

## Introduction and Contact Details

This document summarises the key features of the Yorsipp Registered Pension Scheme.

The scheme has been established under a master trust by a set of Trust Deed and Rules. An application form must be completed to apply for membership. On acceptance an interest bearing trustee bank account will be opened with The Bank of Scotland as an asset of the scheme.

Yorsipp (Trustees) Limited is the scheme trustee and they have chosen to delegate the day to day management and administration to Yorsipp Limited.

You may contact both Yorsipp Limited and Yorsipp (Trustees) Limited at:

Eadie House, 74 Kirkintilloch Road, Bishopbriggs, Glasgow, G64 2AH. Email: info@yorsipp.com Telephone 0141 772 3365

## Aims of the SIPP

- To allow you to save for your retirement in a tax efficient way.
- To provide you with flexible pension benefits when you retire. This includes a pension commencement lump sum if so required.
- To provide your dependant with a lump sum, pension, or both, should you die before taking benefits.
- To enable you to make decisions, with your Financial Adviser, as to how you would like your pension savings to be invested.

## Your commitment

- To pay regular and/or single contributions to your plan.
- To notify us of any changes to your personal circumstances that may affect your SIPP.
- To advise us of your wish to take a pension commencement lump sum.
- To regularly review, with your suitably qualified adviser, your investment portfolio, contribution levels and pension withdrawals (if applicable).
- To have sufficient funds to meet all relevant charges.

## Risk Factors

Penalties/charges may be applied by your existing pension provider if it is transferred to your SIPP.

You may be giving up rights in the form of benefits by transferring other pension benefits into your SIPP. You should consult a suitably qualified adviser prior to transferring benefit rights.

HMRC and/or any other governing body may change the law for Registered Pension Schemes at any point. This may affect the amount of tax relief we can reclaim on your behalf.

The value of your investments may fall as well as rise and are not guaranteed.

If you continue to withdraw an income in excess of the rate at which your investment grows your fund may erode earlier than expected.

There is no guarantee that annuity rates will improve in the future. If you opt to purchase an annuity, the level of pension you receive when you purchase the annuity may be lower or higher than the pension being paid under income withdrawal and/or the annuity you could have purchased initially.

The investment returns on your fund may be less than those shown in any illustrations you may receive from us or your adviser.

There may be problems associated with investments in property or Esoteric Investments. These are typically in respect of liquidity, the fact that repurchase or surrender might be delayed during a period when the underlying asset is not readily saleable, and the fact that a valuation is a matter of judgement by a valuer.

## General Questions

### What is the Yorsipp SIPP?

It is a registered pension scheme (formerly personal pension) which allows you to invest in a wide range of assets. Your selected investment choice will be held under the name of the trustees, Yorsipp (Trustees) Limited.

You should be aware that personal and stakeholder pension schemes are generally available and these may meet your needs at least as well as the Yorsipp Registered Pension Scheme.

### Eligibility and Contributions

You can join and contribute to the Yorsipp Registered Pension Scheme if you are a relevant UK individual for a tax year and have relevant earnings chargeable to UK income tax for that tax year; was a resident in the UK at some time during that year; was a resident in the UK at some time during the five years immediately before the tax year in question; and were also resident in the UK when the member joined the pension scheme; have for that tax year general earnings from Crown employment subject to UK income tax; is a spouse of an individual who has general earnings for the tax year from overseas Crown employment subject to UK income tax.

There are no minimum contributions to the scheme. Alternatively, existing pension monies can be transferred to the plan.

The amount of contribution is subject to Annual Allowance rules.

### What tax benefits are available?

Your contributions are paid net of basic rate tax and Yorsipp Limited reclaims tax relief on your behalf in accordance with the current rules set by HMRC. If you are a higher rate taxpayer then you will be able to claim further tax relief through your self assessment tax return.

Your employer may make contributions to the scheme. However these will be treated as a business expense and tax relief will be granted by the local inspector of taxes, although this is not guaranteed.

Once contributions are paid into your SIPP they are invested free of UK tax except in a few exceptional circumstances. There is no UK tax on investment income. UK tax deducted at source in income can be reclaimed (other than tax on dividends from UK equities). There is no capital gains tax on your investment profits.

### When can I withdraw pension benefits?

You will not normally be able to commence benefits until you reach the minimum pension age of 55.

### **What benefits will be available to me when I retire?**

The amount of benefits available will depend on the value of your pension fund at retirement.

### **Pension commencement Lump Sum**

You may take up to 25% of your pension fund as a pension commencement lump sum, this is normally free of any taxation.

### **Capped Drawdown**

This is income withdrawals taken directly from your fund. The level of income available is set by the Government Actuaries Department (GAD). There is no minimum income. The maximum that can be withdrawn annually is 100% of the rate supplied by GAD.

Under age 75 the level income is reviewed every three years, after 75 it is reviewed annually.

Income is paid under a PAYE arrangement.

### **Secured Income**

This is a lifetime annuity purchased by your fund with an annuity provider.

The pension payable is dependent on the type of annuity and the annuity rate applicable at that time.

### **What happens if I die before taking benefits?**

If you are under 75 a lump sum up to the value of your personal annual allowance may be paid free of tax. If you are over 75 there is a tax charge of 55%.

Alternatively your spouse or dependants may choose to receive pension income by way of an annuity or capped drawdown.

### **What happens if I die after taking benefits?**

The fund can be paid to your named beneficiaries less a 55% tax charge.

Alternatively your spouse or dependants may choose to receive pension income by way of an annuity or capped drawdown.

### **Your right to change your mind**

You may change your mind about having a Yorsipp Registered Pension Scheme. When your plan commences you will receive a cancellation notice. This will give you the right to cancel it during the next 30 days.

You may waive this right to cancel your SIPP and certain other assets held within the SIPP, information on this is provided in the Yorsipp application form. This waiver is not available if the investment is a transfer value from deferred pension benefits.

If you cancel your policy you will receive a refund of all your regular contributions. If you have made a one off contribution and the value of any investment falls prior to us receiving your cancellation notice you may not receive the original amount investment back.

It may not be possible to return the transfer funds to the original pension arrangement should you return the cancellation notice. You will need to arrange for these funds to be transferred to an alternative registered pension scheme who will accept the funds.

### **Contracting out**

The Yorsipp Registered Pension Scheme is able to accept protected rights or contracted out funds. The Yorsipp Registered Pension Scheme is able to accept the transfer of existing protected rights or, contracted out benefits. It is unable to accept ongoing rebates. An additional fee is charged for holding protected rights, please refer to our fee schedule. Protected rights funds are generally treated the same as non protected rights funds.

However, certain benefits are treated differently. For example:

Death Benefit - the fund must provide for a spouse or dependant's pension

Capped Drawdown - the amount being withdrawn must be taken from non protected and protected rights funds proportionally.

### **Complaints**

Should you feel the need to express concern or complain about any aspect of the service received please contact us at the following address:

Office Manager, Yorsipp Limited, Eadie House, 74 Kirkintilloch Road, Bishopbriggs, Glasgow, G64 2AH.

If the matter is not dealt with to your satisfaction, you can write to the Financial Ombudsman Service, South Quay Plaza, 183 Marsh Wall, London, E14 9SR.

### **Compensation**

We are covered by the Financial Services Compensation Scheme (FSCS). You may be entitled to compensation from the FSCS if we cannot meet your obligations. This depends on the type of business and the circumstances of the claim. Protected investment business is covered for 100% of the first £30,000 and 90% of the next £20,000 so the maximum amount of compensation is £48,000. Further information about compensation arrangements is available from the Financial Services Compensation Scheme.

### **Law**

In legal disputes the law of England and Wales will apply.

### **Disclaimer**

This document is for guidance and information purposes only and reflects Yorsipp Limited and associated companies understanding of the regulations at the time of printing.

You should not rely solely on this document when making any decisions.

Please note that Yorsipp Limited does not give Financial or Investment advice. Yorsipp Limited strongly recommends that you consult a suitably approved Financial Adviser.



### **PENSION ADMINISTRATORS**

Eadie House, 74 Kirkintilloch Road, Bishopbriggs, Glasgow G64 2AH

Tel 0141 772 3365 Fax 0141 762 1862

Email: [info@yorsipp.com](mailto:info@yorsipp.com)

Web: [www.yorsipp.com](http://www.yorsipp.com)

Registered office: Unit 8, 8 Victoria Court, Bank Square, Morley, Leeds LS27 9SE Registration number 05743279

Yorsipp Limited is authorised and regulated by the Financial Services Authority