Standard Life

Active Money Self Invested Personal Pension

Key Features

This is an important document. Please read it and keep for future reference.

The Financial Conduct Authority is an independent financial services regulator. It requires us, Standard Life, to give you this important information to help you to decide whether our Active Money Self Invested Personal Pension (AMSIPP) is right for you. If you're a new customer you should read this document carefully so that you understand what you're buying. If you're an existing customer you should read this document to help you with any changes you might be making to your plan. Please keep it safe for future reference.

When we refer to 'Standard Life' we mean Standard Life Assurance Limited.

Helping you decide

This key features document will give you information on the main features, benefits and risks of an AMSIPP.

An illustration is also enclosed. It will show you the benefits you may get in the future. Your key features document and illustration should be read together.

If you are unsure if an AMSIPP is right for you, please seek financial advice.

Our customer service teams will always be happy to answer any of your questions or give you more information but they can't give you financial advice. Our contact details can be found on page 15.

keyfacts®

FSCS Protected

1. Its aims

- To provide a tax-efficient way to save for your retirement
- To give you control over your investments
- To give you choice over how and when you take your benefits
- To allow you to take a regular income from your fund, while still remaining invested
- To provide you with a pension, and a tax-free lump sum
- To provide benefits for your beneficiaries on your death

2. Your commitment

- To make payments to your pension plan, within the limits set by HM Revenue & Customs (HMRC) and our product limits
- To tell us if you stop being entitled to receive tax relief on your payments
- To wait until you're at least age 55 (subject to change in the future) before taking your benefits
- To actively manage your plan and review it regularly to check it's meeting your needs now and for the future

3. Risks

This section is designed to tell you about the key product risks that you need to be aware of at different stages of the plan.

At the start of the plan

If you change your mind and want to cancel the plan you may get back less than you paid in. See 'Can I change my mind?' on page 12 for more information.

If you're transferring benefits from another pension scheme, there is no guarantee that what you'll get back from an AMSIPP will be higher. You may get back less. You may also be giving up certain rights in the other pension scheme that you'll not have with an AMSIPP.

Investment

Investments available under your plan can vary in their level of risk. As with any investment the value of your fund can go down as well as up and may be worth less than what was paid in.

Some investments (such as property) may take longer to sell. You'll need to take this into account when you're reviewing your investments or planning to take your benefits. The valuation of property is generally a matter of a valuer's opinion rather than fact.

There are specific risks and information relating to investing in investment-linked pension funds that you need to be aware of. Please see our Active Money SIPP guide (SLSIP5c) for details.

You'll probably be one of many investors in each fund you're invested in. Sometimes, in exceptional circumstances, we may wait before we carry out your request to transfer or switch out of a fund. This is to maintain fairness between those remaining in and those leaving the fund.

This delay could be for up to a month. But for some funds, the delay could be longer:

- It may be for up to 6 months if it's a fund that invests in property, because property and land can take longer to sell
- If our fund invests in an external fund, the delay could be longer if the rules of the external fund allow this
- For all mutual funds, the delay could be longer

If we have to delay a transfer or switch, we'll use the fund prices on the day the transaction takes place – these prices could be very different from the prices on the day you made the request.

Taking retirement benefits

What you get back when you retire isn't guaranteed. Your pension annuity may be lower than shown in your illustration. This could happen for a number of reasons, for example if:

- you stop paying into this pension plan, or take a payment break
- payments/transfers into the plan are lower than illustrated
- the performance of the fund(s) you have chosen is lower than illustrated
- the cost of buying an annuity when you retire is higher than illustrated, for example due to interest rates being lower and/or people living longer
- tax rules and legislation change
- plan charges increase above those illustrated
- you buy your pension at a different age from the age used in your illustration
- any charges or fees are taken for financial advice.

Other options may be available when you want to take benefits from this plan. Please speak to your financial adviser (if you have one).

4. Questions and answers

This section will help answer questions you may have. We start with some general questions and then cover payments, investment choices, benefits at retirement, tax, charges and discounts, and ways for you to pay your adviser. We end the section with 'Other important questions' on page 12.

What is an AMSIPP?

An Active Money SIPP is a personal pension.

However unlike most traditional personal pensions it offers a greater choice of investments, more control over your pension fund, and more choice over how and when you take your benefits.

How flexible is it?

Flexibility is one of the main attractions of a SIPP, in particular:

You can make regular, irregular, single or transfer payments, or a combination of some or all of the above, at any time.

You'll have one or more accounts within your plan. We'll create an account to receive any regular and irregular payments. A separate account will be created for each single and transfer payment. You'll choose an investment instruction and adviser remuneration basis for each account.

If we receive an irregular or single payment with no investment or adviser remuneration instructions we'll apply this payment to the regular account. If you phone us to make an ad-hoc payment, or do this online, we'll treat this as an irregular payment.

Investments

You have a wide range of investments to choose from: pension and mutual funds, stocks and shares, commercial property, and much more. You can also change your investments at any time. See page 5 for more information.

Taking your benefits

You have choices when you're ready to take your benefits. You can choose from a flexible income, a guaranteed income for life (annuity), or a combination of these. You can also take a tax-free lump sum. See page 6 for more information.

Can I take out an AMSIPP?

You can take out a SIPP if you're under age 75, and resident in the UK.

If you don't satisfy the above conditions, we may still accept an application to join the scheme if the only type of payment you make to us is a transfer payment.

You can seek financial advice for more details. There is likely to be a cost for this.

If you're 75 or older you can only join if you're transferring from another pension product.

Is this a Stakeholder pension?

This plan is not a Stakeholder pension. Our minimum payment is higher and charges can be higher than the government Stakeholder standards. Stakeholder pensions may meet your needs at least as well as this AMSIPP.

You can find more information in Standard Life's Stakeholder Pension in our 'Stakeholder Pension Plan Key Features Document' (SPP17). If you would like a copy, please call us on **0345 278 5626**. Call charges will vary.

You can seek financial advice on which pension plan is best for you.

Who will administer my pension plan?

By taking out an AMSIPP you'll become a member of the Standard Life Self Invested Personal Pension Scheme ('the scheme'). Standard Life Assurance Limited is the provider and administrator of the scheme and Standard Life Trustee Company Limited is the trustee of the scheme.

What should I consider if I'm transferring benefits from another pension scheme?

You need to think about things such as:

- can this match the benefits you're giving up?
- are there any early retirement or ill health considerations?
- what level of benefits do you want to provide for your dependants?
- are there valuable guarantees under the existing scheme that you'll lose or give up on transfer? If so, have you considered whether you need to take advice before doing so?
- do transfer penalties apply?

What if I am a beneficiary transferring from another scheme?

If you are a beneficiary and are taking out this plan using the death benefit from a pension product, there are some key differences you need to be aware of:

- You can take flexible income (drawdown) at any age
- You cannot take a tax-free lump sum
- As this is an inherited pension pot, the payment options explained on page 4 cannot be made to this plan
- You can use the funds remaining in your plan to buy a Beneficiary's Annuity at any time
- You cannot normally combine this plan with any other pensions savings you have
- The funds in this plan do not count towards your Annual Allowance or Lifetime Allowance
- If the Planholder who died was under age 75 at date of death, any income taken by you through income drawdown is normally tax free
- If the Planholder who died was aged 75 or over at date of death, any income taken by you through income drawdown is treated as Pay As You Earn (PAYE) income and may be taxable. HM Revenue and Customs will tell us how much to deduct from your income.

Can I cash in my plan at any time?

You can't cash in your plan at any time. You normally have to be 55 (subject to change in the future).

Should I seek advice?

Standard Life recommends that you take professional advice when buying an AMSIPP and continue to do so during the lifetime of the plan. There is likely to be a cost for this.

4.1 What payments can be made?

How much can be paid into a pension plan?

HM Revenue & Customs have set limits on the total amount that can be paid into a pension. In each tax year, if you're a 'relevant UK individual' you can pay:

- up to £3,600 (including basic-rate tax relief) regardless of your earnings, or
- up to 100% of your relevant UK earnings for that year (including basic-rate tax relief). If payments exceed the annual allowance then a tax charge may apply (see page 7)

Relevant UK earnings means:

- If you are employed, the income you receive from your employer in a tax year (including any bonuses, commission or benefits in kind that you receive), or
- If you are self-employed, the income you receive in a tax year from carrying out your trade, profession or vocation, or from patent rights

This income must be taxable in the UK.

The above limits apply to the total payments made by you and any third party, to all your pension plans. They don't apply to payments made by your employer or to transfer payments.

You're a 'relevant UK individual' if:

- you're resident in the UK for tax purposes, or
- you have relevant UK earnings, or
- you were a UK resident sometime in the previous five tax years and when you joined, or
- you have, or your spouse or civil partner has, earnings from overseas Crown employment subject to UK tax

What are the SIPP minimum payments in?

To set up a plan the minimum payments are:

- £300 a month, or
- £3,000 a year, or
- £10,000 for single or transfer payment(s)

For customers with a plan value greater than £50,000, the minimum payments are:

- £100 a month, or
- £1,000 a year, or
- £10,000 for single or transfer payment(s)

There is no minimum amount for irregular payments regardless of plan value. Irregular payments will be applied/invested as per your regular payment investment instruction. Overall, payments must not exceed the limits set by HM Revenue & Customs.

What payment options do I have?

You can make payments, change the amount of regular payments, stop payments, take a payment break or restart payments at any time (stopping or reducing payments will reduce your future retirement benefits and/or tax-free lump sum).

Payments for the SIPP should be made using the following methods:

Single and transfer payments can be made by:

- telegraphic transfer,
- direct credit (bank to bank transfer), or
- cheque
- debit card

Regular payments to an Active Money SIPP (including any irregular one-off amounts) must be paid by direct debit.

Other information about payments

From age 75, only transfer payments will be accepted. Any payments made will be paid to Standard Life Assurance Limited.

Enhanced protection was introduced on 6 April 2006 to help protect customers with large pension funds. If any payments (excluding transfer payments) are made to your plan on or after this date the protection could be lost.

If you applied for any version of fixed protection, you will lose that protection if you make payments after 5 April 2012 for fixed protection 2012 or after 5 April 2014 for fixed protection 2014, or after 5 April 2016 for fixed protection 2016.

4.2 What are my investment choices?

Standard Life Investment Policy (SLIP)

SLIP is a master policy which Standard Life has issued to the trustee of the scheme. We don't issue an individual SLIP to you. Within this policy we offer a wide range of investment-linked pension funds to choose from. We also offer a range of externally managed funds to increase this choice.

Investment-linked funds are made up of 'units':

- Your payments are used to buy units in the funds you choose
- The price of one unit in each fund depends on the value of the underlying investments
- The value of your investment is based on the total number of units you have in each fund. If the unit prices rise or fall, so will the value of your investment

For the Active Money SIPP you can also choose to invest in our 'Lifestyle' profiles. Lifestyle profiles are an option that automatically change the funds you are investing in depending on the length of time until your selected retirement date. As you get closer to retirement, they move the emphasis away from growth funds to preparing your pension investments for how you plan to take your money at retirement.

If you invest in a Lifestyle profile, you cannot combine it with another Lifestyle profile or with any other SLIP fund. But you can combine it with the SIPP bank account or any other additional investments.

If you decide to take any benefits, you cannot invest in a Lifestyle profile.

You can switch your payments in and out of various funds to change the mix of investments. We may delay switching in some circumstances. You can only invest in 12 of our SLIP funds at any one time (or 11 if you have any other investments).

SIPP bank account

You can hold money on deposit. Any interest is accrued daily and applied on a monthly basis. You can check the rate by contacting us or your adviser.

The SIPP bank account is also used to provide:

- any money that's required to pay any product and/or any adviser charges
- any money required to purchase any investments
- any tax-free lump sum or income required immediately

The bank account is owned and used by Standard Life Trustee Company Limited, the scheme trustee. The trustee will keep a record of how much you have invested in this account.

Additional investments

One of the main attractions of a SIPP is the wide range of investment opportunities available to you:

SIPPZone mutual funds

You can choose from over 2700 funds provided by a range of fund managers, through SIPPZone mutual funds.

Any other investments

Any other investments describes any investments other than our range of pension and mutual funds, such as:

- other insurance company investment-linked funds
- a range of shares listed on the stock markets in the UK and abroad
- government securities
- commercial property
- authorised unit trusts, Open-Ended Investment Companies and Investment Trust Companies
- gold bullion
- deposit accounts

These investments are all subject to our scheme and HM Revenue & Customs rules.

If you want to invest directly in commercial property please refer to our commercial property guide (SLSIP82) for more information.

Who will manage my investments?

You can make investment decisions on your own, with a financial adviser, or with a financial adviser and investment manager (they must all be authorised by the appropriate regulatory body).

Other information about investments

It's important to regularly review your investments.

You can change investments at any time.

For any payments that are received without an investment instruction, the money will be deposited in the SIPP bank account.

If you decide to invest payments to your SIPP with another investment provider, your financial adviser (if you have one) should provide you with the documents you need to read for that investment.

4.3 When and how can I access my money?

You can start accessing your money from age 55 (subject to change in the future).

If you are in ill health or if you have a protected pension age, you may be able to access your money sooner. You should seek financial advice before making any decision about your retirement benefits if your current state of health gives you any cause for concern.

You choose how you want to access your money.

- take out lump sums of money as and when you want to*
- ask us to pay out your money on a regular basis* (monthly, yearly or every three, four or six months)
- use your money to buy a guaranteed income for life – called an annuity

*You need to have £30,000 in your plan to start taking an income in this way.

You can even take all your money out in one go.

The rest of this section explains your options in more detail, including how much of your money you can normally receive tax free.

Taking tax-free lump sum

The money that's built up in your plan is your 'savings pot'. You can normally take up to 25% of your savings pot as a tax-free lump sum.

You can choose to take all of your tax-free lump sum in one go and use the rest of your plan to:

- provide a flexible income from a 'drawdown pot' (see 'Taking money from the drawdown pot' below), or
- buy an annuity (see 'Buying a guaranteed income for life' on page 7), or
- take a combination of the above.

In that situation nothing will be left in the savings pot.

For example, if your plan is worth £100,000 and you take £25,000 as a tax-free lump sum, this would leave a savings pot of £0 and a drawdown pot of £75,000.

Or you can take your tax-free lump sum in phases. This means that for every £1 of tax-free lump sum we pay out of the savings pot, we will also move £3 from the savings pot to the drawdown pot, unless you ask us to buy an annuity. The tax-free lump sum available at each phase will depend on the value of the savings pot at that time.

For example, if your plan is worth £100,000 and you take £10,000 as a tax-free lump sum, this would leave a savings pot of £60,000 and a drawdown pot of £30,000. But the maximum tax-free lump sum available next time would be 25% of whatever the savings pot was then worth.

In both cases, every amount that's moved out of the savings pot is tested against your lifetime allowance see page 8.

If you would like to receive a regular tax-free lump sum, please read 'What is tailored drawdown?' below.

Taking money from the drawdown pot

From the drawdown pot you can take:

- a regular income
- lump sums as and when you want to
- a combination of the above.

There's no minimum amount you must take so you can leave your money invested until you need it. There's also no maximum (unless you have 'capped drawdown' – see 'What is capped drawdown?' on page 7), which means you can fully encash your plan if you wish.

All payments from the drawdown pot are subject to income tax. If you are considering withdrawing a large lump sum or fully encashing your plan, you should bear in mind that any amount paid from the drawdown pot when added to your other income may push you into a higher tax band. You may pay less tax if you spread out your income and keep below higher rate bands.

Unless you have 'capped drawdown', taking money from your drawdown pot will reduce your annual allowance (see page 7).

What is tailored drawdown?

It's an option that allows you to ask for a regular tax-free lump sum with or without a regular amount of taxable income.

Each payment date, for every £1 of tax-free lump sum we pay out of your savings pot we will move £3 into the drawdown pot. The full amount moved out of the savings pot will be tested against your lifetime allowance. If you have also asked for a regular amount of taxable income, we pay it from the drawdown pot.

This option is available until your savings pot is exhausted, your lifetime allowance is used up or you change your instructions.

It's not available if your plan has any level 3 investments, see page 9 for more details, or if you have capped drawdown. If you buy a level 3 investment we will stop providing tailored drawdown.

What is capped drawdown?

If you had a drawdown pot before 6 April 2015 and you haven't converted to flexi-access drawdown, there is an HMRC limit (or 'cap') on how much money you can take from your drawdown pot each year. The limit depends on factors such as your age and returns from government securities and is calculated using the Government Actuary's Department's (GAD) tables.

We normally re-calculate the limit that applies to you at least once every three years. If we receive a transfer of benefits in drawdown, we normally use the same review dates that the transferring scheme would have used. We also re-calculate the limit each time more money is moved from the savings pot into the drawdown pot.

The maximum amount of money you're allowed to take out of the drawdown pot each year could increase or reduce as a result of this re-calculation. We normally do the calculation 42 days before the start of the next three-year period. You can ask us to bring forward a regular review and re-calculate the limit earlier.

From age 75 the limit is calculated yearly.

If you want to take more than the maximum allowed by HMRC from the drawdown pot you can convert from capped to flexi-access drawdown, but a lower annual allowance will then apply (see Page 8).

If you still have a savings pot and your plan is fully invested in SLIP funds, you can ask for a regular payment which is made up fully or partly of tax-free lump sum. This type of capped drawdown is called 'dripfeed drawdown' and is more complex than tailored drawdown because the cap has to be recalculated each time money moves from the savings pot into the drawdown pot. Dripfeed drawdown is available until your savings pot is exhausted, your lifetime allowance is used up, you change your instructions, you choose an investment which isn't a SLIP fund or you reach your 75th birthday, whichever happens first.

We won't administer capped drawdown and flexi-access drawdown within the same plan.

Buying a guaranteed income (annuity) for life

You can use part or all of your plan to buy an annuity from an insurance company of your choice. This will provide you with a guaranteed income for the rest of your life. It pays to shop around and your health and lifestyle may mean that you get a better annuity than someone who's in good health.

Buying an annuity doesn't reduce your annual allowance (see below) but the payments you receive are subject to income tax.

Whether you're thinking about flexible or guaranteed income – take time to shop around for the best deal. You could transfer your pension to another provider and you might get a better retirement income.

We recommend you seek appropriate financial advice before you make any decisions. An adviser is likely to charge a fee for this.

You can also get free impartial guidance over the phone of face-to-face with Pensionwise. Go to www.pensionwise.gov.uk or call 0800 138 3944. The Money Advice Service (MAS) guide is also available on the Pensionwise site.

Pension wise
Your money. Your choice.

4.4 What about tax?

We give a short explanation about tax below. For more information, please read 'Information about tax relief, limits and your pension' (GEN658). You can find this at **www.standardlife.co.uk/taxandpensions**, or phone us for a paper copy.

Tax relief – pension payments

You'll get tax relief on payments you make normally at your highest Income Tax rate.

We'll claim the tax relief for you at the basic rate from HMRC and invest it in your plan. If you're a higher or additional rate taxpayer, you'll need to claim the extra tax relief by contacting HM Revenue & Customs.

If you exchange salary in return for a payment from your employer to your plan, you don't get tax relief on that payment. But you do save tax on the salary you have exchanged.

Capital Gains Tax

The funds you invest in are not liable for UK Capital Gains Tax.

Annual Allowance

HM Revenue & Customs has an Annual Allowance for the total payments that you, your employer and any third party can make to all your pension plans (excluding transfer payments). You may have to pay a tax charge on any payments that exceed this limit. If the total payments to all your plans are less than the limit in one tax year, you may be able to carry forward the unused allowance for up to three tax years.

There are circumstances where you may have a personal Annual Allowance that's different. Please speak to your financial adviser for more details.

If you have started to take an income from another provider (that is not tax-free lump sum), you must tell us as it may affect your Annual Allowance. Please refer to GEN658 for more information.

Lifetime Allowance

HM Revenue & Customs has a Lifetime Allowance on the total funds in pension plans that can be used to provide benefits for you. Any funds over this allowance that are used to provide benefits will be liable to a tax charge.

There are circumstances where you may have a personal Lifetime Allowance that's different, speak to your financial adviser for more details

Tax-free lump sum

You can normally take up to 25% of your plan as a tax-free lump sum. However you could face a tax charge if you 'recycle' your tax-free lump sum. See our fact sheet 'Recycling of lump sums' (GEN449) for more information.

Income Tax – pension and income payments

Any income you take from the fund, or pension you buy, will be taxed as earned income under normal pay-as-you-earn (PAYE) rules.

Tax – death benefits

If you die before age 75, your beneficiaries do not normally have to pay income tax on benefits they receive.

If you die aged 75 or older, any benefits will normally be taxed.

For further information please refer to our guide to death benefits (SLSIP11). You may want to talk through this guide with your financial adviser (if you have one).

Other information about tax

A tax year runs from 6 April in one year to 5 April in the next year. Tax rules and legislation may change.

Your own circumstances and where you live in the UK will also have an impact on tax treatment.

The information we have given is based on our understanding of law and HM Revenue & Customs practice as at November 2019.

4.5 What are the charges and discounts?

This section shows you the main charges and discounts that apply. It should be read together with 'Your investment choices and charges' (SLSIP20), and your illustration. It may also be helpful for you to refer back to page 5 for a reminder of investment terms used in this section.

Charges under the SIPP vary depending on the type of investment you choose. If you have a combination of different investment types then more than one charge may apply.

Investment charges

The investment charges that apply will depend on the funds in which you choose to invest.

The following charges may apply to our range of pension funds known as Standard Life Investment Policy (SLIP) funds.

These charges are included in the unit price and collected daily.

Fund Management Charge

This is for the management of your funds and for our administration costs. The charge varies depending on the funds you choose to invest in.

Additional Expenses

Additional expenses may be deducted from some investment-linked funds. They include items such as trustees', registrars', auditors', regulators' fees and where a fund invests in other underlying funds they may include their underlying management charges. The additional expenses relate to expenses incurred during the fund management process and as such they will regularly increase and decrease as a percentage of the fund, sometimes significantly. Where expenses arise within a fund they have been taken into account in the calculation of the price.

Details of both the fund management charge and additional expenses for each SLIP fund can be found in our 'Fund list – SLIP pension funds' (SLSIP5c) for the Active Money SIPP.

Switch Charge for SLIP funds

Changing the funds you're invested in is called 'switching'. We reserve the right to charge if an external fund manager charges us for a switch you make.

The charges that apply depend on the level of investment you choose.

Level 1 – SLIP funds or the SIPP bank account

Level 2 – SIPPZone mutual funds

Level 3 – Any other investment. For more details on the different investment levels please see 'Your investment choices and charges' (SLSIP20).

Charges below go on to discuss both Level 2 and Level 3 investments.

Discounts

Active Money SIPP customers could get a discount. This depends on the value of your investments and where they are held. See 'Your investment choices and charges' (SLSIP20) for more details.

The following charges may apply to our range of SIPPZone Mutual Funds.

Fund Charges for SIPPZone mutual funds

You can find details of the fund charges that apply to SIPPZone mutual funds at **www.standardlife.co.uk**

Switch Charge for mutual funds

There is no switching charge for SIPPZone.

Plan charges

These charges are taken from the SIPP bank account. It is important to keep enough money in the account to meet these when they are due.

Monthly Fund Administration Charge

This charge is collected in arrears on the monthly plan charge date and only applies where you're invested in a SIPPZone mutual fund on that date. This charge is made for administering the SIPPZone mutual funds you hold.

Initial Administration Charge

We make a one-off charge when you first invest in a Level 3 investment. See the margin for an explanation of the different levels.

Yearly Administration Charge

This charge is collected on the yearly charge date (normally the anniversary of the date we expect to receive the first payment).

We only take this charge if you have been invested in any Level 2 or Level 3 investments in the previous 12 months.

We'll take this charge before the yearly charge date if the whole plan is cancelled, transferred out, used to buy an annuity or terminated following a death.

Transaction Charge

When you have been invested in a Level 3 investment we make a charge each time you buy or sell an asset, or ask us to transfer the ownership of an asset to another pension scheme (known as an 'in-specie' transfer).

Investment Manager Charge

We make a charge each year for each discretionary investment manager that you appoint.

Commercial Property Charges

Charges for investment in commercial property can be found in our SIPP commercial property guide (SLSIP82).

Transfer-In Charge

If you transfer assets and cash from another pension scheme into your plan, we will charge you an 'in-specie' transfer in charge. ('In-specie' means 'in kind' and means that the ownership of the asset is transferred from one scheme to another instead of being sold.) We will take this charge from the SIPP bank account when we complete the transfer. The charge is applied once for all the assets transferred from the scheme(s) named in the same application form. If you ask us to transfer in assets and cash from another scheme(s) once we have set up your plan, the in-specie transfer in charge will be taken again.

This charge only applies if your plan started on or after 6 April 2011. Separate charges will apply for the in-specie transfer of commercial property – please see our commercial property guide (SLSIP82).

Yearly Charge for Pension Fund Withdrawal

This charge applies each year if you have chosen pension fund withdrawal (income drawdown) and, at any time in the previous 12 months, you have been invested in any Level 3 investment. The charge applies even if you have taken £0 income in the previous 12 months.

It's collected on the yearly charge date (normally the anniversary of the date we expect to receive the first payment).

We'll take this charge before the yearly charge date if the whole plan is cancelled, transferred out, used to buy an annuity or terminated following a death.

This charge is payable in addition to the yearly administration charge.

Valuation Charge

We'll deduct this charge from your plan if you ask us to obtain an up-to-date valuation from another provider and we incur a charge. We won't charge you when we give you your standard yearly valuation or when you ask for a valuation and we don't have to contact external providers.

Important – taking an income

If we have provided an online facility for you to change your income instruction and you request an income instruction change without using the online facility, we will normally apply an administration charge of £25. We will not apply the charge for the first income instruction change per year. We will not apply a charge at all if the instruction came through an adviser.

Other information about charges

We regularly review our charges to determine whether we need to increase them to reflect changes in our overall costs, or assumptions. Any increases will be fair and reasonable.

Your illustration shows our charges and the effect they have on reducing the value of your investments over the term of your plan.

How do I pay my charges?

SIPP bank account

The SIPP bank account is used to pay all charges except for fund management charges, execution-only stockbroking charges levied by Stocktrade and charges for the investment choices made by a Discretionary Investment Manager.

Standard Life charges are due at the time they are incurred (for example when you join the SIPP or complete a transaction).

If there's not enough money to meet our charges, we reserve the right to sell investments to cover these costs.

4.6 How can I pay for advice or other services?

On 31 December 2012 the industry regulator changed the way advisers can be paid for giving you advice. Different arrangements will apply depending on whether you are buying an Active Money SIPP, or you are an existing customer making additional payments to your plan.

You may pay your adviser direct, or you may pay them through your plan.

Payments made to your adviser from your plan are taken from the SIPP bank account. It's important to have enough money in this account. If not, we will begin to sell units in the SLIP funds you hold. This will be done proportionately across these investments.

If there is not enough money in the account or in the SLIP funds to meet the adviser charges then your adviser will not be paid.

Speak to your adviser and agree how you want to pay them. You can choose to pay them direct, with no involvement from us. Or when you complete the application form, you can instruct us to make payments on your behalf from your plan.

If your adviser is being paid from your plan, your illustration will show the charge options you have selected. It will also show the effect they could have on reducing the value of your investment(s) over time.

Adviser charges we offer

The following adviser charges are available on our Active Money SIPP.

Initial adviser charge on regular payments

Your adviser is paid a flat monetary amount, either as one off payment or spread over a period of time that has been agreed by you both. It is paid monthly, quarterly, half-yearly or yearly.

This charge can only be selected when you start regular payments.

Initial adviser charge on single payments/ transfers/move to drawdown

Your adviser is paid a flat amount or a percentage, deducted from the payment being made or from the amount being designated for benefits.

The charge is taken from your plan when the payment is made or when a new phase of drawdown is set up.

Note for existing customers – If your plan is already paying Level Commission, Fund Based Renewal Commission or fees, these will all stop if you agree to start paying an 'ongoing adviser charge' to your adviser.

Ongoing adviser charge

Your adviser is paid a flat amount or a percentage based on the plan value. It is deducted from your plan monthly, quarterly, half-yearly or yearly and paid to your adviser. Where based on a percentage it is calculated on the value of the plan at the date the charge is due.

This charge can also be set up at any point after your plan has started. Once set up, the amount or percentage paid to your adviser can be changed or stopped at any time.

Ad hoc adviser charge

This payment to your adviser can be a flat monetary payment or a percentage of your plan value. The charge is deducted when we pay your adviser.

For more detailed information on the adviser charges please see our Adviser Charges – Terms and Conditions (PENAC62).

What about commission?

If you are an existing customer and you received advice before 31 December 2012 then charges may still apply to your plan in relation to the following types of commission:

- Level commission
- Fund based renewal commission on regular payments
- Fund based renewal commission on single or transfer payment

If you are not paying commission charges you can go straight to section 4.7 on page 12. The remainder of this section doesn't apply to you.

Commission payable

For advice received before 31 December 2012.

Level Commission on regular payments

You could have chosen up to a maximum of 5% for each regular payment made. If so, we take a charge of 0.1% for each 0.1% of commission we pay and this is deducted from each payment after it's invested.

Fund Based Renewal Commission on regular/single or transfer payments

You could have chosen up to a yearly maximum of 1.5% of the current value of the payment. If so, we take a charge at a yearly rate of 0.01% for every 0.01% of commission we pay and will deduct this from your plan.

Commission payable on income drawdown

Commission on a move to income drawdown is no longer available where advice has been received on or after 31 December 2012. You can pay your adviser direct or by adviser charge for any advice received.

Other information about commission and fees

If you're invested in the Standard Life Investment Policy (SLIP) then charges can be taken by cancelling units held for you in SLIP, or by taking them from the SIPP bank account, or by doing both in line with how much is invested in SLIP and other assets.

If you pay any fees from the SIPP bank account you need to make sure you have enough money in this account to pay them.

You can find details on when we will stop paying commission and/or fees in your Terms and Conditions document (SLSIP62).

4.7 Other important questions

What happens when I die?

We will normally pay out the plan value as a lump sum. Your beneficiary may be able to choose an annuity or a flexible income instead. Please see our 'Provide for your loved ones' guide (SLSIPP11). Please let us know who you would like to receive the death benefit by completing an Instruction for payment of death benefits form (SLSIP36).

We will decide who to pay death benefits to. We'll take your wishes into account but won't be bound by them.

Can I transfer my plan?

You can transfer your plan to another pension scheme. It's important that you check with the administrator of the scheme you want to transfer to that they will accept the transfer.

Can I change my mind?

Yes, you have a legal right to cancel your payment if you change your mind.

You have 30 days, from the date you receive your plan documents, to cancel. At the end of the 30 day period you'll be bound by the terms and conditions of the plan and any money received by Standard Life will not be refundable under the cancellation rule.

Transfer payments

Before we can return any transfer payment, you must speak to the transferring scheme to get their agreement to accept the money back. If they will not accept it back, and you still want to cancel, then you must arrange for another pension provider to accept the payment. The transferring scheme may charge you for taking the payment back.

Regular payments

It's only the first payment that you choose to make that will have cancellation rights. If you decide to increase the level of payment in the future, you'll not have a right to cancel that payment. However, you can reduce or stop future payments at any time.

Irregular payments

If you cancel your plan, any irregular payments which we've applied to the regular payment account will be refunded to the person who made it.

What will I get back?

We'll refund payments to the person(s) who made them. Transfer payments will be returned to the transferring scheme.

The amount we'll return depends on:

- any fall in the value of your investment before we receive your instruction to cancel. If this happens we may deduct an equivalent amount from the refund
- any charges or expenses you may have to pay for Level 2 or Level 3 investments (as explained on page 9)
- the administration costs of setting up your plan.

The costs at the start of your plan can't be specified because of the wide range of investment options that are available under our SIPP.

Precise amounts deducted on cancellation will be restricted to our costs and your own investment choices.

There is no 'penalty charge' for cancelling your plan.

We will refund any adviser charges related to the payment that is cancelled. This means your adviser will not be paid for any advice they have provided. You may still be liable to meet these costs directly with the adviser.

Taking an income (income drawdown)

When you first decide to take income from your plan, you'll have a right to change your mind. You have 30 days, from the date you receive your income withdrawal documents, to cancel. Within 30 days of us receiving your request to cancel, you'll need to return any tax-free lump sum and income we've already paid you.

If you fail to return all the monies to us within 30 days you'll lose the right to cancel. You won't have the right to cancel any later decisions you make about taking your income from your plan, apart from the amount and/or frequency of income you take.

How do I cancel?

If you decide you want to cancel you can write, email or call us with your decision. See 'How to contact us' on page 15.

How will I know how my AMSIPP is doing?

Online

You can register for online services that allow you to check how much your plan is worth and much more on our website: **www.standardlife.co.uk**

Yearly statement

We'll make your annual statement available online, If you prefer, you can still receive it by post. Further details about how you can receive your annual statement are included in your welcome pack.

5. Other information

How to complain

We have a leaflet that summarises our complaints handling procedures. If you would like to see a copy please contact us. If you need to complain, write to us at the address show in 'How to contact us' on page 15.

If you aren't satisfied with our response you may be able to complain to:

Financial Ombudsman Service
Exchange Tower
Harbour Exchange Square
London, E14 9SR

Call:
0800 023 4567

Email:
complaint.info@financial-ombudsman.org.uk

Website:
www.financial-ombudsman.org.uk

Complaining to the Ombudsman won't affect your legal rights.

Plan terms and conditions

For a full summary you should read the SIPP terms and conditions (SLSIP62).

We have the right to change some of the plan terms and conditions. We'll write to you and explain if this happens.

Law

The law of Scotland will decide any legal dispute.

Language

The English language will be used in all documents and future correspondence.

Compensation

The Financial Services Compensation Scheme (FSCS) has been set up to provide protection to consumers if authorised financial services firms are unable, or likely to be unable, to meet claims against them.

It is important to note that different limits apply to different types of investment. In some circumstances, you might not receive any compensation under the FSCS.

The availability of compensation depends on:

- The type and structure of the investments you choose within your product
- Which party to the contract is unable to meet its claims, whether Standard Life or the underlying asset provider, for example, deposit taker, fund house, etc.
- The country the investments are held in
- Whether you were resident in the UK at the time you took out the contract with us. If you were not resident in the UK, you may be eligible for compensation from an equivalent scheme in the country you were resident in.

Where compensation is available Standard Life Trustee Company Limited (as trustee and legal owner of the assets) will make a claim under the FSCS on your behalf.

Standard Life Investment Policy (SLIP)

SLIP is a long-term contract of insurance. The trustee will be eligible to claim compensation under the FSCS on your behalf if Standard Life Assurance (SLAL) becomes unable to meet its claims. The cover is 100% of the value of the claim.

If you choose one of our SLIP funds that invests in a mutual fund run by another firm (including Standard Life Investments Limited), the trustee is not eligible to claim compensation under the FSCS if that firm is unable to meet its claims. SLAL is not eligible to make a claim on the trustee's behalf so the price of a unit in our fund will depend on the amount that we recover from the firm.

However your funds will be protected by the requirement for the fund manager to appoint a depository and custodian. One of the primary functions of the custodian is the safekeeping of securities and cash in deposit accounts, held in the name of the depositary. This has the effect of segregating the funds from the fund manager's own monies and effectively protects the clients investments should the fund manager become insolvent. For the investor this means that the only time they would need to look to the FSCS for compensation would be in the event of the fund manager acting dishonestly, fraudulently or negligently.

If you choose one of our SLIP funds that invests in a fund run by another insurer, the trustee is not eligible to claim compensation under the FSCS if that insurer is unable to meet its claims. SLAL is not eligible to make a claim on the trustee's behalf. Again there is a requirement for that insurer to appoint a depository and custodian which should help to mitigate any risk.

Mutual funds

If you choose a mutual fund the trustee will normally be eligible to claim compensation under the FSCS on your behalf if the fund manager becomes unable to meet its claims. The cover is normally 100% of the value of the claim, up to a maximum of £85,000.

In addition to FSCS protection your funds will be protected by the requirement for the fund manager to appoint a depository and custodian. One of the primary functions of the custodian is the safekeeping of securities and cash in deposit accounts, held in the name of the depositary. This has the effect of segregating the funds from the fund manager's own monies and effectively protects the client's investments should the fund manager become insolvent. For the investor this means that the only time they would need to look to the FSCS for compensation would be in the event of the fund manager acting dishonestly, fraudulently or negligently.

Cash deposited in your SIPP

For UK deposit accounts, the trustee is normally entitled to claim up to £85,000, on your behalf. This limit will take into account any private accounts you may hold with that institution. It will also take into account your holdings in pooled bank accounts which are covered by the FSCS.

Your SIPP includes cash products, the SIPP bank account and Fixed Rate Accounts, which are provided by banks or building societies who may be covered by the FSCS. These banks or building societies will be the deposit holder for money held in those cash products. You may be entitled to compensation for cash elements of your SIPP from the FSCS if these banks or building societies cannot meet their obligations.

Therefore if you currently, or at any point in the future, have savings in the cash products listed above plus private savings with banks or building societies, and together these total more than the FSCS limit, presently £85,000 per institution, you may want to consider getting independent financial advice about your options for protecting your FSCS compensation limits.

For further information on the compensation available under the FSCS, please check their website www.fscs.org.uk or call the FSCS on 0800 678 1100 or 020 7741 4100. Please note only compensation queries should be directed to the FSCS.

If you have any further questions, you can speak to your financial adviser or contact us directly.

You can also find more information at www.standardlife.co.uk/investor-protection

Solvency and financial condition report (SFCR)

The Solvency II directive is a European (EU) directive for insurance companies. Among the requirements are that companies produce a publication of a SFCR, to assist policyholders and other stakeholders to understand the capital position under Solvency II. Further information and details of the report can be found at: **www.thephoenixgroup.com/investor-relations/solvency-and-financial-condition-report**

6. How to contact us

Active Money SIPP

0345 0845 000

(call charges will vary)

Please have your plan number ready when calling.

0131 245 3221

SIPP Customer Centre
Standard Life
Standard Life House
30 Lothian Road
Edinburgh
EH1 2DH

Advice, questions and help

If you have a financial adviser they should be your first point of contact, as our Customer Service Teams can't give any financial advice.

If you have any questions or would like to make any changes to your plan, please contact us. Your queries will be dealt with during business hours.

If you are 50 or over you have access to the Government's free impartial Pension Wise service provided through Citizen's Advice or The Pensions Advisory Service. This guidance can be accessed on the internet, by telephone or face to face. www.pensionwise.gov.uk

7. About Standard Life

Standard Life's product range includes pensions and investments.

Standard Life Assurance Limited is on the Financial Services Register.
The registration number is 439567.