

## Key Features of the Curtis Banks Group SIPP

**keyfacts**<sup>®</sup>

The Financial Conduct Authority is a financial services regulator. It requires us, Curtis Banks Ltd, to give you this important information to help you to 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.

**In this Key Features Document, "you" means the SIPP member and "we", "us" and "our" mean Curtis Banks Ltd.**

**Online links to further information are shown in underlined text below. Alternatively, please contact us for hard copies of this information.**

A SIPP is a personal pension plan which is very flexible and allows you to control how your money is invested. SIPPs are not suitable for everyone and you should speak to a Professional Adviser before proceeding. In particular, stakeholder pension schemes are generally available and might be just as suited to your needs.

### Aims of the SIPP

- A means of saving for your retirement in a tax-efficient way.
- Being able to choose from a wide range of investment opportunities, to build up your pension fund.
- Being able to make your own investment decisions and choose investment managers.
- Being able to pool your pension fund with other Group SIPP members, to increase flexibility and investment potential.
- To provide a lump sum when benefits commence, and a choice of flexible incomes thereafter, including drawing income from the fund without buying an annuity.
- Lump sums and/or pensions for your beneficiaries on your death.
- Taking benefits when you choose, and the ability to draw benefits in stages.
- Being able to transfer other existing pension funds into the SIPP including funds from contracting-out of the State second pension scheme.
- Being able to monitor the progress of your pension fund by online access to current asset information at all times.

### Your Commitment

- To make at least one payment into the SIPP, either a contribution or a transfer from an existing pension arrangement. You are not required to make any further or regular payments.
- To tell us if your contributions to all your pension arrangements exceed your annual earnings for a specific tax year, or exceed the Annual Allowance including any carry-forward.
- Not to draw benefits until you are at least 55.
- To tell us each year how much pension you wish to draw, which must be within HMRC limits (see our [Benefits](#) notes).

- To act jointly with the other Group SIPP members and take responsibility for the management of the investments in the fund. You can manage them or you can appoint an investment manager.
- To keep sufficient funds in the SIPP bank account to ensure that all fees due can be paid, as set out in our [Group SIPP Schedule of Fees](#).
- To use best endeavours to comply with all the terms and conditions agreed with ourselves or any third party on your behalf, which we bring to your attention.

### Risk Factors

- The fund and the benefits it provides are not guaranteed. They will depend on future investment performance and financial conditions when you draw benefits.
- The benefits will be reduced if:-
  - investment returns are lower than expected (investments can go down as well as up)
  - you draw benefits earlier, or at higher levels, than anticipated
  - you draw high levels of income and pay higher rates of tax as a consequence
  - you pay in less than anticipated
  - you make high income withdrawals, which are unlikely to be sustainable unless investment performance is very good
  - financial conditions when you draw benefits, such as annuity rates, are worse than expected
  - you delay buying an annuity and annuity rates worsen
  - tax rules or legislation changes
  - fees and charges increase by more than expected (this will have more impact if your fund is small)
- Some investments are higher risk than others and you should understand the risk profile and diversity of the investments you hold.

- The value of some investments (such as property or unquoted equities) may not be known until they are sold and some investments may be harder to sell or take time to sell.
- If you draw your pension from the fund rather than buying an annuity, you will not have the benefit of cross-subsidy from the funds of annuitants who die early (see our [Benefits](#) notes).
- If you do not hold sufficient cash to cover benefit payments and fees, it may be necessary to sell investments at times when market values are low.
- If you decide to cancel joining the SIPP, you may get back less than you paid in.
- If you transfer funds into or out of the SIPP, or between investments, they will be out of the market for a while and you will not get the benefit of any market growth in that period.

### Registering the SIPP with HMRC

- The SIPP will be individually registered with HM Revenue & Customs in the name you and the other SIPP members choose.
- HMRC are required to approve the application for the SIPP before the SIPP is registered. We may require further information from you and the other SIPP members regarding the purpose and future plans of the SIPP in order to satisfy HMRC and complete the registration.
- Curtis Banks will endeavor to register and establish the SIPP as soon as you request. However as we are bound by HMRC timeframes and decisions, please note there may be a period while we await HMRC's final decision.
- The SIPP will be unable to receive transfer payments or contributions until formal approval is received.

## QUESTIONS & ANSWERS

### What is the Curtis Banks Group SIPP?

- It is a pension product specifically set up to provide self-invested personal pension plans ("SIPPs") for a selected group of people. It operates as a Trust and is governed by a set of Rules.
- You have a Personal Account within the Group SIPP, which is your own SIPP, and this is pooled together with all the Personal Accounts of all the other Group SIPP members in a single fund. Your personal account receives the rate of investment return earned on the overall fund.
- Our trustee company Colston Trustees Limited is trustee of the SIPP and holds the assets in the SIPP name. The members direct the investment decisions on the fund and a wide range of investments is available.
- Curtis Banks Ltd is the Operator of the SIPP carrying out all the administrative work.

- The Group SIPP is recognised by HMRC as a "registered pension scheme" which qualifies for all the tax advantages available to UK pension schemes.

### Am I Eligible?

- Anyone who is employed, self-employed, in full-time education, a pensioner, a carer or unemployed is eligible for the SIPP. Children under age 18 can have membership taken out for them by their parent or guardian.
- Contributions over a basic minimum can only be paid if you are employed or self-employed and have UK relevant earnings as explained in our [Contributions](#) notes.
- Eligibility is subject to satisfactory proof of identity. We may use electronic means to confirm your identity.

### Are there limits on what can be paid in?

- Contributions can be paid at any time. They can be single "one off" amounts or regular payments and the amounts can be varied or stopped at any time. There is no minimum amount.
- Contributions can be paid by you, or by your employer on your behalf.
- Personal contributions each year of up to £3,600 or 100% of your UK earnings (up to the Annual Allowance – see later for details) receive tax relief at the highest marginal rate. We claim basic rate relief from HMRC and add it to your account when received, e.g. if you pay £80 we will claim £20 basic relief and the SIPP will then have £100. You may be able to claim higher rate relief as part of your personal tax return (see our [Contributions](#) notes).
- There is an 8-10 week delay in receiving basic rate tax relief on contributions, so these funds cannot be invested at the same time as the contribution.
- Employer contributions are paid gross to the SIPP. They receive corporation tax relief if HMRC consider them appropriate for your position within the company (see our [Contributions](#) notes).
- If the total contributions to all registered pension schemes on your behalf in a tax year exceed a government limit known as the "Annual Allowance", you will not receive tax relief on the excess.
- The standard Annual Allowance for the 2016/17 tax year is £40,000. This figure is reduced by £1 for each £2 of a person's adjusted income above £150,000 subject to an Annual Allowance floor of £10,000 minimum. For further information on this please see our [Contributions](#) notes.
- You are able to carry forward any unused Annual Allowance for a period of up to 3 years and make top-up contributions in later years.
- If you receive a pension under Flexi-Access Drawdown or an Uncrystallised Funds Pension Lump Sum, your Annual Allowance will reduce to £4,000 from the date of the payment and you will lose any carry forward allowance.

- Contributions must not be paid if you have Enhanced Protection or Fixed Protection against the ["Lifetime Allowance"](#) for pension funds.
- If you do not have protection against this Allowance, any funds above this limit when you commence drawing benefits may be subject to a 55% tax charge.
- Contributions can be paid in the form of assets other than cash e.g. property etc. (called "in specie contributions"). You should take advice before paying such contributions as there could be tax consequences for you.
- You will be asked to produce evidence of the source of wealth from which contributions are being paid.

### Can I transfer to or from other pension schemes?

- If you have funds under other pension schemes, including protected rights from contracting-out of the State second pension, you should be able to transfer them to your SIPP.
- You should seek independent financial advice before any such transfer. The benefits from the SIPP are likely to be different to those under the previous scheme, there may be a penalty for transferring and you may be giving up guaranteed benefits.
- We can only accept transfers from defined benefit schemes or schemes with other guarantees or promises if a financial adviser has confirmed that they have advised you to transfer.
- The transfer can be in the form of assets other than cash (known as "in specie transfers").
- You have the right to withdraw from any transfer within 30 days of requesting the transfer. Full details will be sent when we receive a transfer request.
- You can transfer funds out of the SIPP to other pension arrangements. We will charge for the work involved and there may be costs incurred in rearranging or selling investments for the transfer.

### How will the funds be invested?

- Investments are made by the Trustee of the Group SIPP, acting on the members' unanimous directions. They can appoint an investment adviser to manage the fund on their behalf. Curtis Banks Ltd does not give investment advice.
- Payments into the SIPP are initially paid into a bank account held by Colston Trustees Ltd and operated by us under a mandate from Colston Trustees Ltd. This means we will have the power to make payments into or out of the bank account without any further authorisation from you (for example to pay fees owed) but can only make investments on the directions of you or your advisers. They will then be moved into investments on the directions of the Group SIPP members or their advisers.
- Curtis Banks Ltd supplies you with a list of permitted [Investments](#), as permitted by HMRC. In rare circumstances we reserve the right to veto an investment if we consider it inappropriate, but

otherwise the SIPP is able to invest in all assets permitted by HMRC.

- You can make changes to investments at any time.
- Curtis Banks Ltd and its trustee company do not give investment advice and this is the responsibility of yourself and any advisers you appoint.

### What are the benefit options?

- When you draw benefits, you can draw on the whole fund, or draw from only part of the fund and leave the remainder untouched to provide further benefits in the future.
- You can usually take up to 25% of the funds being drawn as a tax free lump sum. The remainder of the fund is used to provide a pension.
- The pension is provided either by purchasing an annuity from an insurance company or by taking it directly from the SIPP, by drawing a pension from the funds.
- If you buy an annuity, different types of annuity are available and you can choose from a wide range of insurance companies. The funds are paid over to the insurance company, which takes over responsibility for your pension.
- There are 2 ways of taking a pension from the fund, called "Flexi-Access" and "Uncrystallised Funds Pension Lump Sum (UFPLS)". Under Flexi-Access, you take the tax free lump sum from the part of the fund you are drawing on, and you can then draw the pension from the remainder of this fund at whatever rate you choose, whenever you choose. Under UFPLS, the fund you draw on will be paid to you as a single amount, of which up to 25% will be tax free and the balance will be a taxed pension.
- Pensions are taxed at the marginal rate in the tax year in which you receive them, taking account of all your other sources of income in that year.
- Before benefits can be paid to you, we will recommend that you take regulated advice and access the government's Pension Wise service. We will also ask you a series of questions to establish whether you understand the risks involved and, depending on your answers, issue you with appropriate risk warnings. These requirements do not apply if the instruction to take benefits is received by us from a regulated financial adviser who has advised you on taking benefits.
- If you have previously taken Capped Drawdown on part of your SIPP, you can continue taking further Capped Drawdown on additional SIPP funds. Capped Drawdown was a way of drawing from the fund before 6 April 2015 and under this option your pension is subject to an annual limit and you retain the full Annual Allowance for pension contributions of £40,000.
- If you are entitled to a pension under the Capped Drawdown rules, you can convert this to Flexi-Access at any time.
- You can use your remaining funds to buy an annuity at any stage during the drawdown process, but you are not required to do so.

- For drawdown we operate a payroll system which deducts the tax at normal income tax rates. Pensions can be paid monthly, quarterly, half yearly or annually. Pension income is not subject to National Insurance.
- You can draw from the SIPP at any time if you are ill and cannot continue working, and the entire fund can be paid out as a lump sum if you have a very short life expectancy.

### What happens on my death?

- On your death, any remaining funds can be paid out as a lump sum or in the form of income. The lump sum can be paid to a wide range of beneficiaries but income can only be paid to a spouse or partner, or someone financially dependent on you, or someone you have nominated for this purpose.
- The payments to beneficiaries are tax free if you die before age 75. They are taxed at the beneficiaries' marginal rate if you die after age 75.
- The pension can be provided by purchasing an annuity or by drawdown from the fund, in the same way as your own pension as set out above.
- You can nominate who you would like to receive benefits on your death. The SIPP trustee will be guided by your nomination, but is not bound by it and will take account of all the circumstances in deciding who the beneficiaries will be.

### What are the charges?

- A [Group SIPP Schedule of Fees](#) is available detailing the costs of setting up and operating the SIPP.
- Fees may also be payable to investment managers and other advisers acting for the SIPP. We will only pay these fees with your prior written consent and on receipt of an invoice.
- All fees will be debited from the SIPP bank account as and when they fall due.
- If there are insufficient funds within the SIPP bank account to pay fees, Curtis Banks Ltd will require the SIPP to sell investments or for the fees to be paid from funds outside the SIPP, but will contact you in advance of taking any action.

### Can I cancel my SIPP?

- You have a statutory 30 day period in which to change your mind and cancel the SIPP.
- We will send you a cancellation notice when we receive your SIPP application form. If you wish to cancel within the 30 day period, you can complete the form and return it to our address as shown below and on the form. We will take no further action until the end of the 30 day period or until we receive the completed form. No transfers from other pension schemes will be actioned and any contributions received will be banked but not invested.
- If you decide to cancel, we will not charge any fees and will return any contributions paid into the SIPP. No adviser charges will be paid, but you may be liable to pay any outstanding adviser charges personally. If you do not cancel, the SIPP will proceed and you can

only cancel at a later date by winding it up and transferring to another pension arrangement, in which case there will be winding-up fees and possible changes in investment values.

- If you wish to proceed immediately with your SIPP you can waive your cancellation rights by ticking a box in the application form or on the cancellation notice.

### What if I want to invest some of my SIPP funds separately?

- All funds in the Group SIPP are pooled and invested by the Trustee based on the members' unanimous directions. If you wish to have sole control over the investment of all or part of your Personal Account in the Group SIPP, you may transfer those funds to another pension arrangement.
- Transfers-out to other pension arrangements are subject to our normal charges and there may be charges in the accepting pension arrangement.

### What if I have a complaint?

- Curtis Banks Ltd has a formal Complaints Procedure and a copy is available on request. Complaints should be sent to our address below.
- We will acknowledge your complaint within five working days and issue a full response within 8 weeks.
- If you are not satisfied with our response you can write to The Financial Ombudsman Service, Exchange Tower, London E14 9SR.
- You may also make a complaint to The Pensions Advisory Service (TPAS). If they are unable to resolve matters then your complaint will be referred to the Pensions Ombudsman. Addresses are available from us on request.
- Making a complaint does not affect your right to take legal action.

### What compensation is available?

- Curtis Banks Ltd is covered by the Financial Services Compensation Scheme (FSCS). A SIPP investor may be entitled to compensation from the FSCS if we cannot meet our obligations. Further details are available from the FSCS website at <http://www.fscs.org.uk>.

### How can I monitor my SIPP?

- We will issue a unique ID and password for our website to you or your professional adviser. You will be able to use this to access information on your SIPP online, including current values of your investments.
- Each year we will issue an annual statement showing your Personal Account value and the projected pension using a government formula. We will also issue a statement of the Annual or Lifetime Allowance used by your SIPP.
- You can also arrange regular reports on investments from any investment managers you appoint.

### How will you contact me?

- Most SIPPs are established as a result of advice from a professional adviser and we will deal directly with them unless you instruct us to the contrary.
- Our standard methods of correspondence are letter, telephone or email. Letters are sent first class via the normal postal service unless we are instructed to use special methods of delivery. All correspondence will be in English.
- Telephone calls may be recorded for training and monitoring purposes.

### How do I contact you?

- Your professional adviser will normally be your first point of contact. Alternatively you can contact us at:-

Curtis Banks Ltd  
3 Temple Quay  
Bristol  
BS1 6DZ  
Tel: 0117 910 7910  
Fax: 0117 929 2514

Email: [enqs@curtisbanks.co.uk](mailto:enqs@curtisbanks.co.uk)  
Website: [www.curtisbanks.co.uk](http://www.curtisbanks.co.uk)

This document shall be governed by and construed in accordance with the laws of England and Wales. It is based on our current understanding of regulations and can be subject to change as tax laws and legislation may change over time.