Key Features
of the PSG Aspire SIPP

In this document you'll find details of the Key Features of our Aspire Self Invested Personal Pension (SIPP). It gives you all the details you need about how the SIPP works. However, if you would like to discuss anything please feel free to call us on 01249 280020; we're here to help.

The Gardeners Store, Box House, Bath Road, Box, Corsham, Wiltshire, SN13 8AA
www.tpsg.eu

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IMPORTANT:

This is an important document. You should keep it safe for future reference.

This document is based on our interpretation of current legislation, regulation and HM Revenue & Customs practice and should not be relied upon for detailed advice or as a statement of law. It is important to remember that current tax provisions may change in the future.

Before applying you should read this document and consider taking advice from a Regulated Financial Adviser. The Aspire SIPP provides access to potentially complicated investment products and if you decide not to seek professional advice you should be satisfied that you have a sufficient level of understanding, both of investments and pensions and that you have a full appreciation of the risks involved.

PSG SIPP Limited and PSGS Trustee Services Limited are not authorised to give financial advice and the services provided by PSG SIPP Limited do not extend to financial advice under the terms of The Financial Services and Markets Act 2000.

Contents

Introduction

Is a SIPP the right choice for you? It may be, if you want the following:

- a real choice in where and how your money is invested to grow your fund within the list of investments permitted in the Aspire SIPP;
- control of those investments;
- flexibility over how and when you take your pension income;
- more choice in the pension benefits payable to your Beneficiaries when you die.

Is a SIPP the appropriate choice for you? It may be, as long as one of the following applies:

- you are self employed, or;
- your employer has a pension scheme, but the benefits it is likely to provide are not adequate for your retirement (without necessarily leaving your employers scheme), or;
- you already have a pension scheme, but you may have received advice recommending a transfer to a SIPP, or;
- you have more than one pension scheme in place, but you want to consolidate and transfer them into one arrangement;
- you want control over your investment choices.

A SIPP is not suitable for everyone. This is partly because most SIPPs are charged on a fixed fee basis (please see our Services and Fees document for details of our fee structure). You should also consider the fact that some other types of pension, will offer greater certainty about the amount of pension that your fund, after taking your pension benefits, will provide. The choice of whether to have a SIPP is ultimately your decision but you should give careful consideration as to whether this decision ought to be made in consultation with a Regulated Financial Adviser.

There can also be some risks associated with not securing an income by purchasing an annuity and instead drawing your income from your fund, for example, investment growth and the sustainability of levels of income, given the huge flexibility provided by Freedom and Choice in Pension. There is more information about this in the Risk Factors section.

We strongly recommend that you consult a Regulated Financial Adviser if you are considering a SIPP, especially if you are a Member of an existing Occupational Pension Scheme, and wish to transfer to a SIPP to gain greater control and flexibility. PSG SIPP Limited (PSGS) cannot provide any advice on pensions or investments as it is not authorised or regulated to do so.

PSG SIPP Key Facts

Aims

The PSG Aspire SIPP has been designed to give you:

- an ethical pricing policy where all fees are transparent and disclosed fully in our comprehensive Services & Fees document;

- a flexible means of saving to provide you with an income for your retirement within a tax efficient pension environment;

- the opportunity to make your own decisions about the investments you want in your fund, in conjunction with any advice you may wish to take from an appointed Financial Adviser;

- access to a comprehensive list of standard and non-standard investments permitted in the Aspire SIPP;

- an excellent service at a reasonable product price commensurate with that service;

- maximum flexibility to take your pension benefits anytime from age 55*, in line with the Freedom and Choice in Pension, with the additional option of deferring taking part or all of your pension entitlement;
- flexibility to take your benefits in stages, to avoid taking all your benefits in one go;
- flexibility to receive income from your SIPP as an alternative to buying a guaranteed pension (an annuity);
- provision for your dependants or Beneficiaries when you die giving you peace of mind;
- the ability to continue investing your fund where you choose within the list of permitted investments in the Aspire SIPP whilst you are taking an income from it;
- the ability to transfer other pension schemes, into your SIPP, to benefit from these features.

*The minimum age for drawing benefits is lower in the case of protected pension ages and drawing benefits due to ill health.

Your commitment

- to establish your SIPP with a one off contribution or regular contributions within the limits set by legislation, or transfer(s) from another pension scheme (but there is no requirement for you to make or continue to pay contributions if you don't want to);
- to tell us about any change to your circumstances including anything that may result in you no longer being eligible for tax relief on your contributions;
- you will normally not be able to take your pension benefits before age 55 (unless you are taking benefits due to ill health, or you have a protected pension age under the relevant legislation);
- to comply with the Trust Deed and Rules establishing your SIPP and Terms and Conditions you will sign.

Risk factors

- your final fund value cannot be guaranteed as the growth of your chosen investments can be less than assumed and the value of any investment can fall as well as rise;
- some SIPP investments can take longer to sell and this can generate potential delays in providing the liquidity required to pay, or continue paying your benefits;
- if your income payments exceed the investment growth and the annual fees you are liable to pay, the value of your fund may go down. This will impact on the potential benefits available to Beneficiaries and dependants;
- changes in legislation, including any changes to the tax relief currently available, may have a detrimental effect on your fund;
- future interest rates may go up or down and can impact on the annuity rates available to you when buying an annuity.

SIPP Growth Illustration

We will provide you or your adviser with a SIPP illustration if you decide to establish a SIPP with us. This illustration is not guaranteed and we will make certain assumptions regarding the possible performance of your chosen SIPP investments. To some extent the growth rate assumptions are determined by regulatory requirements. You can refer to your Regulated Financial Adviser to help in understanding the illustration which should be read in conjunction with this Key Features document.

PSG SIPP Questions and Answers

What is a SIPP?

The PSG Aspire SIPP is a Personal Pension Scheme established for the benefit of its Member. It gives you access to tax efficient ways of saving. Within the boundaries of the Trust Deed and all relevant pension legislation, you decide where and how you wish to invest your fund for your retirement. You should, however, strongly consider consulting a Regulated Financial Adviser regarding the establishment of the SIPP and your investment decisions before committing to any investment option.

You can pay contributions to your SIPP yourself and/or have them paid on your behalf, including by your employer (if you have one). These contributions can be paid at any interval that suits you, but tax relief will always be subject to your level of income and the Annual Allowance which is outlined in more detail later.

In addition to paying contributions, you can arrange to transfer funds from other pension schemes into your SIPP.

The SIPP is free from UK Investment Income and Capital Gains taxes except the tax on UK equity dividends that cannot be reclaimed.

Who can be a Member?

There are no restrictions on who can be a member of a SIPP but membership of the PSG Aspire SIPP is at the discretion of PSG SIPP Limited.

Who are the Trustees?

Our Trustee company, PSGS Trustee Services Limited (PSGSTS) which acts as an Asset Trustee.

How much can I contribute?

These are the factors to consider:

- the Annual Allowance (or Money Purchase Annual Allowance (MPAA), see below);
- the amount you earn.

Whilst there is no limit at all to what you can contribute, HM Revenue & Customs (HMRC) will only allow a certain amount of tax relief each year. This is known as the Annual Allowance and the limit is currently £40,000 (unless your earnings exceed £150,000 – see Annual Allowance Tapering on page 5).

Any contribution in excess of the Annual Allowance will be subject to a 40% tax charge, levied on you by HMRC.

The only times that the Annual Allowance does not apply and no tax charge will be levied are:

- in the year in which you retire where your retirement is on the grounds of severe ill health;
- in the year that you die;
- when you qualify for carry-forward (see below).

What is Carry-forward?

You may qualify for tax relief on contributions in excess of the Annual Allowance where you have unused Annual Allowance from the three previous qualifying Tax Years. A Tax Year will qualify provided you were a member of a Registered Pension Scheme. For the purposes of the Carry-forward facility the Annual Allowance is always deemed to be at the prevailing rate (currently £40,000) even if it was higher than this in previous Tax Years.

Annual Allowance Tapering

From the tax year 2016/17, the AA is reduced for those with incomes in excess of £150,000. Income over £150,000 is Adjusted Income and this includes income for the year plus pension contributions. If Income does not exceed £110,000, pension contributions are ignored. It is therefore possible to have Adjusted Income of greater than £150,000 (when you have added in pension contributions) but income of lower than £110,000 which means tapering will not be triggered.

If income exceeds £110,000 and Adjusted Income exceeds £150,000 tapering is applied and for every £2 of income above £150,000 you would have your AA reduced by £1 down to a minimum AA of £10,000.

For a full explanation of what is included in the definition of 'income' for these purposes, you should talk to your Financial Adviser.

When does the Money Purchase Annual Allowance (MPAA) apply?

Where you have taken an income payment in the form of Flexi-Access drawdown or Uncrystallised Funds Pension Lump Sum (UFPLS), any pension contributions or pension accruals made to a Defined Contribution Pension Scheme in the tax year during which you take income or in any subsequent tax years after will be subject to the Money Purchase Annual Allowance, currently £10,000 p.a. with no Carry Forward. Contributions to Defined Benefit Pension Schemes are unaffected and remain at a current maximum of £40,000.

It is important to note that you must inform us and any other pension provider if you have or do in the future take any income in the form of Flexi-Access Drawdown (or UFPLS) from any pension fund. From the point of the first income payment the contributions will be limited to MPAA (£10,000) for all pension schemes combined. It is your responsibility to inform all schemes within 91 days of this date otherwise a £300 fine could be imposed.

What are the effects of residency on tax relief?

How much tax relief you will receive on your contributions also depends on the following:

If you are resident in the UK or in receipt of relevant UK earnings that are subject to UK tax:

- you can contribute up to 100% of your salary (up to the Annual Allowance) and;
- the tax relief you will receive on your contributions is the higher of £3,600 gross or 100% of your UK earnings;
- if you have no earnings, you can contribute £2,880 net and receive basic rate tax relief on this amount.

If you are not resident in the UK, but were when the SIPP was set up and have been UK resident at some point in the last five years:

- tax relief will be granted on contributions up to £3,600 gross, but;
- if you contribute over £2,880 net, you will not receive any tax relief on the excess.

Non UK resident:

- you can still contribute any amount you like, but you will not receive any tax relief on your contributions from HMRC.

Are there any other things to consider?

There are some other important points relating to contributions that you should be aware of:

- if you have Enhanced Protection, Fixed Protection or a third type of protection called Individual Protection, you should consult a Financial Adviser before making any contributions as you will lose your Protection;

- you can have a SIPP and be a Member of your employer's pension scheme as well without restricting the amount you contribute to either. However, you only have one Annual Allowance (or MPAA) covering all schemes.
- there is no minimum requirement for contributions;
- your contributions, your employer's contributions and any increase in the value of any defined benefits scheme that you are a member of, will count towards your Annual Allowance (or MPAA) and Special Annual Allowance (if applicable);
- transfers, National Insurance rebates for contracted out schemes and any credits or debits from a divorce settlement, do not count towards your Annual Allowance (or MPAA);
- you can make contributions to your SIPP in the form of other assets, as well as just cash, such as certain shares or other permitted investments in the SIPP. You should always consider taking advice from a Financial Adviser if you are considering this course of action;
- if you are eligible to have your own contributions treated as having been paid net of basic rate tax, PSGS will reclaim an amount equivalent to basic rate tax from HMRC on your behalf;
- tax reclaims made by PSGS will be applied to your SIPP bank account, usually within 7 – 11 weeks of the reclaim being made;
- if you pay higher rate tax, you can claim any higher rate tax relief due to you via your annual Self Assessment tax return. This amount will be paid to you, not paid into your SIPP bank account;
- if your employer pays any contributions, they will do so gross.

What can I transfer into my SIPP?

- funds from any other UK registered pension arrangement;
- funds from a Qualifying Recognised Overseas Pension Scheme (QROPS);
- a pension scheme that you are already taking income from;
- any investment that is contained in one of your pension schemes held elsewhere (provided that it is a permitted investment under the terms of the PSG Aspire SIPP), that you do not wish to liquidate before transferring. This is known as an In specie transfer.

You will not lose your Enhanced Protection, Fixed Protection or Individual Protection entitlement (if any) on transfer provided it is a 'permitted transfer' under HMRC rules.

You should always consider taking advice from a Financial Adviser and check with your current provider before transferring other pension benefits to your SIPP and you should also bear in mind the size of your transfer value(s) in comparison to the initial and ongoing cost of the SIPP. Your current provider is responsible for calculating the transfer value of your fund as at the date you arrange the transfer. If you transfer your funds and they have Tax-Free Lump Sum Protection, you need to take advice before doing so as this protection can be lost.

Why is it tax efficient?

A PSG Aspire SIPP provides members with considerable tax advantages:

- a member who is a UK resident will receive tax relief on their personal contributions of up to £3,600 (gross) or 100% of their earnings, if greater, as long as they do not exceed the Annual Allowance (or MPAA) applying to the tax year in which the contribution is made;
- investments grow free from UK capital gains tax and Income Tax;

- pension benefits can be drawn from your SIPP from age 55, some of which can be paid free from income tax (usually limited to 25% of the total fund being converted to drawdown (crystallised));
- lump sum death benefits can be paid free from Inheritance Tax;
- investments are usually protected from personal bankruptcy.

Tax relief on employer contributions to the SIPP is given by allowing contributions to be deducted as an expense in computing the profits of a trade, profession or investment business, and so reducing the amount of an employer's taxable profit.

Who are the Scheme Operator, Scheme Administrator and Asset Trustee?

PSG SIPP Limited (PSGS) is Scheme Operator and Scheme Administrator, and ensures that the scheme is properly administered. PSGS Trustee Services Limited (PSGSTS) is the Asset Trustee, and all your investments are registered in its name. Trust law requires PSGSTS to act prudently, conscientiously and with the utmost good faith in the best interests of the Beneficiaries of the trust.

These roles are central to the successful management of the scheme. This is primarily because of the complex nature of pensions and taxation legislation and the need to have a detailed knowledge of HMRC compliance and audit regime.

What is the role of the Scheme Administrator?

As Scheme Administrator, PSGS is responsible to HMRC for the establishment and running of the scheme and will carry out the day-to-day administration of the scheme. PSGS's services include:

- providing legal trust documentation to establish and govern the scheme and, where necessary, amending it;
- maintain registered pension scheme status with HMRC;
- scheme administration services;
- keeping up-to-date and accurate records of all scheme investments, income and expenditure;
- technical support regarding all aspects of the scheme, its investments and benefits;
- liaising with HMRC where necessary and filing the scheme reports required by HMRC;
- making any payment due to HMRC from the trustee bank account.

What can my Aspire SIPP invest in?

You have the choice of a wide range of investment options considered by the FCA to be standard investment, summarised as follows:

- stocks and shares quoted on the London Stock Exchange;
- securities on the Alternative Investment Market (AIM);
- stocks and shares quoted on HMRC or FCA recognised overseas stock exchanges;
- UK authorised Unit Trusts and Investment Trusts;
- UK and European Economic Area (EEA) based Open Ended Investment Companies (OEICs);
- insurance company managed funds and unit linked funds;
- deposit accounts and money market accounts;
- UK Real Estate Investment Trusts (REITs);
- second-hand or Traded Endowment Policies.

What Non-Standard investments will the SIPP permit?

PSGS permits a wide range of alternative investments deemed by the FCA to be non-standard investments. These investments tend to be unregulated or unauthorised, illiquid in nature, potentially of a higher risk and may be restricted in terms of who is permitted to invest in them.

An example is unregulated collective investment schemes, which are a category of investment that may only be invested in provided the underlying investor qualifies as either a High Net Worth or a Sophisticated Investor or similar. PSGS is able to confirm what the qualifying criteria of these categories of investors are on request. Not all non-standard investments are subject to these investor restrictions, but where these investments exist, PSGS will not permit those investments to proceed unless the qualifying criteria are met.

What is the Investment Due Diligence process?

PSGS subjects all investments to a comprehensive Due Diligence process before permitting the investment in the SIPP and each investment must be signed off by our internal Investment Committee.

As part of its Due Diligence PSGS will take reasonable steps to establish and verify the legal structure of the investment, the individuals responsible for running the investment structure, the nature of the investment and its objectives. We will raise any concerns we have on any aspect, with you, and confirm why we have not approved the investment, if applicable.

It is important to note that the purpose of the Investment Committee is to approve and permit the investment for the SIPP, but this does not constitute an endorsement of the investment and nor does it constitute a judgment as to the suitability of the investment for you as the SIPP member. As a pension scheme self-directed by the member, investment choice and selection is your responsibility in conjunction with your adviser, if any.

Can I buy a commercial property investment?

Commercial property is **not** an investment we permit in the Aspire SIPP given the unique nature and risks associated with commercial property. Our Open SIPP permits commercial property investments as well as all of the above permitted investments.

What is the investment process?

We will act promptly upon any written instructions to invest in any permitted investment, but you should consider taking appropriate advice from a Regulated Financial Adviser before doing so. In addition, whilst we will always act as swiftly as possible, certain transactions will involve third parties over which we will have no control.

For more details on what you need to do to invest in any of these types of SIPP assets, you should talk to a Financial Adviser. However, provided advice is not required, and you just want some guidance on the SIPP Rules or HMRC practice or have a procedural question, please feel free to contact a member of our team.

Where a proposed investment is not yet approved by PSGS we endeavour to carry out our the Due Diligence process as quickly as possible but we will be reliant on your cooperation, and the cooperation of third parties in order to swiftly deal with this aspect.

Taking Benefits from the SIPP

What benefits can I take?

- a tax free lump sum , which is normally up to 25% of your share of the fund held in the SIPP up to the maximum of 25% of the prevailing Lifetime Allowance LTA), which can be taken any time from age 55 and is usually taken by your 75th birthday;
- an income, known as Flexi-Access Drawdown can be paid from age 55;
- a combination of income and lump sum paid out together known as a Uncrystallised Funds Pension Lump Sum (UFPLS).

- an Annuity (secured pension), which can take the form of a conventional annuity, unit linked annuity or flexible unit linked annuity, purchased on the open market from a EEA insurance company or friendly society;

- a combination of phased Flexi-Access Drawdown, UFPLS and/or phased annuity purchase, allowing you to draw benefits in steps by using part of your fund initially and the remainder over a period of time. Each Benefit Crystallisation Event requires a test against the LTA which will take into account any benefits already crystallised from any other Registered Pension Schemes;

- a short term annuity purchased on the open market from a EEA insurance company or friendly society. This type of annuity is payable for a term of no more than five years.

You are able to transfer your flexible benefits to one or more different providers.

If you were already in Capped Drawdown on the 6th April 2015, then you will remain in Capped Drawdown unless you decide to convert to Flexi-Access Drawdown, or you take additional benefits that exceed the current maximum income level.

You should always discuss the various options available to you with your Financial Adviser, to see what they are and which is most suited to your needs. Different product options from alternative providers will have features, rates of payment, different charges, and different tax implications.

There may be tax implications associated with accessing flexible benefits. Pension income is taxable at your marginal rate, which is dependent on the amount of income you receive from other pensions and other sources.

You can take your benefits anytime from age 55 (57 from 2028 increasing in line with State Pension Age thereafter (always 10 years below SPA)), whether you have retired or not. When you do so, we will test your fund against the prevailing LTA, to ensure it is within limits and arrange for the appropriate HMRC tax charge to be paid from the fund if it is not.

The size of your fund at the time you take your benefits will depend on how much has been invested and the growth of those investments. In addition to the size of your fund, your pension benefits will depend on:

- how much you have previously taken in benefits;
- if you buy an annuity (secured pension on the open market) your age, gender and health are again taken into account, along with the prevailing annuity rates.

There is no compulsion to take benefits at any time and there is no minimum or maximum amount of income you must take. There are also no restrictions on the level of income that you can take but the amount of further pension contributions you can make to money purchase schemes will be restricted. Any pension contributions or pension accruals made in the tax year during which you take income or in any subsequent tax years after will be subject to the MPAA, currently £10,000 p.a. If you have a defined benefit scheme, you will still be able to contribute and accrue benefits up to the value of £40,000.00 a year in total but the amount you contribute to money purchase pensions must not exceed £10,000.00.

Benefit Crystallisation Event

Taking benefits from your fund is known as a ‘Benefit Crystallisation Event’ (BCE). When a BCE takes place, we will check to ensure you have not exceeded the LTA. Any amount above the LTA will result in a tax charge. Examples of triggers for BCEs are:

- taking Uncrystallised Funds Pension Lump Sum or ill health lump sum;
- taking Flexi-Access Drawdown;
- buying an annuity;
- transferring your benefits overseas;
- reaching age 75.

The LTA (not to be confused with the Annual Allowance), is the maximum fund that you can accrue from all sources without incurring a tax charge from HMRC. The LTA is currently £1,000,000.

If the fund you use to provide your benefits, exceeds your LTA, you can choose to take the excess as income, as a lump sum, or as a combination of both, but you will incur a tax charge of:

- 25% on the excess, if paid as an income (in addition to Income Tax on the income payments), or:
- 55% on the excess, if you take the funds in excess of a lump sum.

You should discuss what alternative levels of income are available to you and the implications of taking them, with your Financial Adviser. You will need to be mindful of the level of income you need, the income you receive or will receive from other sources, as well as the rise in the cost of living and the need to provide for dependants.

You can vary your income level at any time. We will send you annual statements that illustrate the progress of your fund, taking into account withdrawals, fees and the performance of your investments. This will provide you with the information you need to review your SIPP with your Financial Adviser.

What benefits are available on death?

How and what may be paid in the event of your death, is dependent on the age at death of the person passing down the fund.

You can nominate a beneficiary of your choice.

Death before age 75:

If you die before age 75 death benefits may be payable to parties entitled to receive them as follows:

- a tax free lump sum to a nominated Beneficiary;
- income payments from the SIPP to a nominated Beneficiary paid as Flexi-Access Drawdown or secured via a lifetime annuity.

All funds must be designated within 2 years from when the scheme administrator was/ought to have been aware of the death. If the funds were not designated within this 2 year period a tax charge will be levied and the lump sum will be tested against the LTA. If you do not have any Protection, HMRC will levy a 45% tax charge to the funds in excess of the LTA and the recipients are liable for this charge. However, there is no Inheritance Tax payable, unless paid to your estate.

If you do not have any dependants, a charity can receive a lump sum, currently without a tax charge (and without any test against the LTA).

Death before or after taking benefits after age 75:

If you die whilst you are age 75 or over, regardless of whether you are taking income payments in the form of Flexi-Access Drawdown, death benefits may be payable to parties entitled to receive them, as follows:

- a lump sum, or income, to a nominated Beneficiary less a tax charge at the recipient's Marginal Rate;
- income payments from the SIPP, to a qualifying dependant(s), paid as Flexi-Access Drawdown or secured via a lifetime annuity.

If you do not have any dependants, a charity can receive a lump sum, currently without a tax charge (and without any test against the LTA).

If you die after buying an annuity:

- any dependant's pension that you selected will continue for their lifetime;
- if you die soon after buying your annuity, it will continue to be paid for any guarantee period that was specified at the time of purchase.

Definition of a dependant:

A dependant is defined as one of the following:

- a spouse at date of death;
- a child under 23;
- a child over 23 dependant on grounds of physical or mental impairment;
- a person who is not a spouse or child of the member, but:
    - is financially dependant on the member;
    - has a financial relationship with the member and a mutual dependency;
    - is a person who is dependant on the member on the grounds of physical or mental impairment.

What fees will I have to pay?

There are set up and annual fees that cover the establishment and general day to day administration of your SIPP, which vary according to the activities your SIPP is involved in and the value and type of investments it holds, standard or non-standard. This is because the cost of running your SIPP is now directly linked to FCA rules about the nature and value of those Assets. In addition there are one off fees, that relate to specific transactions, such as benefit crystallisation. All our fees are detailed in our Services and Fees. Please refer to this along with our other documentation.

Unless there is a major change in governing legislations or regulations, administration and Trustee fees will normally only increase each year by the higher of 3% or in line with annual increases in the index of Average Weekly Earnings (AWE).

There are no hidden fees, such as deducting a proportion of bank interest earned on your funds held on deposit, which can account for significant increases to the overall annual fees that you pay, compared with those quoted.

All fees will automatically be deducted from your SIPP bank account in accordance with the contract and it is therefore necessary for you to ensure that there are sufficient cleared funds in your SIPP account to meet these fees. We will always issue our invoices in advance, to allow you sufficient time to make funds available.

Additional information

Tax

Your SIPP will enjoy a number of tax benefits:

- basic rate tax relief (which is added back to your SIPP) on single or regular contributions;
- higher rate relief is available via your self assessment tax return subject to the new rules relating to higher income individuals described in the Questions and Answers section above;
- employer contributions are paid gross and treated as a business expense if within the Annual Allowance (or MPAA);
- your fund will grow, predominantly free of Income Tax and will not be subject to Capital Gains Tax;

- in the event of your death before age 75, your fund is normally paid to your nominated Beneficiary free of tax.

Valuations

We will send you an annual valuation of your SIPP (certain asset values may not be re-valued this frequently, unless you are happy for your SIPP to bear this cost every year). The value of your SIPP will be based on the total value of the assets, less any liabilities against the fund.

Your right to cancel

SIPPs have Cancellation Rights and we will send you a cancellation notice as soon as we have opened your SIPP.

Unless you have waived your rights to this cancellation notice in your PSG Aspire SIPP Member Application, you will have 30 calendar days during which you have the right to change your mind by sending the cancellation notice back to PSGS. We will then cancel your SIPP.

Unauthorised payments

Payments out of the SIPP, which are not authorised under The Finance Act 2004 as amended, are defined as unauthorised payments. The regulations governing Registered Pension Schemes contain numerous ways in which an unauthorised payment may be made. An unauthorised payment is defined as a payment made by a registered scheme, that is not permitted by the SIPP Rules or regulations relating to the following:

- benefits paid before the minimum pension age;
- taxable investments or exceeding permitted maximums (e.g. borrowing more than 50% of net SIPP funds);
- writing off income due to the SIPP if it's due from a connected party;
- other payments, which may be made by a Registered Pension Scheme (e.g. limits on refund of surplus).

If an unauthorised payment is made, or is deemed to have been made, the recipient of the payment will be liable to a tax charge of 40% assessed on the value of the payment. This tax charge is known as an unauthorised payment charge. Further tax charges may also arise as a consequence of the unauthorised payment.

Important note on tax

This document is based upon our understanding of current UK legislation and HMRC practice, both of which are subject to change. It is not a substitute for detailed advice or a statement of law. Tax relief rates may also change and will be based on a Member's personal circumstances and this may affect the amount of benefits the Member receives.

Data Protection

PSGS will register the Scheme with the Information Commissioner on behalf of the Trustee as the Trustee is a Data Controller for the purposes of the legislation.

Access to impartial guidance

The government provides a service which offers free and impartial guidance on how you are able to exercise your freedom of choice in accessing your pension. "Pension Wise", as it is known provides impartial guidance to questions you have on how the different ways in which you can draw your pension work, what you can do with your pension savings and which elements are tax free. The service is provides by the Citizens Advice Bureau and the Pension Advisor Service. Pension Wise is available on the phone, online and face to face.

Complaints

Please note that we have a separate Complaints Information leaflet that provides a breakdown of what we will do in the event that you make a complaint. If you'd like to see this, please get in touch and we will happily send you a copy.

If you have a complaint about the services we provide please contact the Operations Director at:

The Operations Director
The PSG SIPP Limited
The Gardeners Store
Box House
Bath Road
Box
Corsham
Wiltshire
SN13 8AA

If you are not satisfied with the outcome, you can write to:

Financial Ombudsman Service
South Quay Plaza
183 MarshWall
London
E14 9SR

You may also obtain assistance from:

The Pensions Advisory Service (TPAS)
11 Belgrave Road
London
SW1V 1RB

Law

The law of England will apply.

How to contact us

If you need to contact us for any reason about your SIPP, please contact us at the following address:

PSG SIPP Limited
The Gardeners Store
Box House
Bath Road
Box
Corsham
Wiltshire
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