

# Key Features of the Rathbones Self-Invested Personal Pension (SIPP)

Your pension. Your future. Your way.

The Financial Conduct Authority (FCA) is a financial services regulator. It requires us, Rathbones, to give you this important information to help you decide whether our SIPP is right for you. You should read this document carefully so that you understand what you are buying, and then keep it safe for future reference.



# Contents.

Planning for retirement is one of life's most important financial decisions. The Rathbones SIPP is designed to give you flexibility, control and confidence – whether you're thinking about consolidating your pension pots or reviewing your current arrangements.

We'll explain how our SIPP works, what makes it different, and how we support you throughout your retirement journey.

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# 01

## What is a SIPP and why consider one?

A Self-Invested Personal Pension (SIPP) gives you more freedom over how your pension savings are invested. It's a tax-efficient way to save for your future, with the added benefit of choosing how and where your money is invested.

With a SIPP, you can:

- **Save tax-efficiently:** Contributions may receive tax relief, helping your savings go further.
- **Invest with flexibility:** Choose regular or one-off contributions, and access a wide range of investments, guided by your investment adviser.
- **Plan for the long term:** Your pension is locked away until age 55 (rising to 57 from April 2028), helping you build a lasting retirement fund tailored to your lifestyle and goals.
- **Support your loved ones:** Your pension can be passed on tax-efficiently, often outside of your estate for inheritance tax purposes\*

\*Inheritance tax (IHT) does not currently apply to death benefits from pension plans. However, following changes announced in the Autumn Budget 2024, from 6 April 2027, unused pension funds and death benefits will generally be included in the value of an individual's estate for IHT purposes, unless exempted. Transfers to a spouse or civil partner will remain exempt. Clients should seek professional advice to understand how these changes may affect their estate planning.

Tax rules and legislation can change. This information reflects our understanding of current law and HMRC practice and should not be considered financial advice.

Tax treatment depends on your individual circumstances which could change in the future.



## 02

# The aims of the Rathbones SIPP

We've built the Rathbones SIPP around what matters most to you – clarity, confidence and personal service.

- **Personal service you can trust**  
A SIPP team (client service team helpline with dedicated administrators) is available throughout the week to answer your questions and support you every step of the way, working closely with your Investment Manager or Financial Adviser
- **Clear, competitive fees**  
You'll only pay for the services you use – with no hidden costs and straightforward pricing.
- **Strong governance**  
Our Reporting and Review Team ensures your pension is managed in line with UK regulations, keeping you informed of any changes that may affect you.

We use a UK-registered pension scheme, governed by a Trust Deed & Rules.

- **Online access**  
View your portfolio anytime through MyRathbones, our secure client portal.

**Notes:** Our SIPP is not a stakeholder pension. Stakeholder pensions follow government rules on charges, access and are generally available. They might meet your needs as well as a SIPP.

## 03

# Your commitments

To help us support you effectively, we ask that you:

- Read the information we provide and contact our support team if anything's unclear.
- Review your pension regularly to make sure it still suits your needs – and seek advice if you're unsure.
- If you make contributions, keep them within HMRC limits, which we explain later in this guide.
- Let us know if you access pension benefits elsewhere and it affects your tax relief.
- Follow HMRC rules when you take money from your pension – we'll guide you through these.
- This is a long term investment and it is not possible to take your money out until you are at least age 55 (57 from April 2028).
- Update us if your personal details or circumstances change. For example address, change of name or country of residence.
- Read and agree to the Rathbones SIPP Terms of Business and Charges. (These will be provided to you separately).

# 04

## How it works – our process

Your Investment Manager and Financial Adviser work closely together to ensure your pension is managed smoothly and efficiently, and our dedicated SIPP team supports you throughout.

### **Saving for retirement – how we help**

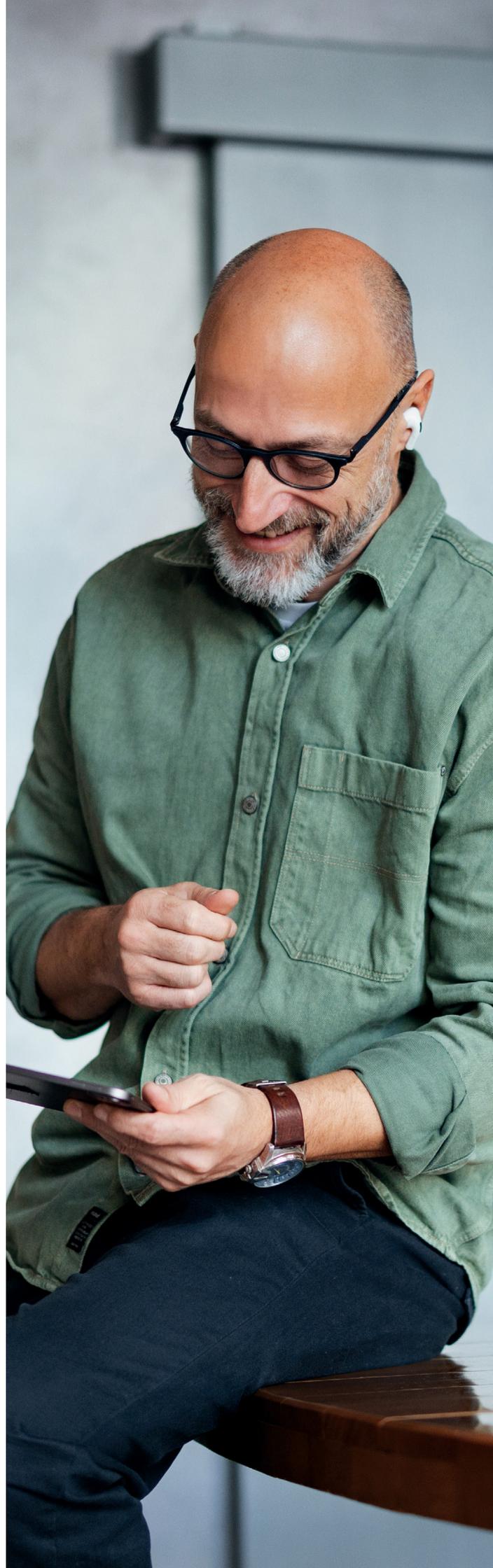
- Accepting regular or one-off contributions from you, your employer or a verified third party
- Reclaiming basic rate tax relief on your behalf
- Helping you consolidate existing pensions (with advice where required)
- Making funds available for investment quickly and securely

### **Supporting your retirement – how we help**

- Providing personalised illustrations to help you understand your options
- Offering flexibility in how you take your pension
- Calculating and arranging tax-free cash payments
- Managing your income drawdown payments

### **Keeping you informed**

- Annual statements showing fund value, transactions and charges
- Clear information about retirement options and risks
- Easy access to your portfolio via MyRathbones





## 05 Why choose Rathbones?

We believe in long-term relationships, consistent results and doing the right thing for our clients.

- **Focused on your future**  
We're here to help you build a retirement plan that works for you – not just today, but for the years ahead.
- **Easy to get started**  
Our team will guide you through the application process and provide all the documents you need.
- **Flexible ways to connect**  
Meet us in one of our nationwide offices, at your home or over a video call – whichever suits you best.

## 06 Understanding the risks

Investing in a SIPP involves risks, including:

- The value of investments can go down as well as up, and you may not get back the amount you put in.
- The tax treatment of your pension depends on your individual circumstances, and it could change in the future.
- Some investments may be harder to sell and you may not be able to sell them when you want to.
- Inflation may reduce the future value of your income. Prices increase over time and reduce the amount you are able to purchase, when compared with the same level of income today.
- Transferring pensions from other providers means you may give up rights specific to that policy, such as a protected pension age.
- Withdrawing higher levels of income over time may mean your pension doesn't provide you with an income throughout your life.
- Scammers target pensions - always be cautious.

Pension scams can take many forms, including offers of early access, high-return investments, or transfers to unregulated schemes. Once your money is gone, it's often impossible to recover. Always check the legitimacy of any offer and speak to a regulated adviser before making changes to your pension.

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## Product information

### Key features of the Rathbones SIPP

Through the Rathbones SIPP we aim to provide a tax-efficient, flexible way for you to save for your future.

| Feature               | Details   |
|-----------------------|---|
| Minimum Investment    | £100,000 (There are no minimum monthly contribution limits)   |
| Contribution Types    | Member, Employer, Verified Third Party  |
| Payment Methods       | Single (bank transfer/cheque), Regular (standing order)   |
| Withdrawal Options    | Flexi-access Drawdown, Uncrystallised Funds Pension Lump Sum (UFPLS), Capped Drawdown   |
| Death Benefits        | Lump Sum, Beneficiary Drawdown, Annuity Purchase  |
| Investment Management | Rathbones Investment Management Ltd   |
| Investment Fees       | Rathbones SIPP fees are in addition to any charges payable for investment management & advice services.   |
| Advice Requirements   | Financial advice typically required, except for SIPP-to-SIPP transfers<br><br>Most pension transfers require regulated financial advice, especially when moving from a scheme with safeguarded benefits. However, if you're transferring from one SIPP to another and there are no guarantees or complex features involved, advice may not be mandatory. Even so, it's often worth speaking to an adviser to make sure the transfer suits your long-term goals. |

### SIPP charges

These are in addition to any advice fees you may already be paying

| Fee Type                   | Amount   |
|----------------------------|--|
| Annual SIPP Administration | £300 per year plus VAT   |
| Annual Income Drawdown     | £150 per year plus VAT.<br>Only applicable when taking a taxable income. |
| Ad hoc Tax-Free Lump Sum   | £100 per event plus VAT  |

## Glossary of terms

- **Annual allowance:** This is the maximum amount you can contribute to your SIPP each tax year while still receiving tax relief. For most people, it's currently £60,000 – but it could be lower if you're a high earner or have already started taking money from your pension.

If you go over the allowance you might have to pay a tax charge on the excess. But you may be able to use carry forward to cover the extra, using unused allowance from the previous three years.

- **Annuity Purchase:** your funds are paid to an insurance provider, who will provide you a lifetime income. When you purchase an annuity, different options can be selected to suit your requirements. For example, you may choose to include a spouse's income following your death.
- **Beneficiary Drawdown:** a SIPP for the beneficiary of the original SIPP owner, who has died.
- **Capped drawdown:** A legacy, taxable withdrawal method with income limits. Only available if you set it up before April 2015.
- **Carry forward:** Carry forward lets you use any unused annual allowance from the last three tax years. If you've earned enough, it means you could contribute more than the usual annual limit and still receive tax relief.

You don't need to apply – but you do need to meet certain conditions. For example, you must have been a member of a UK-registered pension scheme during those years, and your earnings must support the total contribution.

- **Drawdown:** Taking income from your pension while keeping the rest invested.
- **Flexi-access drawdown:** Taxable, flexible income withdrawals with no cap.
- **LSA/LSDBA:** Lump Sum Allowance / Lump Sum and Death Benefit Allowance – limits on tax-free withdrawals and lump sums payable after death. For most people these are £268,275 and £1,073,100 respectively – but it could be higher if you have protected your pension previously.

- **MPAA:** Money Purchase Annual Allowance – limits future contributions after accessing pension benefits. Currently £10,000.

- **Safeguarded benefits:** Some pensions come with valuable guarantees – like a set income for life or a protected retirement age. These are known as safeguarded benefits. If you're thinking about transferring a pension with these features, you'll need to take regulated financial advice first, to help you understand what you might be giving up.

- **Tapered annual allowance:** If you're a high earner, your annual allowance may be reduced. This is the tapered annual allowance. It's designed to limit how much tax relief you can receive on pension contributions each year.

If your total income (including salary, bonuses and pension contributions) is over £260,000, your annual allowance may gradually reduce from £60,000 down to a minimum of £10,000. The higher your income, the lower your allowance.

You still might be able to use carry forward from previous years to top up your contributions. We can help you check what's available and make the most of your allowances.

- **Tax-free lump sum:** The tax-free element of your pension – normally 25% of its value.
- **UFPLS:** Uncrystallised Funds Pension Lump Sum – a way to take a combination of tax-free and taxable lump sums from your pension.

## Frequently asked questions

### Contributions

**Q:** How much can I contribute to my SIPP?

**A:** How much you can contribute depends on your individual circumstances. Tax relief is available on contributions up to 100% of your earnings (or £3,600 if you earn less). There's an annual allowance, currently £60,000 for most people but you may be able to contribute more, or less, than that depending on your earnings and contribution history.

**Q:** Can I stop or change my contributions?

**A:** Yes, you're in control. You can pause, reduce or increase your contributions at any time.

### Transfers

**Q:** Can I transfer other pensions into my SIPP?

**A:** Yes, you can usually transfer most types of UK pensions into your SIPP. This can help you keep everything in one place and make managing your retirement savings easier.

**Q:** Will I lose any benefits by transferring?

**A:** Some pensions have guarantees or benefits that you might lose if you transfer. An adviser can help you understand what's at stake before you make a decision.

### Withdrawals

**Q:** When can I start taking money from my SIPP?

**A:** You can start withdrawing from your SIPP from age 55 (rising to 57 in 2028). You can take up to 25% of your pot tax-free, and the rest is taxed as income.

**Q:** Do I have to take all my money at once?

**A:** No – you can take money as and when you need it or set up regular withdrawals. It's flexible, so you can tailor it to your plans.

### Death Benefits

**Q:** What happens to my SIPP if I die?

**A:** Your SIPP doesn't disappear – it can be passed on to your chosen beneficiaries. If you die before age 75, they can usually receive it tax-free. After 75, it's taxed at their income rate.

**Q:** Can I choose who gets my SIPP?

**A:** Yes, you can nominate one or more beneficiaries, although this nomination is not binding on the SIPP Trustees. It's important to keep this up to date, especially if your circumstances change.

### Cancellation Rights

**Q:** Can I change my mind after opening a SIPP?

**A:** Yes, you have 30 days to cancel your SIPP after it's set up. If you do, any contributions will be returned, though the value may go down if investments have already been made.

If you decide to cancel we may deduct charges for any services that we have provided during the cancellation period. You may not get back what you have put in where investment of your money has taken place, you will receive the current value of the investment at that time. Also, where we have facilitated the payment of adviser charges these may be non-refundable.

**Q:** What if I've transferred another pension in?

**A:** You still have 30 days to cancel, but if the transfer has already gone through, the original provider might not accept it back. We'll explain your options clearly before anything happens. Charges may apply.

**Q:** What if I change my mind after withdrawing my tax-free lump sum?

**A:** You cannot return your tax-free lump sum after withdrawing it.

**Q:** How do I cancel?

**A:** If you want to cancel you must do this within 30 days of receiving your cancellation notice. You can give notice that you wish to cancel by signing the cancellation form received with the cancellation notice, and returning it to the address given.

### How to make a complaint

We strive to deliver the best possible service, however, if you believe we have fallen short of these high standards we would like to hear from you, so we have an opportunity to put it right. You can find details on our complaint's procedure here: <https://www.rathbones.com/en-gb/wealth-management/complaints>

### Compensation

We are covered by the Financial Services Compensation Scheme (FSCS) which has been set up to deal with compensation if firms are unable to meet claims against them. For further information contact the FSCS on 0800 678 1100 or refer to their website [www.fscs.org.uk](http://www.fscs.org.uk).

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## How to get in touch

Opening a Rathbones SIPP is straightforward – and we’re here to guide you through it all.

Once you’ve reviewed the key details, we’ll take care of the rest – guiding you every step of the way.

## Contact us

We’re here to help – whether you’re ready to apply or simply want to talk through your options.

### **Rathbones Investment Management**

#### **SIPP Department**

0113 236 4161 (Monday to Friday, 9am–5pm)

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You can also speak to your usual Rathbones contact or financial adviser for support.





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