



THE OPTION SIPP

Fee Schedule

Option SIPP Fee Schedule

We have tried to make this schedule clear but if you have any queries or suggestions please contact us on 01204 803500 or customerservices@embarkpensions.co.uk.

These fees will apply from the 6th of April 2018.

Just remember you only pay for the facilities you use!

- At outset both initial and annual charges are due.
- All fees are subject to VAT.
- Option SIPP fees are not prorated.

SET UP	INITIAL	ANNUAL
Membership to scheme*	-	£175
Transfer fee per company (including in-specie)	£50	-
Additional standard investment x 1	-	£25
Contributions via Direct Debit	-	£10

PROPERTY FEES (Only available for policies pre December 2018)

Per property (panel solicitor)	£500	£500
Per property (off panel solicitor)	£900	£500
Per property VAT reg	£100	£120
Additional member fee**	-	£50
Borrowing per member	£150	£120
Sale of a property	£250	-

TAKING BENEFITS

Benefit crystallisation event	£100	-
Drawdown or beneficiary's drawdown	-	£100
UFPLS payment x 1	£100	-
Early Drawdown/UFPLS payment	£100	-
Purchasing an annuity	£100	-
Death benefit lump sum	£100	-

TRANSFERRING OUT

SIPP closure	£100	-
Cash transfer to a UK pension scheme	£100	-
Cash transfer to an overseas pension scheme	£300	-
Transfer out in-specie (each asset)***	£50	-
Pension sharing order	£150	-

* this fee includes one standard investment, for example a DFM

**where more than one SIPP member is buying a property

*** this fee will be in addition to the cash transfer out fee

WHAT IS COVERED BY THE MEMBERSHIP TO SCHEME FEE?

This fee covers the establishment of the SIPP and includes the anti-money laundering check that we are required to carry out, the setup of the SIPP bank account with Metro Bank, the appointment of EBS Pensions Limited, trading as Embark Pensions as the scheme administrator and Embark Pensions Trustees Limited as the scheme trustee. The Membership to Scheme fee also covers the member making one standard investment using their SIPP funds e.g. a discretionary fund management account.

On an annual basis this fee will cover on-going administration by Embark Pensions including banking transactions, liaising with third parties, forwarding correspondence and producing illustrations and annual statements. Please note we will charge £100 plus VAT if we receive a paper application form where no information has been inputted online.

WHAT IS COVERED BY THE TRANSFER FEE?

The transfer fee covers all administration work which is required in order to receive the pension funds/assets from a transferring scheme based in the UK. This will be charged per transfer however if you have several policies and they are all with the same provider only one transfer fee will be charged. This fee will cover liaising with the transferring scheme, receiving and processing transfer paperwork, forwarding any relevant paperwork to the member and sending confirmation of funds received.

The transfer fee will remain the same regardless of whether the assets come across to us as cash or in-specie. In-specie meaning that the assets are transferred in their present form and not encashed.

WHAT IS A STANDARD INVESTMENT?

A standard investment is one which is FCA regulated or traded on a recognised exchange or market. It must be capable of being accurately and fairly valued on an on-going basis, readily realised whenever required and for an amount that can be reconciled with the previous valuation. The FCA has provided the following list of what they class to be a standard investment:

- Cash.
- Cash funds.
- Deposits.
- Exchange traded commodities.
- Government and local authority bonds and other fixed interest stocks.
- Investment notes (structured products*).
- Shares in investment trusts.
- Managed pension funds.
- National Savings and Investment products.
- Permanent interest bearing shares (PIBs).
- Physical gold bullion.
- Real estate investment trusts (REITs).
- Securities admitted to trading on a regulated venue.
- UK commercial property.
- Units in Regulated collective investment schemes.

NOTE 1: - A Standard Asset must be capable of being accurately and fairly valued on an ongoing basis and readily realised within 30 days, whenever required.

If you are unsure as to whether your chosen investment is standard or non-standard please do not hesitate to get in touch with us.

*subject to approval.

WHAT IS THE ADDITIONAL STANDARD INVESTMENT FEE FOR?

This is for any additional standard investments that the member makes in addition to the one included in the fee for membership to scheme. The fee covers processing the investment documents, making bank transfers and any on-going administration in relation to the investment including dealing with investment returns.

Please note however that our investment fee does not include any fees which may be charged by third parties, for example dealing fees.

Example: If you held two standard investments within your SIPP, you will be charged one additional standard investment fee (£25 plus VAT). If you held three standard investments within your SIPP, you will be charged two additional standard investment fees (£25 x 2 = £50 plus VAT).

DO YOU ACCEPT NON-STANDARD INVESTMENTS?

You will not be able to use your Option SIPP to invest in non-standard investments. For example, we cannot accept the following assets:

- Unquoted shares.
- Unregulated collective investment schemes (UCIS).
- Unregulated investments.
- Third party loans.

WHAT DO THE PROPERTY FEES COVER?

Please note that the property option is only available for policies taken out pre December 2018.

The property fees are charged per property. These are broken down as follows:

Initial Property Fee – This covers, but is not limited to, the appointment of solicitors, arranging surveys and reports to be carried out on the property, producing documents in relation to the purchase, arranging insurance, liaising with third parties, checking documentation is correct.

Annual Property Fee – This covers, but is not limited to, the on-going administration in relation to the property, the payment of any invoices, insurance administration, receiving rental payments and allocating them the correct account(s), rent reviews and arranging re-valuations.

VAT Registration – This includes contacting HMRC to opt the property for tax and then ensuring that any VAT paid in relation to the property is recorded and appropriately claimed back. It also includes receiving any VAT that is payable on the rent amount and allocating this to the correct account.

Borrowing - This includes arranging any borrowing which is required for a property purchase and checking any documentation in relation to it to ensure that it is in line with SIPP rules. It would also cover the making of loan repayments from the SIPP and any on-going administration in respect of the borrowing.

Please note that these are only our fees and that other fees may be applicable such as solicitor fees, surveyor's fees and other third party fees in relation to a property purchase.

Abortive property transactions will be charged pro-rata against the initial property fee.

WHEN WOULD FEES BE PAYABLE IN RELATION TO TAKING BENEFITS?

Benefit crystallisation event – every time funds are crystallised the benefit crystallisation fee will apply.

Drawdown fee - When the member starts to take benefits from the SIPP the drawdown fee will not be charged if they are just taking their pension commencement lump sum. As soon as the member takes any income from either capped drawdown fund or flexi access drawdown fund, the drawdown fee will be charged on an annual basis until the SIPP is closed or transferred out.

The drawdown fee covers any illustrations that have to be produced, the payment of the pension, the payment of any tax payable to HMRC and producing any relevant documents such as a P60.

For capped drawdown it will also include 3 year reviews of the pension as required by HMRC.

This will also apply for beneficiary's drawdown and successor's drawdown.

Purchasing an annuity – This fee covers corresponding with the annuity provider and arranging for funds to be transferred from the SIPP.

Death Benefits (lump sum) – in the event of the death of a member this fee would cover any administration required in relation to the death including the payment of any death benefits, the payment of any tax to HMRC and the closure of the account.

WHEN WOULD THE UFPLS PAYMENT BE CHARGED?

If the member decides to take a lump sum from the Option SIPP via an Uncrystallised Funds Pension Lump Sum (UFPLS), they will be charged the UFPLS payment fee.

WHAT IS THE EARLY DRAWDOWN/UFPLS PAYMENT FEE?

All drawdown and UFPLS payments are made on the 28th of each month. If you cannot wait until the 28th and would like an early payment, this is the fee that will apply.

WHEN WOULD THE SIPP CLOSURE FEE BE PAYABLE?

The SIPP closure fee is charged when the member empties their SIPP account through drawdown or UFPLS. Please note that these fees are in addition to the drawdown and UFPLS fees and will be deducted before the last pension payment.

WHAT DOES THE FEE FOR TRANSFERRING OUT COVER?

This fee covers processing the transfer out form and liaising with the receiving scheme, completing any documents required by the receiving scheme, sending pension funds and confirmation to the receiving scheme and closing the SIPP.

For any assets that are to be transferred out in-specie there is an additional fee due to the additional administration required, for example liaising with stockbrokers and re-assigning policies.

For a property to be transferred out in-specie the sale/transfer of a property fee would also be charged due to the additional work that would be required. This fee would cover, but not be limited to, the appointment of solicitors in relation to the transfer, liaising with external solicitors, banks and the administrators of the receiving scheme along with the completion of any transfer documentation required.

Please note that these are only our fees and that other fees may be applicable such as solicitor fees, surveyor's fees and other third party fees in relation to a property sale/transfer.

WHEN WOULD THE PENSION SHARING ORDER FEE BE CHARGED?

A pension sharing order is granted by a court in respect of divorce proceedings and means that a members pension benefits could provide a pension credit to be transferable to a spouse's pension. Our fee for this would cover the administration work involved in processing the pension sharing order and then arranging the payment of the pension credit.

SIPP BANK ACCOUNT INTEREST RATE

We use Metro Bank for transactional banking purposes. As part of our agreement with Metro Bank any cash deposits receive interest. Metro Bank pays us an additional rate above this to cover any transactional costs associated with the management of your account.

The rate we receive from Metro Bank can fluctuate therefore please visit our website for the current rates.

BANK CHARGES

These are not our fees but fees which are charged by Metro Bank in relation to the bank transfers. The fees are taken from the SIPP account and paid to Metro Bank.

We do not charge anything extra on top of these bank charges in relation to transactional fees.

BACs payment	£0
Faster payment	£0
CHAPs	£0
International payment	£25
Standing Orders	£0
Cheques/Standing Orders/Direct Debits returned unpaid	£25
Standing Orders Recalled	£5
Replacing Lost statement	£5

HOW WILL ANNUAL FEES BE COLLECTED?

We will retain the first years fees in your SIPP bank account and will organise a regular annual disinvestment if insufficient cash is left in the account to cover future fees.



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