Please read this document carefully so you fully understand the implications of any financial decisions you make. We will retain a copy for future reference. It may also help to refer to our online **glossary** for explanations of technical or unfamiliar terms. You can find it on **www.embarkpensions.co.uk/useful_document/sipp-glossary/**

KEY FEATURES

OF THE PRIVATE PENSION

embark pensions

keyfacts®

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The Financial Conduct Authority (FCA) is the independent financial services regulator. It requires us, Embark Pensions, to give you this important information to help you to decide whether the Private Pension 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.

This document explains how your pension works, your commitments and the risks involved in saving for your retirement. Before you complete an application form, you should also read the Terms and Conditions document and Fee Schedule and keep all these documents safe for future reference.

The Private Pension is a personal pension plan. It is intended to help you save and invest a sum of money to pay you a pension income, with or without an additional lump sum payment, when you reach your chosen pension age.

Embark Pensions do not give financial advice so if you are unsure whether this plan is suitable for your requirements, you should speak to a financial adviser.

The Private Pension provides a flexible pension offering to enable you to take control of your retirement planning. Unlike most traditional personal pensions provided by insurance companies, this pension gives you much greater freedom to choose your investments and how you take your benefits when it comes to your retirement.

We must point out that there are other personal pensions, such as stakeholder pensions, which are available and may be more suitable for your requirements. You must therefore be clear of your investment and retirement needs, and be satisfied that this is the best product for you. We require you to consult with a regulated financial adviser before taking out this product; Embark Pensions do not give financial, tax or investment advice.

ITS AIMS

The Private Pension is designed to:

- Help you save for your retirement in a tax-efficient way by making single or regular contributions, and/or transferring in other pension benefits from other providers.
- To make a wide range of investment options available to you.
- Give you the ability to make your own investment decisions, in conjunction with your investment manager or financial adviser, even when you are drawing an income.
- Provide you with a pension income, or a tax-free lump sum and a reduced income, when you reach your chosen pension age.
- Give you the option of either drawing a pension income directly from your plan or purchasing an annuity from an insurance company.
- Provide your beneficiaries with a lump sum or a pension income following your death.

YOUR COMMITMENT

Your commitments include:

- Appointing a financial adviser to advise you on whether the Private Pension is suitable for your financial needs, and to review the level of any contributions paid to ensure that the plan provides the level of income you require at your chosen pension age.
- Ensuring that you understand the features, benefits and risks of the Private Pension.
- Making a single or regular contributions to your plan, and/or transferring in retirement benefits from another provider.
- Maintaining a minimum cash balance of £1,250 in the plan's bank account at all times.
- Being responsible for investment decisions and regularly reviewing your investments either on your own, or with your investment manager or financial adviser to make sure they will meet your financial needs on retirement.
- Waiting until you are at least age 55 (unless you have a protected retirement age) before taking your benefits.
- Maintaining a sufficient cash balance in the plan's bank account to cover any income payments due when you choose to draw income from your plan.
- Informing us if contributions in a tax year exceed the annual allowance, determined by the Government, or your relevant UK earnings.
- Informing us if you cease to be entitled to tax relief; if you cease to be in receipt of relevant UK earnings; or your residency status changes.
- Providing us with all relevant information to administer your plan.

RISKS

General risks

The following risks apply when you are accumulating your pension fund:

- If you cancel the plan during the 30 day cancellation period, the money returned to your previous provider may be less then the money paid in if the value of any investments made during the period have fallen.
- By transferring savings from other pension schemes into your plan you may give up certain guaranteed benefits, which may not be matched by the benefits you receive from this plan.
- The plan is designed for you to invest your retirement savings so that you can grow your fund and meet your retirement needs. Holding large amounts of cash on deposit may effect your ability to grow your funds as inflation will have a greater impact on cash balances.
- Money held in your plan will be deposited in a default bank account, and is protected up to the limits set by the Financial Services Compensation Scheme (FSCS). If the bank providing the account goes into default and cannot fund the deposits in the account, you may not get back your full cash balance if it is higher than these limits.
- Pensions and tax legislation and tax rates may change and create additional tax liabilities on you or your pension fund.

Investment risks

Investment risks include:

- Some investments are higher risk than others and you should therefore understand the risk profile of the underlying investments. If you are unsure you should seek professional advice on selecting investments.
- The investment performance of the underlying assets may be worse than assumed in the illustration(s).
- Some investments may be harder to sell than others, such as commercial property, and you may not be able to sell them when you want to, for example when you want to take benefits. Full details of the risks of owning a property through your SIPP can be found in our Commercial Property Guide.
- If you choose to invest in assets with a low return (e.g. cash) it may be that your pension will need to be reduced in the future.

Income withdrawal risks

You should be aware of the following risks if you choose to draw an income direct from your plan:

- The level of income at retirement is not guaranteed and may be lower than illustrated if:
  - you take benefits earlier than planned;
  - you stop or reduce any regular contributions being paid;
  - the investment returns are lower than illustrated;
  - you purchase an annuity and the annuity rates are lower than illustrated;
  - product and/or adviser charges increase at a higher rate than illustrated (further details are available on page 6);
  - tax rules or legislation changes in the future;
  - gilt yields, which affect the maximum pension you are allowed to receive under capped drawdown, have reduced.
- High income withdrawals may not be sustainable, in other words the value of the remaining pension fund may not be enough to maintain income at your chosen level.
- Withdrawals from your plan are aggregated with any other income you may receive from other sources and impact your marginal rate of income tax.
- Your plan can be used to provide certain benefits on your death. Drawing a higher level of benefits from your plan will reduce the value of the plan and affect how much will be payable on your death.

YOUR QUESTIONS ANSWERED

What is a SIPP?

Your plan is a Self-Invested Personal Pension (SIPP), which is a type of personal pension plan that offers a greater range of investment options that are typically available under most personal pensions.

Like other personal pension plans, a SIPP is intended to pay you a pension income when you retire. You can also usually opt to take a lump sum from your plan in return for a reduced income.

The amount of benefits payable to you will depend on the value of your plan when you retire.

Who will administer my SIPP?

Embark Services Limited trading as Embark Pensions will administer your SIPP.

Who can pay into my SIPP?

You and your employer can pay contributions to your plan. There is no minimum contribution that you must pay.

Other third parties (for example, your relatives) can also pay into your plan, but for tax purposes the contributions are treated as having been paid by you.

Can the SIPP be used for auto enrolment?

The SIPP is not designed to be used to meet employers' obligations under auto enrolment legislation. If you are employed, your employer will need to make its own arrangements for auto enrolment.

What is the tax treatment of my SIPP?

SIPPs and other registered pension schemes are given certain tax advantages in order to encourage individuals to save for their retirement.

- Contributions you pay into your plan will normally attract income tax relief at the basic rate. This means that for every £80 you pay into the plan HMRC will pay an additional £20. If you are a higher or additional rate taxpayer, you will be able to claim further income tax relief using your Self Assessment tax return.
- The investments in your plan will grow free of income tax (with the exception of the 10% tax credit on UK dividends), and can be sold without incurring capital gains tax (CGT).
- When you take the benefits from your pension, you can normally take a quarter (25%) of the value as a tax-free lump sum. In some circumstances, a higher amount may be available. The total of all tax-free lump sums you can take from your pension plans will normally be capped at the Lump Sum Allowance, currently £268,275. If you have a protected tax-free lump sum or previously applied to HM Revenue & Customs for certain protections, you may be entitled to a higher amount.

  Any benefits taken in excess of this allowance will be taxable as income.

Are there any limits on the amount I can save into my plan?

You will only receive income tax relief on contributions you pay into your plan up to either the value of your annual earnings or the annual basic amount of £3,600 – whichever is higher.

You will be subject to an income tax charge, called the annual allowance charge, if the total contributions paid to all of your pension schemes for a given tax year exceeds the annual allowance. Details of the current annual allowance can be found at **www.gov.uk/tax-on-your-private-pension.**

The amount of the annual allowance charge is set at your marginal tax rate.

Finally, no tax relief is available on pension contributions paid after your 75th birthday.

I have savings in other pension schemes. Can I transfer these to my plan?

You can transfer the benefits you have accumulated under most other pension schemes into your plan. We require that before you do so you should take advice on the suitability of the transfer from your financial adviser.

Transferring your existing pension savings may mean giving up valuable guaranteed benefits available under your current pension scheme. There is no guarantee that the benefits you will eventually receive from your new plan will be higher, and they may be significantly lower.

When can I start to take benefits from my plan?

Generally speaking, you can start to take benefits from your plan from the Normal Minimum Pension Age (NMPA). However, you do not have to start taking your benefits when you reach this age.

When you open your plan you will be asked to nominate a retirement age, but you can change this later if you change your mind. We will write to you before your nominated retirement age to let you know what options you have under your plan. You do not have to stop working in order to start taking benefits from your plan.

Under some circumstances you may be able to take benefits from your plan before the NMPA.

You can take a pension before the NMPA if you become incapable of carrying on your occupation because of ill health.

If you are diagnosed with a terminal illness that means you have a life expectancy of less than a year, you can commute your pension benefits for a lump sum.

You may also be entitled to a pension before the NMPA if your plan has been accumulated using benefits that were built up under another pension scheme before 2006.

What benefits can I take from my plan?

You can usually take up to 25% of the value of your plan as a tax-free lump sum up to a maximum of £268,275 (unless certain protections are held). This is called a Pension Commencement Lump Sum (PCLS).

You may be entitled to a lump sum of more than 25% of your plan value if your plan has been accumulated using benefits that were built up under certain occupational pension schemes before 2006.

You can use the remainder of your plan to provide you with a pension income, called a drawdown pension. Your drawdown pension will be subject to income tax, and the amount of tax payable will depend on the amount of your pension income when added to your other taxable income.

Instead of receiving a drawdown pension, you can use the remainder of your fund to purchase an annuity from an insurance company. The amount of income payable to you will depend on the annuity rate offered by your chosen provider.

You can also use any part of your plan that is not in payment (or "uncrystallised") to pay an Uncrystallised Funds Pension Lump Sum (UFPLS). 25% of the lump sum is tax-free unless you have insufficient Lump Sum Allowance remaining, with the remainder subject to income tax.

Any sums paid in excess of the maximum £268,275 PCLS (unless protection held allowing a higher PCLS) will be charged at your marginal rate.

How will my plan be invested?

You can choose to invest your plan in a diverse range of assets, we allow investments into assets that meet the FCA standard asset criteria in accordance with IPRU-INV 5.9.1R and are capable of being accurately and fairly valued on a daily basis and readily realised within 30 days.

From 1 April 2024 we no longer allow any new instructions into non-standard investments other than certain cash deposits fixed term longer than 30 days. This includes top ups or roll overs into existing holdings of non-standard investments. If you already held a non-standard investment on 1 April 2024 then you can continue to do so.

We may require you to take advice from your financial adviser before investing in certain asset classes.

In addition we will allow certain commercial properties provided they meet our due diligence requirements. To ensure your property investment is protected, our block insurance policy is required for all properties.

If you are unsure as to whether your proposed or chosen investment will meet this criteria please discuss this with your Financial Adviser or get in touch with us.

You are responsible, along with your investment manager or financial adviser, for any decisions about how your plan is invested.

Should you make an investment into a product that is not permitted then we reserve the right to instruct such an investment to be sold without any notice to you or your Financial Adviser and for the proceeds of the sale to be returned to your SIPP.

How well your investments perform before and during retirement will determine the value of the benefits you can draw from your plan. It is important that the choice of investments in your investment portfolio reflects your financial needs and circumstances.

Please note that we are not regulated to give investment or financial advice. We do not accept any liability for any decisions relating to the purchase, retention and sale of the investments within your SIPP.

When you make contributions or transfers to your plan the proceeds will be held in cash in your plan bank account, unless you have given us an instruction as to how the money should be invested.

When will I receive a valuation of my SIPP?

You will receive a valuation at the anniversary of the establishment of your SIPP. Ad hoc valuations can be requested at any time. Please note that there may be a fee charged for an ad hoc valuation.

What happens if I die before age 75?

If you die before your 75th birthday the benefits in your plan can normally be paid tax-free to your beneficiary or beneficiaries. The benefits can be paid as a lump sum (or a number of lump sums) or a pension income.

What happens if I die after age 75?

If you die after your 75th birthday your plan can be paid as a lump sum or drawdown pension to your beneficiary or beneficiaries, but any payments will be subject to income tax at your beneficiary's marginal rate.

Note: The total of all tax-free benefits that can be paid from all of your pension plans, including death benefits, will normally be capped at the Lump Sum and Death Benefit Allowance, currently £1,073,100. If you've previously applied to HM Revenue & Customs for certain protections, you may be entitled to a higher amount.

Any benefits taken in excess of this allowance will normally be taxable as income.

How will my state pension benefits be affected?

If you reach state pension age on or after 6 April 2019 the additional savings you make into your plan will not affect your state pension.

If you reached state pension age before 6 April 2019 then your pension savings may have been taken into account when determining your eligiblity for Pension Credit.

For further information on how your pension savings may affect your state pension you should contact your financial adviser. You can also find further details on the Government's website.

Depending on what arrangements you reach with your financial adviser to pay them for their services, and on the investments you hold in your plan, your plan may be subject to a number of different charges.

CHARGES

Our charges

We will charge you fees for the setup and administration of your plan. These fees will be deducted from the cash held in your plan or, if there is not enough cash, we may arrange for the sale of investments held in your plan to meet the value of our unpaid fees.

We charge an annual administration fee, and additional fees may be incurred depending on the other services you use.

Bank of Scotland also pay us a variable rate of interest based on the money held with them in our pension plan bank accounts.

If you have a Bank of Scotland account in your plan, you can find details of the interest rate you will receive on our website at **embarkpensions.co.uk/banking-information**. You can also contact us for further information.

You can find copies of our latest fee schedules and explanations of what these fees are for at **embarkpensions.co.uk**.

Adviser charges

If you have agreed to pay your financial adviser a fee that relates to advice or other services they have provided (or will provide) to you concerning your plan, we can pay the fee to them directly from your plan.

We will require your agreement in order to facilitate the payment of a fee (or fees) to your financial adviser.

Investment charges

If you appoint an investment manager they may charge you a fee in relation to the management of investments that they make on behalf of your plan.

Charges may also apply to the individual investments in your plan (for example, a management charge applying to a fund levied by the fund manager), whether or not those investments are made by an investment manager on behalf of your plan.

For further details you will need to refer to your investment manager and/or the investment providers concerned.

YOUR RIGHT TO CHANGE YOUR MIND

Bank charges

Each of our plans has an instant access cash facility, whether as part of a pooled bank account or in an individual bank account for that plan. Certain transactions, such as the conversion of payments into a different currency, will incur bank charges that will be deducted from the cash held in the plan (or plans) to which they relate.

Cancellation rights

You have a 30-day right to cancel:

- Your SIPP application.
- A transfer from another registered pension scheme to your SIPP.
- Your first request for drawdown pension from your SIPP.

You should be aware that if you cancel any of the above transactions, any adviser fees already paid from your plan will not be included in the refund of contributions or transfer value. You may also be liable to pay any outstanding adviser charges.

Cancelling your SIPP

You have the right to cancel your SIPP within 30 days from the date we receive the application and a notice will be sent to you explaining this. If you wish to cancel your SIPP you will need to provide us with written confirmation and send this to them before the 30 days has expired.

If you cancel your SIPP any contributions made will be returned and if there are any funds that have been transferred into your SIPP during this period we will attempt to return these to the provider you have transferred from. We cannot guarantee this will be possible, as not all providers will allow funds to be returned. If the original provider will not accept the funds back we will allow you to transfer out of your SIPP free of charge if you have cancelled your membership within the 30 days.

If you have invested any funds within the 30 day cancellation period you may get back less than you originally invested. We cannot be held responsible for any loss.

We will refund any Financial Adviser charges that have been paid from your SIPP once they have been recovered. This means your Financial Adviser will not be paid for any advice they have provided. You may still be liable to meet these costs directly with your Financial Adviser.

Cancelling your pension transfer

If you exercise your right to withdraw from a pension transfer we will attempt to cancel or repay the transfer. However, the transferring scheme may refuse to accept the payment. It might therefore be necessary for you to transfer your funds to an alternative registered pension scheme. If the transferred funds have been invested during the 30-day cancellation period you may receive back less than the amount that was originally transferred.

You cannot waive your right to cancel a pension transfer.

Cancelling your drawdown pension

The first time you designate part or all of your pension benefits into flexi-access drawdown, you have the right to cancel the drawdown arrangement within the first 30 days. If you choose to cancel, any income you've received from your drawdown arrangement must be returned to us. If you've taken a pension commencement lump sum (PCLS), this cannot be returned to your pension or reversed. If you do not take steps to use the designated amount to provide alternative pension benefits (such as setting up a different flexi-access drawdown arrangement or purchasing an annuity) within six months, HM Revenue & Customs will treat the PCLS as an unauthorised payment, which will normally result in tax charges.

Adviser charges that have been paid from your pension cannot be refunded by us; any refund must be agreed directly with your adviser.

How to exercise your right to cancel

You may exercise your right to cancel by contacting us, quoting your name and plan reference. You must state whether you wish to cancel your plan, a specific transfer, or drawdown pension. To notify us by letter please write to the following address:

Customer Services Team
Embark Pensions
Provincial House, 37 New Walk
Leicester LE1 6TU

You can also cancel by calling us on **0344 544 0566** or by emailing us at: **customerservices@embarkpensions.co.uk**

Pension scams

Fraud and cybercrime are increasing problems in our financial landscape and none more so than pension scams. Fraudsters and their methods are becoming more and more sophisticated, which means it can be increasingly difficult to tell the difference between a genuine financial offering and a scam.

We take this threat very seriously and have invested in multiple electronic and procedural due diligence controls to help prevent pension fraud. Protecting our members retirement funds and managing this risk is integral to all areas of our business.

Please refer to **embarkpensions.co.uk** for further information.

OTHER INFORMATION

Financial Services Compensation Scheme (FSCS)

The FSCS is a scheme established by the UK government to provide compensation to customers if an FCA regulated financial services company is declared in default, and is unable to meet its financial obligations.

As a member of our scheme you may be entitled to claim compensation if the provider of the bank account or one of the investments held in your plan is declared in default.

You may also be entitled to claim compensation under the FSCS if we are declared in default, and we are unable to meet our financial obligations.

You can find further information about the eligibility conditions and compensation limits that apply to the FSCS at: **www.fscs.org.uk**

How to complain

Our aim is to provide you with excellent service at all times. However, we do understand things can sometimes go wrong. If this happens, we will do our best to resolve your concerns as quickly as possible.

If you have an issue with any aspect of our service you can raise your concerns with us, either in writing or by telephone. Embark Pensions is a trading name of Embark Services Limited.

Complaints Team
Embark Pensions
Provincial House
37 New Walk
Leicester
LE1 6TU

Telephone: 0344 544 0533
Email: complaints@embarkpensions.co.uk

What if you remain dissatisfied?

If you are dissatisfied with our response after eight weeks and your complaint relates to the administration or management of your pension scheme you can contact:

The Financial Ombudsman Service
Exchange Tower
Harbour Exchange
London
E14 9SR

Tel: 0800 023 4567
www.financial-ombudsman.org.uk

The Pension Ombudsman
10 South Colannade
Canary Wharf
E14 4PU

Tel: 0800 917 4487
www.pensions-ombudsman.org.uk

If you wish to refer your complaint to the Financial Ombudsman Service, you must do so within 6 months of the date of our final response.

This Key Features document is issued by Embark Pensions. Embark Pensions is a trading name of Embark Services Limited, a company incorporated in England (company number 02089815).

Embark Services Limited is authorised and regulated by the Financial Conduct Authority (register number 120820).

Registered office:
33 Old Broad Street
London
EC2N 1HZ

If your complaint relates to the advice or other services provided by your financial adviser, you should contact them so that they can respond in accordance with their own complaints procedures.

General

The Private Pension is governed by the laws of England and Wales. All parties shall submit to the exclusive jurisdiction of the courts of England and Wales.

All communications between you and us will be in English.

Full details of the features of the The Private Pension can be found in the Terms and Conditions.

The information contained in this document is based on our understanding of current law and HMRC practice, which is subject to change.

HOW TO CONTACT US

If you have any questions about the Private Pension you should contact your financial adviser in the first instance. If you feel that you need to contact us, you can do so by using any of the methods below.

Mail

Embark Pensions
Provincial House
37 New Walk
Leicester
LE1 6TU

Email

customerservices@embarkpensions.co.uk

Phone

0344 544 0566

Available Monday to Friday 9am to 5pm. Calls may be recorded for training purposes.

embark pensions

0344 544 0566

customerservices@embarkpensions.co.uk

Provincial House, 37 New Walk, Leicester, LE1 6TU

embarkpensions.co.uk

EBS Pensions Limited act as operator for the Option SIPP, Full SIPP, Liberty SIPP, EBS SIPP and EBS SAPPP. Embark Services Limited act as operator for the Hornbuckle Mitchell SIPP, Hornbuckle Mitchell Private Pension, Hornbuckle Mitchell FIPP, The Private Pension and the Freedom SIPP.

Embark Pensions is a trading name of EBS Pensions Limited and Embark Services Limited. EBS Pensions Limited is a company incorporated in England and Wales (company number 00998606) with its registered office at 33 Old Broad Street, London, EC2N 1HZ. EBS Pensions Limited is authorised and regulated by the Financial Conduct Authority (Financial Services Register number 134908). Embark Services Limited is a company incorporated in England and Wales (company number 02089815) with its registered office at 33 Old Broad Street, London, EC2N 1HZ. Embark Services Limited is authorised and regulated by the Financial Conduct Authority (Financial Services Register number 120820).

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