

# KEY FEATURES OF THE WEALTHTRACKER SIPP

The Financial Conduct Authority is a financial services regulator. It requires us, Hubwise Securities Limited, to give you this important information to help you decide whether our Wealthtracker 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.

## About us

The Wealthtracker SIPP is a self-invested personal pension scheme established under one master trust deed and set of rules (copies of which are available on request) and registered in accordance with the Finance Act 2004 in the name 'Hubwise SIPP' under registered pension scheme number 00837995RE. The Wealthtracker SIPP is provided and operated by Hubwise Securities Limited, a UK registered company under number 06071374 which is authorised by the Financial Conduct Authority (FCA) to provide regulated products and services. The trustee of the SIPP is Hubwise Nominees Limited, a UK registered company under number 07711864.

## Risk

Investments can fall as well as rise and you may find that the value of your SIPP does not meet your investment expectations. Past performance of investments is not necessarily an indication of future performance.

You should also consider how long you are required to hold a particular investment and if this is suitable for your lifestyle and investment aims. If investing outside of the UK for example, you may experience higher dealing costs and may be subject to varying exchange rates. You should also be aware that the investment/s you choose may pose a liquidity risk and you should consider the timespan of your investment/s and how easily you can disinvest should you wish to do so. **We do not give financial or tax advice under any circumstances.**

With the freedom to choose your own investments comes responsibility; you should make sure that you are comfortable making investment decisions. Please note that the Wealthtracker SIPP is denominated in British Pounds therefore you may experience bank charges when investing in products with a different currency.

Our charging schedule is described below and also on our website, [www.hubwise.co.uk](http://www.hubwise.co.uk).

## What is a SIPP?

A Self-Invested Personal Pension or SIPP is a tax-efficient investment vehicle through which you can invest in a wide range of UK and international investment products. A SIPP offers up to 45% tax relief<sup>1</sup> on contributions. Any investment gains that arise from your SIPP are free<sup>2</sup> from income, dividend and capital gains tax.

## Who can open a Wealthtracker SIPP?

Any UK resident person can open a Wealthtracker SIPP.

## How do I open a Wealthtracker SIPP?

To open a Wealthtracker SIPP you need to:

- read the Wealthtracker SIPP Terms and Conditions, Hubwise Securities Limited Terms and Conditions, this Key Features Document and any other documentation which we provide you with, very carefully;
- be aware of the risks attached to a Wealthtracker SIPP and be comfortable with the fact that the value of your investments could fall as well as rise;
- complete the relevant application form;
- either transfer an eligible existing pension (see details below) or make an initial contribution to your SIPP.

The Wealthtracker SIPP application process is managed electronically. Once received, the relevant documentation is uploaded and submitted via the web portal by your adviser firm and sent to us for processing.

<sup>1</sup> HM Revenue and Customs practice and the law relating to taxation are complex and subject to individual circumstances and changes which cannot be foreseen.

<sup>2</sup> Tax concessions are not guaranteed and may change in the future. Tax free means the investor pays no tax.

By choosing to open a Wealthtracker SIPP, you are agreeing to be bound by the Terms and Conditions for the Wealthtracker SIPP and Hubwise Securities Limited and the rules of the Hubwise SIPP scheme and to make payments as and when requested.

### **Can I change my mind?**

Yes, you have a legal right to cancel the establishment of your SIPP, within 30 days of when you receive our welcome pack which contains a cancellation notice. Please note that any fees incurred during the time between the establishment of the SIPP and the cancellation will be borne by you. Similarly, any losses on investments are borne by you.

### **Can I transfer my existing pension to a Wealthtracker SIPP?**

In most cases, yes. We accept transfers in from HM Revenue and Customs recognised schemes. However, defined benefit schemes (e.g. final salary schemes) generally prevent transfers to a SIPP unless you have received personal advice from an adviser who is regulated by the Financial Conduct Authority and holds the appropriate pension transfer qualifications. If the value of your transfer is £30,000 or above, the transfer must be on a fully advised basis by a suitably-qualified pensions specialist.

Please contact us if you wish to transfer your existing pension to a Wealthtracker SIPP. Please note that, although we do not charge a fee to transfer your pension into a Wealthtracker SIPP, your pension provider may charge you to transfer out of their scheme.

### **How much money can I contribute in a year and what tax relief will I receive on contributions?**

There is no limit on the amount of money you can contribute to your SIPP each year but the amount you contribute may have tax implications. The contribution amounts are based on your UK relevant earnings. If you have no relevant UK earnings, you can still make contributions up to £3,600 each year. If you do have relevant UK earnings then you can receive tax relief<sup>3</sup> on contributions up to the amount you earn, to a maximum of £40,000. We will claim tax relief at the basic rate (currently 20%) from HMRC on a monthly basis.

However, if you make contributions above the current limit of £40,000, you may incur a tax charge via HMRC's 'annual allowance tax charge'. The annual allowance is set each year by the UK Government and therefore may change in the future.

Please seek specialist tax advice if you have specific tax concerns. All contributions made into your SIPP are subject to a correctly completed and signed application form submitted via your adviser.

<sup>3</sup> HM Revenue and Customs practice and the law relating to taxation are complex and subject to individual circumstances and changes which cannot be foreseen.

### **Is there a minimum contribution level?**

If you transfer your existing pension to a Wealthtracker SIPP there is no requirement to make any contribution. There is no minimum level for one-off or regular monthly contributions.

### **Who can contribute to my SIPP?**

You can make personal contributions into your SIPP from your nominated bank account. It is possible to request us, via your Adviser, to add one additional bank account (in your own name) which may then be used to make contributions to your SIPP. Your employer can also make contributions.

### **Can I have more than one SIPP?**

We would not open two Wealthtracker SIPPs for you but it is possible to have another SIPP with a different provider. If you run two SIPPs concurrently you may have to pay a tax relief charge to HMRC if you have received more than the allocated tax relief in any one year.

### **Who manages the investment portfolio held in my Wealthtracker SIPP?**

All investment decisions in relation to your Wealthtracker SIPP are taken by you personally and your financial adviser. We are neither managers nor advisers; it is imperative that you consider if a Wealthtracker SIPP is an appropriate investment product for you based on your investment experience and personal circumstances.

### **Can I hold property in a Wealthtracker SIPP?**

No. The Wealthtracker SIPP does not allow investment in property.

### **How can I check the value of my pension?**

You can contact your adviser and they will be able to tell you the current value of your fund. If you have access to the online web portal, you can check the value of your pension directly.

We will send you a yearly statement for your records. It is also prudent to review your SIPP on a regular basis to ensure that it is the correct product for your investment needs.

### **What is the lifetime allowance?**

This is the amount that you can receive over your lifetime before being liable for a tax charge. The lifetime allowance for most people is £1,073,100 in the tax year 2022/23 and has been frozen at this level until the 2025/26 tax year.

Your SIPP may be subject to additional tax charges at the point you withdraw funds if your pension is valued at more than the lifetime allowance.

### **When can I access my SIPP?**

The earliest age you can start taking money from your SIPP is 55 years (due to rise to 57 in 2028) unless you are in serious ill health, as defined by the Finance Act 2004.

### **How can I take my benefits?**

You can drawdown up to 25% of your SIPP tax free from the age of 55 as a Pension Commencement Lump Sum (PCLS), but the remaining pot must form a 'drawdown plan'. From 2028 the age you can withdraw a PCLS will rise to 57 years.

After taking a PCLS, you can opt to have complete flexibility (known as 'flexi-access') as to how you drawdown from your drawdown plan (i.e. any combination of lump sums or monthly payment), but each drawdown will be taxed at your normal income tax rate, whether you take further lump sums or a monthly income. As soon as you take any money from your SIPP a restriction on any future tax relievable money purchase contributions to your pot applies of £4,000 a year.

Alternatively, you can take money direct from your pot without having to put the money into a drawdown plan and 25% of this sum will be tax free. This is called an 'uncrystallised funds pension lump sum' ('UFPLS'). You can take one or more UFPLS payments and these can be regular or irregular payments. Payment of a UFPLS will trigger a restriction on any future tax relievable money purchase contributions to your pot to £4,000 a year.

Across all pension arrangements, you may be able to take up to three small pots subject to the SIPP value of each arrangement being under £10,000 and as long as when taken it means all the SIPP funds in each arrangement are fully exhausted. 25% will be tax free and 75% will be subject to marginal rate income tax in the same way as UFPLS. Taking small pot payments does not trigger a restriction on future tax relievable money contributions to your pot.

### **After I have taken a PCLS, does my SIPP still benefit from tax relief?**

Yes. If you are in flexi-access drawdown, until you drawdown from your drawdown plan, you receive tax relief on contributions up to your UK relevant earnings.

### **What happens if I am in capped drawdown?**

If you had started to take payments from your pension prior to the April 2015 pension freedoms, your pension is designated as capped drawdown. This will mean that you are allowed to take income from your pension up to a certain limit each year. You are entitled to keep your pension as capped drawdown or if you wish to have more freedom, you can convert to a flexi-access

drawdown arrangement meaning that there would be no capped income limit. You will need to consider implications such as the Money Purchase Annual Allowance.

### **Do you offer annuities?**

No. If you are looking to purchase an annuity, you must transfer all or part of your pension to an annuity provider.

### **Is SIPP income subject to National Insurance?**

No.

### **What happens to my SIPP if I die?**

When we are notified of your death by your personal representative, we will ask for a copy of your death certificate. We will carry out due diligence on the beneficiary and then discuss options with him or her. Please note that the trustee retains ultimate discretion over the distribution of your pension, despite a beneficiary being named.

If you die before you reach the age of 75, your beneficiary can choose:

- to take a tax-free<sup>4</sup> lump sum; or
- transfer the SIPP into their own name - subject to the benefits being designated within 2 years of the date of death.

If you die after the age of 75, your beneficiary can choose to:

- take the whole pot as a lump sum but this will be subject to a tax charge at the marginal rate of the beneficiary; or
- to transfer the SIPP into a pension arrangement in their own name which can be used to take an income via drawdown. Any income taken will be subject to income tax at the beneficiary's normal rate.

### **Do I have to choose a beneficiary to receive my SIPP if I die?**

No. Clients normally choose a beneficiary e.g. a spouse or a child. This is not legally required but we strongly recommend that you do tell us of your wishes to help ensure we consider paying the correct beneficiaries.

### **How much does a Wealthtracker SIPP cost?**

There is no initial fee. The ongoing SIPP administration fee is 0.1% + VAT payable in monthly instalments subject to a minimum annual charge of £15 + VAT and a maximum annual charge of £50 + VAT. Ongoing fees are calculated using basis points (BPs) where 100 BPs is the equivalent to 1%.

<sup>4</sup> Tax concessions are not guaranteed and may change in the future. Tax free means the investor pays no tax.

There are no additional charges for transfers in and the fee for transfers out will not exceed the previous year's fee. An additional fee of £125 + VAT per annum applies to any SIPP that is in drawdown.

Other fees for work in relation to divorce and death for example are available on request and will be quoted to you before any work is carried out. Please note that there will be additional fees incurred, details of which are available at [www.hubwise.co.uk](http://www.hubwise.co.uk).

#### **When do I pay the administration fee?**

We will withdraw the annual fee from your account on a monthly, pro-rata basis.

#### **How is my money protected?**

Any and all of your money in your Wealthtracker SIPP client account is held in trust in a client money account, designated in accordance with the FCA Client Money rules, and managed by Hubwise Securities Limited. For further information please refer to the "Client Money" section within the Hubwise Securities Limited Terms and Conditions.

#### **Ability to disinvest**

If you owe us any outstanding fees, we reserve the right to disinvest proportionally from across your portfolio.

#### **If I am not satisfied, can I transfer out to another provider?**

Yes, you can transfer out to another provider as long as the provider is HMRC approved. Subject to the entire portfolio moving, a fee not exceeding the previous year's management charge would be levied.

#### **If I have any queries, who can I speak to?**

Any queries relating to your Wealthtracker SIPP should be directed to the Hubwise Customer Services team who will then ask one of the Specialist Pensions Administration team to get in touch.

The Hubwise Customer Services team can be reached via email at [customer.services@hubwise.co.uk](mailto:customer.services@hubwise.co.uk) or via phone at 0330 390 5880.

All of the Specialist Pensions Administration team are pension professionals who have gained or are currently studying towards industry-recognised pension qualifications.

#### **Is my money protected in any way?**

Money held in your Wealthtracker SIPP client account is covered by the FSCS's UK deposit recovery scheme, up to the maximum (£85,000 at the time of writing). When your money is invested on a particular platform/s it may not be covered by the FSCS. For more information, please visit: [www.fscs.org.uk](http://www.fscs.org.uk).

#### **Who can I contact if I have any further questions?**

We are happy to answer any questions you may have. Please write to us at:

The Wealthtracker SIPP  
Hubwise Securities Limited  
Waverley Court,  
Wiltell Road,  
Lichfield,  
WS14 9ET

Or telephone us on: +44 (0)1283 495 245

Or by email at: [customer.services@hubwise.co.uk](mailto:customer.services@hubwise.co.uk)

A government-backed service called Pension Wise is provided by The Money and Pensions Service (MaPS) through MoneyHelper to assist members and beneficiaries with pension queries or with unresolved issues they may have with pension scheme trustees.

You can receive this guidance online, by telephone or face to face. To use the service visit the Pension Wise section on the MoneyHelper website at [www.pensionwise.gov.uk](http://www.pensionwise.gov.uk) or call 0800 138 3944

#### **What happens if I want to make a complaint?**

We pride ourselves on our dedication to customer care. However, if you feel that you wish to make a complaint regarding our service, you can write to us at:

Complaints  
Hubwise Securities Limited,  
Waverley Court,  
Wiltell Road,  
Lichfield,  
WS14 9ET

Or by email at: [complaints@hubwise.co.uk](mailto:complaints@hubwise.co.uk)

#### **Can you close my SIPP?**

The Trustee has absolute discretion over your SIPP and can close it at any time. In this instance, we would give you 30 days notice.

#### **Business language**

All communications will be in English.

#### **Law**

The Wealthtracker SIPP operates under the laws of England and Wales. Any disputes would be subject to the English Court system exclusively. This Key Features Document and the legislation referred to herein are correct at the time of writing.

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