



HORNBUCKLE MITCHELL FLEXIBLE INCOME PENSION PLAN

FEE SCHEDULE FOR
CUSTOMERS OF OPENWORK

YOUR SPECIALIST PENSION PROVIDER







For more than 30 years we've provided our pension members with access to specialist pension products and services. Our focus is always on providing our customers with the right solution through a combination of pension and investment expertise, risk controls and service.

Understanding our fees

This fee schedule provides you with complete transparency over our fees. This ensures you have all the necessary information to fully understand the cost of running a plan with us, helping you to make an informed decision. Our pricing structure is designed to ensure our charges are appropriate for the risk and additional administration work associated with more complex asset classes.

Each section of this fee schedule is focused on a particular type of activity from contributing to a pension to taking benefits. It includes the details of what each fee is called, when it is charged and the amount.

Our fee schedule is divided into six sections:

	Core administration	Pages 3-4		Investments	Pages 5-6
	Property	Pages 7-10		Capped drawdown/ Scheme pension	Page 11
	Closure	Pages 12		Example Scenarios	Page 13

Time-based charges

We apply a charge for time-based activities where we provide services outside of our standard charges. It is rare for this to happen, but when it does, we will tell you in advance of the work being done. Our hourly rate for this type of work is typically £150+VAT.

Third party costs

The plan may be liable for fees relating to work completed by other professional parties (e.g. solicitors, surveyors) on our instruction as trustee. All legal fees or other expenses that are incurred by us in relation to an account or investment transfer will be charged to you.

This fee schedule is effective from 1 January 2023 until further notice.

All fees in this schedule are shown exclusive of VAT, which will be due in addition.

To discuss the fees covered in this document, please contact your adviser or our Client Servicing team on 01204 803 500 or email clientservicing@embarkpensions.co.uk.

This schedule and other documentation are on our website at embarkpensions.co.uk/products/closed-products/hornbuckle

1A



MANAGEMENT FEES INCLUDING CONTRIBUTION PROCESSING

Our core administration fees cover a number of activities related to the ongoing management of your plan, including our tax and regulatory reporting duties. These fees are in addition to any fees related to specific investment types, which are covered in later sections of this document.

Our annual management fees depend on the type of assets held in your plan. For details of which asset types fall into the different categories set out below, you can refer to the separate permitted investments schedule on our website: embarkpensions.co.uk/investment-tool.

Description of fee	When does this fee apply?	When will the fee be collected?	Fee amount
Annual management fee (traditional investments)	Annual management fee if your FIPP holds only traditional investments	Annually in advance and then on your plan renewal date	£690 per plan ¹
Annual management fee (non-traditional investments)	Annual management fee if your FIPP holds any non-traditional investments		£775 per plan ¹
Annual Bank of Scotland charge for scheme bank account	For each Bank of Scotland account within the FIPP	Annually in advance on the anniversary date	£30 per account

¹ For group arrangements, the annual fee is payable by each member.

Contribution Processing

Our plans provide you with a range of options to make ongoing contributions as detailed here. We generally do not charge for making regular or ad hoc contributions to your plan, however contributions paid by cheque are subject to a fee to reflect the administration cost of dealing with them.

Please note that contributions cannot be made to a FIPP that is providing a Scheme Pension.

Description of fee	When does this fee apply?	When will the fee be collected?	Fee amount
Ad hoc contribution – cheque	When processing a cheque payment in or out of your plan, including contributions.	In advance	£150 per event
RAS ² regular processing	When processing a relief at source claim	N/A	No charge
RAS ² pre-funding fee (regular contributions)	Fee for pre-funding tax relief before received from HMRC where this service is provided	In advance	£25 per annum
RAS ² pre-funding fee (ad hoc contributions)			£35 per contribution
RAS ² ad hoc processing	When processing a relief at source claim		£40 per event

² Relief at source (RAS) is the process of applying basic rate income tax relief to personal contributions (i.e. contributions other than those paid by your employer). This service is not available to all clients.

All fees in this schedule are shown exclusive of VAT, which will be due in addition.

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TRANSFERS IN AND TRANSFERS OUT

We do not charge a fee in relation to cash transfers into your FIPP.

For transfers of assets (“in specie transfers”) into or out of your FIPP, our fee depends on the type of asset(s) involved. We may also require the payment of a due diligence and evaluation fee depending on the asset being transferred, please refer to section 2A.

Description of fee	When does this fee apply?	When will the fee be collected?	Fee amount
Cash transfer in fee	When making a cash transfer of the value of benefits from another pension scheme direct to the bank account of your FIPP	N/A	No charge
Cash transfer out fee (UK scheme)	When transferring out all or part of your FIPP plan	In advance	£100 per member
In specie transfer in / out fee	When making an in specie transfer from or on to another pension scheme	On completion for transfers in; in advance for transfers out	£125 ³ per scheme
Transfer out fee (non-UK scheme)	When transferring out all or part of your FIPP to a Recognised Overseas Pension Scheme (ROPS)	In advance	£250 per member

³ In addition to this fee we will charge either the purchase or disposal fee relevant to the asset being transferred. See section 3 for property and section 2 for other investments.

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INVESTMENT DUE DILIGENCE AND EVALUATION

Our FIPPs offer you the ability to invest in a wide range of investment products, which can be of a physical or intangible nature, listed or unlisted, regulated or non-regulated. Our activity pricing reflects the risk, complexity and administration cost involved in supporting such transactions and holdings.

Before permitting a purchase or transfer in (an “in specie transfer”) of certain investments into your FIPP plan we may require the payment of a due diligence and evaluation fee, depending on the asset involved. This is in addition to the administration fee charged for the purchase or transfer of the asset.

Description of fee	When does this fee apply?	When will the fee be collected?	Fee amount
Due diligence fee	For the due diligence process involved before we permit the purchase or transfer of an asset into your FIPP	In advance, on receipt of an instruction to purchase or transfer the investment	£550 per provider/asset



INVESTMENT PURCHASES AND DISINVESTMENTS

This section lists the administration fees charged for an initial purchase, top ups, full sale or partial sale of an investment for non-traditional asset classes.

Purchase fees for commercial property investments are covered in a later section.

Description of fee	When does this fee apply?	When will the fee be collected?	Fee amount
Initial purchase / full sale / partial sale for traditional asset classes – cash and treasury accounts – UK portfolio services (DFM and brokerage) – listed securities – collective investments (regulated)	When carrying out an investment transaction	N/A	No charge
Initial purchase / full sale / partial sale for non-traditional asset classes – collective investments (non-regulated) – specialist investments – specialist collectives		In advance, following the completion of due diligence where relevant	£850 per event
Top ups for non-traditional asset classes			£250 per event
Investment administration for non-traditional asset classes	Annual fee when holding the investment type	Annually in advance from the purchase date of the investment	£250 per asset

⁴ These fees also apply for in-specie transfers.

All fees in this schedule are shown exclusive of VAT, which will be due in addition.

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PROPERTY INVESTMENT AND SALE

We support commercial property investment and administration across a number of key stages in the lifecycle:

- **Transfer in / purchase:** We will provide an evaluation of the commercial property to ensure it is eligible for your plan; provide support for its purchase; liaise and co-ordinate with other third party professionals including lenders, solicitors and the ceding provider as required.
- **Administration:** We will provide ongoing administration of a commercial property including plan maintenance, correspondence, payment of related invoices, borrowing administration and regulatory reporting. This will also cover ongoing liaison and co-ordination with any relevant third party professionals. We will facilitate professional property services as required by the plan and / or asset. All properties must be insured and have a full repairing and insuring (FRI) lease in place.
- **Transfer / sale:** We will support the sale and / or transfer out of a commercial property from your plan. This will include liaison with third party professionals and, where applicable, the receiving provider.

Description of fee	When does this fee apply?	When will the fee be collected?	Fee amount
Purchase / in specie transfer in	When purchasing or transferring in all or part of a commercial property	In advance, following the completion of due diligence	£700 per event
Sale / in specie transfer out	When selling or transferring out all or part of a commercial property		£475 per asset
Sale – Non-UK property	When selling all or part of a non-UK property	On completion	Time-based charge ⁵

⁵ We will apply a charge for time-based activities where we provide services outside of our standard charges. We will tell you in advance of the work being done. Our hourly rate for this type of work is typically £150+VAT.



PROPERTY ADMINISTRATION

Our core property administration fees cover most of the activities associated with the pension administration of the property within a registered pension scheme, including our tax reporting and other regulatory responsibilities. Additional fees for certain property investments are covered in the next section.

You may arrange for the appointment of your own professional property manager, or choose to manage the property yourself (in which case an additional risk premium applies). Please note we require a professional property manager to be appointed for all properties where the purchase was initiated after 31 August 2022.

Description of fee	When does this fee apply?	When will the fee be collected?	Fee amount
Property administration – Land	Annual fee for the administration of the property type	Annually in advance, from the purchase date of the property	£375 per event
Property administration – UK single tenant (office only) property			£450 per asset
Property administration – UK multi-tenant property – UK other / non-office property			£560 per asset
Property administration – Non-UK property (all types)			£1,200 per asset
Self-managed risk premium	When managing a property without appointing a professional, independent property manager	Annually in advance, and then re-tested and billed on the anniversary of the purchase date of the property	£275 per asset

All fees in this schedule are shown exclusive of VAT, which will be due in addition.



PROPERTY ANCILLARY FEES

Description of fee	When does this fee apply?	When will the fee be collected?	Fee amount
Lease set up, renewal and amends	For arranging the change of any tenant or renewal/amendment of a lease relating to a commercial property held in your FIPP plan	In advance	£300 per event
Connected party supplement	Annual fee for the administration of a UK commercial property or land with one or more connected tenants	Annually in advance, from the purchase date of the property	£125 per member
Regular VAT return	For completing a VAT return in relation to a commercial property investment	In advance	£100 per event
Non-block insurance risk fee	For insuring a property in your FIPP under a policy other than our block insurance policy ⁶	Annually in advance, and then on the anniversary of the purchase date of the property	£150 per asset
VAT registration / set-up	For registering or deregistering a FIPP for VAT returns in relation to a commercial property the owner has opted to tax for VAT	In advance	£200 per event
Uninsured property fee	Where you fail to arrange the insurance of a commercial property (including land) held in your plan.	Per event	£200 per event ⁷
Connected party rent default (per quarter)	Fee in the event that a connected person defaults on a rent payment in relation to a commercial property held in your FIPP	Quarterly in arrears (following the default, if not corrected)	£300 per asset

⁶ Our block insurance policy is currently provided by QBE Insurance Group Ltd. We can choose a different insurer at our discretion. Please note where possible all properties will be insured under our block policy where the purchase was initiated after 31 August 2022.

⁷ In addition to the recovery of the applicable block insurance premium for the period during which the property is uninsured.

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PROPERTY MORTGAGE ADMINISTRATION AND MONITORING

Description of fee	When does this fee apply?	When will the fee be collected?	Fee amount
Mortgage arrangement / re-arrangement fee – panel lender ⁸ – non-panel lender	When arranging or re-arranging a loan	In advance	£400 per loan
Mortgage completion / final payment and closure admin	When arranging the final repayment and closure of a mortgage facility		£160 per loan
Annual loan admin fee (panel lender ⁸)	Annual loan administration fee	Annually in advance, and then on the anniversary of the arrangement date of the mortgage	£230 per loan
Annual loan admin fee (non-panel lender)			£250 per loan

⁸ Our panel lenders are Barclays and Royal Bank of Scotland.

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CAPPED DRAWDOWN AND SCHEME PENSION (EXISTING) BEREAVEMENT AND PENSION SHARING ORDERS



Please be aware we no longer support new Scheme Pension arrangements within a FIPP. The fees below relate to those members already taking income from a Scheme Pension arrangement. We do provide members with the option to transfer to a Hornbuckle Mitchell Self-Invested Personal Pension (SIPP) at no cost.

Description of fee	When does this fee apply?	When will the fee be collected?	Fee amount
Triennial actuarial report work	When carrying out work in relation to the health questionnaire and subsequent review of actuarial report	On completion of review	No charge ⁹
Ad hoc pension income instruction processing	When making a one-off payment of income from part of your SIPP plan already designated for the payment of drawdown pension, or making a lump sum payment (PCLS ¹⁰)	In advance	£100 per event
Capped drawdown review / additional designation	When reviewing your maximum pension income or designating additional funds for capped drawdown		£160 per arrangement ¹¹
Annual scheme pension fee	Annual fee for the administration of your FIPP where you are already taking income from a scheme pension arrangement	Annually in advance (and then on the anniversary of first entering scheme pension)	£475 per member
Annual capped drawdown fee	Annual fee for the administration of your FIPP where you have designated all or part of your plan into capped drawdown ¹²	Annually in advance (and then on the anniversary of first entering drawdown)	No charge
Bereavement processing	When processing the allocation and payment of benefits from your FIPP in the event of your death	On notification	£350 ¹²
Pension sharing order processing	When processing the payment of benefits in relation to a pension sharing order	On the occurrence of the event (or upon discovery)	£600 per event ¹²

⁹ Additional external actuarial costs will apply and will be detailed at the time of the report being prepared.

¹⁰ Pension commencement lump sum.

¹¹ Excludes third party valuation costs.

¹² Additional transaction charges may be payable if assets in your plan are required to be sold.

The above charges indicate the standard activities involved in administering your pension plan. However, if we need to perform additional administration over and above that which is deemed reasonable, we reserve the right to make an additional charge at an hourly rate appropriate to the work and expertise involved.

All fees in this schedule are shown exclusive of VAT, which will be due in addition.

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CLOSURE



We also make certain administration charges to close your FIPP following a transfer out or when your fund has been fully taken under capped drawdown or scheme pension.

Description of fee	When does this fee apply?	When will the fee be collected?	Fee amount
Moving to a Hornbuckle Mitchell SIPP	When transferring your scheme to a Hornbuckle Mitchell SIPP to provide you with access to new pension freedoms. Additional fees will apply when accessing these options	In advance	No charge
Closed plan administration	When processing a payment in relation to your FIPP plan after the plan has been closed		£25 per event
Scheme wind-up	When closing your FIPP plan (because the value of your plan has reduced to nil, except as a result of a transfer out)		£125

All fees in this schedule are shown exclusive of VAT, which will be due in addition.



EXAMPLE SCENARIOS

Purchasing unlisted securities

A client is looking to use their FIPP to purchase some unlisted securities in a company to which they are not connected.

Year One Cost – Purchasing unlisted shares	Fee amount
Due diligence fee	£550
Initial purchase	£850
Annual management fee (non-traditional investments)	£775
Investment administration	£250
Total	£2,425

Ongoing cost – Annual administration charges	Fee amount
Annual management fee (non-traditional investments)	£775
Investment administration	£250
Total	£1,025

Transferring a FIPP to a Hornbuckle Mitchell Full SIPP to take flexi-access drawdown

A client is looking to commence drawdown pension. As flexi-access drawdown is not available in the FIPP, they elect to switch their FIPP into our Full SIPP product. Then they bring their entire plan into payment, taking their Pension Commencement Lump Sum (PCLS) and a flexi-access drawdown pension income, payable in regular monthly installments.

Year one cost – Setting up drawdown	Fee amount
Transferring a FIPP to a Full SIPP product	Nil
Flexi-access drawdown initial set-up including payment of PCLS	£100
Annual management fee (traditional investments)	£690
Annual drawdown fee	Nil
Total	£790

Year Two and Ongoing Cost – Annual administration charges	Fee amount
Annual management fee (traditional investments)	£690
Annual drawdown fee	Nil
Total	£690

All fees in this schedule are shown exclusive of VAT, which will be due in addition.



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The Embark Pensions Flexible Income Pension Plan is a self invested personal pension provided and administered by Embark Services Limited. Hornbuckle Mitchell Trustees Limited are the trustee for the scheme.

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