-investing until sufficient cleared funds are held in your designated account. Interest will be paid on any cash balance held in the designated account. Please refer to the Terms and Conditions section for further information.

Discretionary fund managers

You and your Financial Adviser can elect to appoint a discretionary fund manager. Their charges will be taken out of the fund.

Commercial property

Your Astute SIPP may also invest in UK commercial property. It might also be possible depending on circumstances to invest in commercial property in other geographical locations.

What about tax?

Contributions

- Your contributions will get tax relief.
- Astute Trustee Services Ltd will claim the basic-rate tax relief for you on personal contributions.
- Astute Trustee Services Ltd will not add tax relief immediately to any 'in-specie' contributions you make. Instead, we will credit the tax relief to your Astute SIPP when we receive it from HMRC.
- If you pay higher-rate tax, you need to claim any extra tax relief through your self-assessment tax return.
- There are limits up to which tax relief will be granted on your personal contributions. If the total contributions to all registered pension schemes, including those from your employer (if applicable), exceed a certain amount in any tax year (known as the annual allowance) the excess will normally be subject to a tax charge. You should ensure that you monitor the level of payments you make. Your Financial Adviser can tell you more about this.

Investment growth

- The growth in the value of the investments you choose is currently free of UK taxes on capital gains and investment income. However, the Scheme cannot claim back tax credits on dividends received from any investments made in UK shares.

Tax-free cash sum

- When you take your benefits, you can normally take up to 25% of your pension fund as a tax-free cash sum. If you do this, you will get a smaller pension income.

Deducting tax

- Your pension income will be taxed through PAYE as earned income.

Lifetime allowance

- If the fund value of your Astute SIPP combined with all other pension benefits you receive, is more than a certain limit known as the Lifetime Allowance, the excess may be subject to a tax charge (please see the enclosed illustration for details).

Inheritance tax

- There may be a liability to inheritance tax on the payment of any lump sum death benefit.

VAT

- For some specialist investments, VAT may apply. Please refer to your Financial Adviser for further information.

What might I get when I take my benefits?

The final value of your Astute SIPP will depend on several things, including:

- The contributions and transfer payments made;
- How long the contributions and transfer payments have been invested for;
- The investments you choose;
- The charges or fees on the Astute SIPP and the investments you hold within it;
- The charges or fees of intermediaries involved in your Astute SIPP, e.g. your Investment Manager;
- Any change in the tax rules; and
- How you choose to receive your pension income.

What options will I have when I want to take my benefits?

When you take your benefits, if the combined value of all your pension funds is more than a certain limit, known as the Lifetime Allowance, the excess may be subject to a tax charge (please see the enclosed illustration for details).

There are several options, some of which are set out below, and you can choose one that suits you best. However, payment of any retirement benefits will not take place until the relevant investments under your Astute SIPP have been realised. For example, investments such as property may take longer to realise than others.

You can:

- Normally start drawing retirement benefits from age 55, even while you are still working. You may start taking your benefits before you reach 55 only if you are unable to follow your normal occupation due to incapacity or serious ill health.
- Not all retirement benefits have to be taken at once. You can choose to use only part of your pension fund to provide retirement benefits or take your benefits in stages if you want to (known as phased), whilst the remainder of your pension fund remains invested to provide greater flexibility.
- The amount you receive will depend on the value of your SIPP fund.
- Normally take up to 25% of your pension fund as a tax-free cash sum (sometimes known as a pension commencement lump sum)
- The balance of your fund is used to provide a pension income. This can be paid by either;
 - ◇ Converting all or part of your fund into an annuity with an insurance company. This is known as an 'Open Market Option'.

The level of pension paid via an annuity is determined by the specific terms of the annuity and annuity rates at the time it is purchased.

Use part of the fund to provide a lifetime annuity for your wife, husband, civil partner or dependant(s) after you die. Doing this will reduce the amount of lifetime annuity that you receive.

- ◇ Receive an income directly from the SIPP fund, that you can vary at any time. You can take a regular monthly income, or ad hoc payments as and when you need them.

- Your Financial Adviser can provide further information on the full range of options available.

What happens to my Astute SIPP if I die before I take my benefits?

Payment of any death benefits will not take place until all investments under your Astute SIPP have been realised. For example, investments such as property may take longer to realise than others.

- The whole fund can be paid as a lump sum to your beneficiaries, which should not be liable to inheritance tax.
- The lump sum death benefit is paid to an individual trust (if you have set one up) or, at the scheme administrator's discretion, to your family members, or to any other beneficiaries the scheme administrator selects in accordance with the Scheme rules. In making the decision, the scheme administrator will consider any name(s) you have given them at any time before your death on the Nomination of Beneficiaries form.
- If you are aged 75 or older at the date of your death, any lump sum payment will be taxed at the beneficiary's marginal rate of tax.
- If you are under the age of 75 at the date of your death then there is no tax charge on any lump sum payment unless the combined value of all your pension funds is more than a certain limit, known as the Lifetime Allowance.
- Alternatively, your spouse or dependants can choose to receive a pension income. This is subject to income tax. It can be paid either by purchasing an annuity or by a pension income from your SIPP fund.

What happens to my Astute SIPP if I die after starting to take retirement benefits?

- The fund can be paid as a lump sum to your named beneficiaries, or can be paid as a spouse's or dependant's pension as described above. If you were under 75 at the time of death, these payments will be tax free. Over 75, the tax payable will be at the beneficiary's marginal rate of tax.
- Alternatively, if you nominate a registered charity, a lump sum can be paid to the charity tax free.
- On the death of your spouse or dependant, the remaining fund can be paid as a lump sum to their nominated beneficiaries, after deduction of a tax charge.
- If you are receiving an annuity at the date of your death, any payment made would depend on the terms and conditions of the annuity you selected.

What are the charges?

The charges may vary widely depending on the investments you choose to hold in your Astute SIPP. Please refer to Key Features documents relating to other investments under the Astute SIPP to see their charges.

The exact fees and charges you will pay in addition to these will depend on the types of investment and services you buy.

Full details of the current Astute SIPP fees and charges are shown in our 'Menu of SIPP Fees' sheet. Your Financial Adviser can provide you with a copy.

Can I transfer the Astute SIPP?

You may transfer your Astute SIPP's value to another registered pension scheme or a qualifying recognised overseas pension scheme with either another provider or a new employer, though you may incur charges as a result. You should seek financial advice before considering any transfer.

Can I change my mind?

When the Plan is first set up, the trustee may issue a cancellation notice. This may give you the right to cancel the Plan during the next 30 days depending on the nature of your investments. If you wish to cancel the Plan, you should instruct the trustee who will then cancel the Plan on your behalf.

If the Plan is cancelled, the trustee will repay the money invested free of charge but subject to adverse fluctuations in the value of your investments.

For any self-invested assets, the trustee will refund the investment less any costs incurred in the purchase and subsequent disposal of these assets.

If any self-invested assets need to be sold on the open market, then the trustee will not be able to release the sale proceeds until the money has been received.

If the trustee is cancelling a transfer payment it will try to return the transfer value to the existing pension scheme. The existing pension scheme is not obliged to take back the transfer payment. Some schemes may not be prepared to do so. In these circumstances the trustee will pass on the transfer to another registered pension scheme as instructed by you. If the investment value of the transfer payment falls before the cancellation instruction is received, an amount equal to the fall in value will be deducted.

If you do not exercise your right to cancel within this period, the Plan will continue in accordance with the Plan's Terms and Conditions section.

How will I know how my Astute SIPP is doing?

- A statement will be sent to you annually.
- You may want to have a regular review with your Financial Adviser.

Further information

How to contact us

Your Financial Adviser will normally be your first point of contact. If you have any questions, you can phone us or write to us.

Call us on 01772 781889 at the following times:

Monday to Friday, between 8.30 a.m. and 4.30 p.m.

We may record calls to improve our service.

Write to us at:

Astute Trustee Services Ltd
87 Watling Street Road
Fulwood
Preston
PR2 8BQ

How to complain

If you would like further information, please contact us at:

Astute Trustee Services Ltd
87 Watling Street Road
Fulwood
Preston
PR2 8BQ

If you are not satisfied with any aspect of the service that you have received from us, then we have a formal complaints procedure, a copy of which is available on request. Complaints we cannot settle may be referred to the Financial Ombudsman Service at:

South Quay Plaza,
183 Marsh Wall,
London
E14 9SR
Phone: 0845 080 1800

E-mail: enquiries@financial-ombudsman.org.uk
Website: www.financial-ombudsman.org.uk

Making a complaint will not prejudice your right to take legal proceedings.

Terms and conditions

The Key Features gives a summary of the Astute Self Invested Pension Plan. They do not include all the definitions, exclusions, and terms and conditions. These are shown in the Master Trust Deed and Rules of the Astute SIPP Scheme. If you would like a copy, please ask your Financial Adviser or contact us direct.

We have the right in certain circumstances to change the terms and conditions, including the charges. Please refer to the Master Trust Deed and Rules for more detail.

Compensation

Your Astute SIPP is regulated by the Financial Conduct Authority and so it is covered by the Financial Services Compensation Scheme.

Financial Conduct Authority:
www.fca.org.uk/consumers/complaints-and-compensation

Financial Services Compensation Scheme:
www.fscs.org.uk/consumer/

Financial advisers

Where you have received information or advice, the Financial Adviser will provide you with information regarding their identity, the capacity in which they are acting and their address for future communications.

Law and language

Astute Trustee Services Ltd and you have a free choice about law that can apply to a Plan. Astute Trustee Services Ltd propose to choose the law of England and Wales, and, by entering this Plan, you agree that the law of England and Wales applies. Your contract documents will be supplied to you in English and any subsequent correspondence with you regarding your

contract will be in English. English and Welsh courts shall have exclusive jurisdiction over any disputes that may arise.

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