

Key Features of the Walker Crips SIPP

Introduction

The Financial Conduct Authority is a financial services regulator. It requires us, Walker Crips Pensions, to give you this important information to help you to decide whether our Walker Crips SIPP is right for you. You should read this document carefully so that you understand what you are buying, and then keep it safe for future reference. The document sets out the aims of the Walker Crips SIPP, what your commitments are once you have commenced the SIPP and then outlines certain risks you should be aware of. We have also included some questions and answers about the SIPP. Within this Key Features document we have indicated where you can obtain further information, where applicable.

The Walker Crips SIPP is a type of Registered Pension Scheme known as a 'Self-Invested Personal Pension', which allows you to make your own investment decisions. Please note, stakeholder pension schemes are generally available and might meet your needs as well as the Walker Crips SIPP.

Its Aims

- A means to save for your retirement.
- Control over how your investments are managed.
- Ability to invest in a wide range of investments.
- Tax relief on contributions paid in and tax efficiency on investment returns within The Walker Crips SIPP.
- The ability to continue to invest your pension whilst taking an income directly from the fund.
- The option to tailor retirement income to your needs each year.
- Flexible options for your dependants, in the event of your death.

Your Commitment

- You can set up The Walker Crips SIPP either by consolidating funds held under your existing pension plans, or by making contributions to the SIPP, or by a combination of the two.
- There is no commitment on your part to make contributions and no penalty for stopping or reducing contributions.
- You must leave your money in the SIPP with no access to that money until age 55 (the normal minimum pension age increases from age 55 to age 57 from 06 April 2028), at the earliest, unless you retire due to serious ill health.
- You agree to become a member trustee and to act in accordance with the trust deed and the plan rules both of which are available upon request.

Investments

- Walker Crips Pensions is prepared to consider investments that are unlikely to cause an unauthorised payment tax charge by HMRC. Investments which are not covered in the Walker Crips SIPP Permitted Investments List will be subject to stringent due diligence checks and procedures before making a decision on whether they can be held in your Walker Crips SIPP of which there will be an additional cost irrespective of the investment being permitted or not.
- All investments will be purchased only on receipt of written instructions from you or your nominated investment fund manager and will be subject to cleared funds being available. Walker Crips Pensions reserves the right to restrict the type of investments that can be held in your Walker Crips SIPP and to refuse to hold certain investments.
- All investments will be held jointly in the names of Ebor Trustees Limited and you as an additional trustee. Walker Crips Pensions reserves the right to sell any investment within the fund if it believes that the holding of the investment will jeopardise the tax-exempt status of the scheme.
- It is possible for The Walker Crips SIPP to enter into an investment transaction with you, or a person connected to you, although the transaction must be on commercial 'arms-length' terms.
- You will receive an annual valuation of your fund. Walker Crips Pensions can accept no responsibility for the performance of an investment held within the SIPP.

Risks

- Past performance cannot be taken as an indication of future performance. The value of your investments may go down as well as up. Income from investments can fluctuate and is not guaranteed. You may not recover the amount invested.
- Some investments, such as commercial property, may take longer to sell than other investments and you may not be able to realise your investments when you choose to. You should take this into account when you are reviewing your fund or planning to take benefits. The value of land and buildings is a matter of the valuer's opinion, rather than fact.
- Your benefits are dependent upon the contributions that you make and the age at which you commence drawing benefits. They will also be influenced by factors such as investment returns, interest rates, inflation, annuity rates, mortality and charges.
- If you transfer existing occupational benefits into The Walker Crips SIPP, you may be giving up the right to: a higher pension commencement lump sum, a guaranteed retirement income and increases once the pension is in payment. Where the value of an occupational transfer is greater than £30,000 the trustees of the transferring scheme will require confirmation that you have sought financial advice on the merits of the transfer. Walker Crips Pensions will not accept new business from an 'insistent client' ie where the client insists on a transfer out contrary to the advice which has been given.
- The tax benefits and legislation governing SIPPs may change in the future. The levels and rules for tax relief are based on our understanding of current HMRC law and practice, which is subject to change.
- We reserve the right to alter the charges for the Walker Crips SIPP. Amendments will be notified in writing, in line with the terms and conditions within the fee schedule which can be obtained from us directly or your financial adviser.
- A number of events could occur that may alter any personal illustration provided. You might receive a smaller pension if:
 - a) You take your pension earlier than expected.
 - b) You are unable to maintain contributions, either at the same level or at all.
 - c) Your investment growth is lower than projected/anticipated.
 - d) Annuity rates are lower than shown in the illustration at the time you retire. This could be due to either; interest rates at that time being lower than illustrated or, life expectancy, when you retire, being greater than assumed in the illustration.

Drawdown pension is the term used to describe drawing an income directly from your pension fund which remains invested and subject to fluctuation which may impact on the sustainability of your income in retirement.

- High levels of income drawn directly from your SIPP fund may reduce the fund value available for annuity purchase or to provide death benefits.
- High levels of income drawn directly from the fund are unsustainable if investment returns are low.

'It is essential to regularly review, make further decisions about, or take further actions during the life of the pension decumulation product. Therefore, it is important that you continue to take ongoing advice to consider if the product and level of income remain appropriate for you'.
- Annuity rates may fluctuate from the time you start drawing benefits from the fund, to the time when you may decide to purchase an annuity, which may reduce the level of income you ultimately receive from annuity purchase.
- Annuity funds benefit from the fact that some people die sooner than expected. This creates a 'mortality profit', which is used to enhance annuity rates. The potential benefit of this mortality profit may be lost by drawing an income from the fund, rather than purchasing an annuity. Note, whilst remaining in Drawdown your pension and underlying assets will remain subject to charges.

Questions and Answers

Who will administer the SIPP?

- The Walker Crips SIPP is established under irrevocable trust by a trust deed and rules and is registered with HMRC.
- The Provider, Scheme Trustee and administrator is Ebor Trustees Limited. The trustee is responsible for 'holding' the scheme assets on behalf of the SIPP scheme member and is responsible for paying the benefits in the event of retirement or death of the scheme member. The administrator oversees the day to day running of the SIPP in line with HMRC rules.
- Ebor Trustees Limited is authorised and regulated by the Financial Conduct Authority.

Who can apply for a SIPP?

- There is no minimum entry age for The Walker Crips SIPP. The parent/legal guardian of a member under the age of 18 will act on the members behalf in respect of all matters referred to within the Walker Crips SIPP governing documentation until the member reaches the age of 18 and is able to act for himself/herself.
- The Walker Crips SIPP is available to anyone who is a relevant UK individual – see the next question below;
- The Walker Crips SIPP is available to UK residents only.

Who is a relevant UK individual?

- An individual who has relevant UK earnings chargeable to income tax in the tax year of joining
- Or is resident in the UK at some point during the tax year
- Or was resident in the UK at some point during the 5 tax years immediately before the tax year in question and was also resident in the UK when joining the pension scheme
- Or for the tax year in question has general earnings from overseas Crown employment subject to UK tax or is the spouse of such an individual.

How much can I pay into the SIPP?

- There is no limit on the amount that may be contributed to a SIPP either by you, your employer or another person on your behalf, however, tax relief on contributions is not automatic.
- Provided you are a relevant UK individual, under age 75 and an active member of a 'Registered Pension Scheme' you are able to receive tax relief on your personal pension contributions up to 100% of your relevant UK earnings, or on contributions of up to £3,600 if your earnings are less than this. However, if the total contributions paid by you and your employer in any Pension Input Period exceed the Annual Allowance, £60,000 gross for the 2023/24 tax year, then the excess will be subject to the Annual Allowance Charge. In some cases the member may not be liable to the annual allowance charge if they are able to carry forward available unused annual allowance.
- Carry Forward Option - Where you were a member of a registered pension scheme but had not fully used your available annual allowance from the previous three years, you may be able to 'carry forward' that unused allowance. Please note, the carry forward facility is not available for members who have taken an income under Flexi-access Drawdown or an Uncrystallised Funds Pension Lump Sum (UFPLS).
- For high-income individuals (those with an 'adjusted income' of over £260,000 for the tax year and 'threshold income' of over £200,000), the annual allowance is tapered. For every £2 of 'adjusted income' above £260,000 the annual allowance is reduced by £1. The maximum reduction will be £50,000, meaning that someone with 'adjusted income' of over £360,000 for the tax year has an annual allowance of £10,000.
- If contributions to all your pension arrangements exceed the 'Annual Allowance', you will be subject to a tax charge equivalent to your highest marginal rate of tax levied on the excess, even if your employer made the contribution. You will need to declare this on your self-assessment tax return. The annual allowance for the tax year 2023/24 is £60,000 gross.
- Where you have taken an income under Flexi-access Drawdown or taken any Uncrystallised Funds Pension Lump Sum (UFPLS), (see later for conditions) the Annual Allowance for the tax year 2023/24 is reduced to £10,000 gross (Money Purchase Annual Allowance).
- If you are liable for an 'Annual Allowance Charge' and have not been issued with a personal tax return, you should notify your tax office of the position. In some circumstances, the tax charge may be paid directly from your SIPP fund.
- We will not accept contributions after you reach age 75.
- Walker Crips Pensions will claim basic rate tax each month and will pay this into the SIPP bank account. This tax reclaim will usually take around 7 weeks and you should note that the value of the reclaim can only be invested once it has been paid into your SIPP bank account and the monies have cleared. If you are a higher rate tax payer, the extra tax relief should be claimed directly by you from HMRC through your self-assessment tax return.
- Contributions paid by a third party (other than your employer) on your behalf are generally regarded as member contributions. This means that you benefit from basic rate tax relief due on the contribution, not the person who made the contribution on your behalf.

- If you have previously registered with HMRC to protect previously accrued benefits, if the protection you have is 'enhanced' or 'fixed' protection', provided this protection was applied for before 15 March 2023 and a certificate or reference number subsequently issued, from 06 April 2023 you can now make a contribution to any pension arrangement without losing this protection.

Are there any payments into my pension arrangements that do not count towards the Annual Allowance?

- Transfer values from other registered pension schemes.
- Where a divorce settlement results in pension credits payable from another registered pension scheme.
- Contributions paid in the tax year, in the year that you die, will not be tested against the Annual Allowance.

Can my employer pay into my SIPP?

- Your employer may make contributions on your behalf into the SIPP.
- Contributions paid by your employer are paid gross and your employer may receive tax relief. You will not be subject to any additional income tax as a result of your employer making contributions on your behalf (subject to the Annual Allowance).
- Employer contributions should be allowed as a deductible expense provided that they are wholly and exclusively for the purposes of the employer's trade.
- If the total of employer contributions, combined with your contributions to all pension arrangements exceeds the Annual Allowance in any 'Pension Input Period', the excess will be subject to an annual allowance tax charge as described previously.

Pension Input Period

- This is the period during which the total contributions for a pension are measured against the Annual Allowance. It will run from 6th April to 5th April ie, in line with the tax year.
- The Pension Input Period for The Walker Crips SIPP starts when the first contribution is paid.
- The initial Pension Input Period will end on 5th April.

Can I transfer my existing pension arrangements into the SIPP?

- It is possible to carry out a 'recognised transfer' of accumulated pension benefits from a Registered Pension Scheme to The Walker Crips SIPP.
- Benefits can be transferred in cash or as assets, provided that the assets are expressed as a monetary amount.
- All transfer cheques will be credited to the bank account. See section entitled 'Can I change my mind?' for further details regarding investment of transfer funds.
- It is possible to transfer all the funds/assets held under other Registered Pension Schemes from which you have started to take an income (partial transfers in this respect are not an option).

What charges do I pay?

- The fees are stated within the schedule of charges that can be obtained directly from us or from your financial adviser.
 - They are subject to VAT.
 - Walker Crips Pensions reserves the right to amend the fee structure at any time upon giving three months' written notice.
 - Fees will be paid directly from the pension fund, unless otherwise agreed in writing.
 - All external professional fees (e.g. for advice on property purchases) will be payable in addition and will be met from the fund.
- 'Note, underlying investment fees, ie fund management charges payable from the investments are in addition to the Walker Crips SIPP fees'.

What are the tax advantages?

- You will receive tax relief on personal contributions up to the Annual Allowance or 100% of your taxable pensionable earnings (whichever is the lower) or on contributions of up to £3,600 if your earnings are lower than this. The tax relief will always be at least basic rate relief but you could receive higher rate relief on some or all of your contributions.
- Should your employer decide to contribute to the SIPP, they may be able to claim relief against corporation tax.
- The fund will accumulate free of liability to personal UK Income Tax and Capital Gains Tax, however tax deducted at source from dividends on UK equities cannot be reclaimed.
- Lump sum death benefits paid are usually paid free from any Inheritance Tax. Uncrystallised lump sum death benefits are subject to income tax if the member has used up all of their lifetime allowance.

Does the SIPP operate a bank account?

- An individual bank account will be established with Cater Allen Private Bank on receipt of the completed application form and evidence of identity.
- Dependent on the prevailing interest rates all bank accounts will earn interest (gross) and you will be able to access the Cater Allen Private Bank account online (view only).
- Dependent on the prevailing interest rates Cater Allen Private Bank may pay an element of commission to Walker Crips Pensions in respect of sums deposited.
- You will be a joint signatory on the SIPP bank account.
- Sufficient funds will be retained in the bank account to cover income payments and fees.
- A minimum balance of £1,000 must be retained at all times.

What is the Lifetime Allowance?

- The lifetime allowance was a limit on the amount of benefits you could take across all your pension schemes before additional tax charges (known as the 'Lifetime Allowance Charge') would apply. The government abolished the lifetime allowance charge with effect from 06 April 2023.
- The government plans to abolish the lifetime allowance entirely from 06 April 2024.
- For the 2023/24 tax year the lifetime allowance remains in place and we are required to test the value of your benefits coming into payment against the lifetime allowance.
- The standard Lifetime Allowance for the tax year 2023/24 remains at £1,073,100.
- As a result of the aforementioned changes the maximum amount most members can take as a pension commencement lump sum will be £268,275, which is 25% of the current standard lifetime allowance of £1,073,100.
- Every individual will have a Lifetime Allowance for pension savings, which may be the standard Lifetime Allowance (LTA) or an allowance in excess of this (if, for example, you have opted for Primary, Enhanced, Fixed Protection or Individual Protection).
- When any form of benefits is paid from your Walker Crips SIPP (known as a 'Benefit Crystallisation Event'), your total pension funds from all your arrangements will be tested against your Lifetime Allowance.
- Any savings in excess of your Lifetime Allowance will be subject to tax at your marginal rate.
- Examples of Benefit Crystallisation Events are:
 - > Payment of a pension commencement lump sum, Uncrystallised Funds Pension Lump Sum (UFPLS)
 - > The designation of pension benefits for drawdown.
 - > Payment of a lump sum death benefit prior to drawing benefits.

- It is your responsibility to notify Walker Crips Pensions of any previous Benefit Crystallisation Events, which may have taken place through any of your other pension arrangements and the percentage of Lifetime Allowance that has been used up.

What options do I have on retirement?

- Benefits from the SIPP may be drawn at any time from age 55 (or earlier in cases of serious ill-health or if you have a protected pension age). **The normal minimum pension age increases from age 55 to age 57 from 06 April 2028.**
- You can take up to 25 % of your fund, below the Lifetime Allowance, as a pension commencement lump sum (2023/24 lifetime allowance £1,073,100).
- You can draw income directly from the pension fund as Flexi-access drawdown.
- You can draw income directly from the pension fund as Capped Drawdown (only available if it was in place before 6th April 2015).
- Uncrystallised Funds Pension Lump Sum (UFPLS)
- There is no age limit by which benefits must be drawn by.

The benefit options are outlined in the table below:

Option	From age 55 (the normal minimum pension age increases from age 55 to age 57 from 06 April 2028)
Pension Commencement Lump Sum	Up to 25% of your fund can be taken as a pension commencement lump sum (up to a maximum of 25 % of the lifetime allowance unless you have lifetime allowance protection).
Use your fund to 'buy' a lifetime or fixed term pension income, often referred to as a short term annuity	An annuity can be purchased, the amount of which will be determined by the value of your pension fund, interest and mortality rates and the type of pension benefits you are buying (e.g. an increasing or level pension and whether any guarantees or dependents benefits are included). If you are in poor health or have a lifestyle that could adversely affect your life expectancy (e.g. heavy smoker), then the annuity income could increase.
Capped Drawdown - draw a pension income directly from your pension fund (only available if it was in place before 6th April 2015)	You may withdraw an income within certain limits. The minimum income is zero, you could take up to the capped income limit that is linked to a rate set by the Government Actuary's Department (GAD). The current maximum rate is 150% of the GAD rate. In some cases uncrystallised funds can also be put into an existing Capped Drawdown arrangement.
Flexi-access Drawdown	The minimum income is zero, meaning you could take the tax free cash sum and then leave the remaining funds invested, or you could take an income of which there is no maximum limit. If you have taken any income under Flexi-access Drawdown then pension contributions of up to £10,000 gross per annum (Money Purchase Annual Allowance) can be paid. The carry forward facility is not available if you have taken any income under Flexi-access Drawdown.
Uncrystallised Funds Pension Lump Sum (UFPLS)	UFPLS allows you to take a single or a series of lump sums from that part of your Walker Crips SIPP which has not yet been crystallised (without having to select Flexi-access Drawdown). Usually, 25 % will be tax free and the remainder will be subject to tax that will be deducted under PAYE. If you have taken any UFPLS then pension contributions of up to £10,000 gross per annum (Money Purchase Annual Allowance) can be paid. The carry forward facility is not available if you have taken any UFPLS.
A combination of the above	You could take a combination of the benefits described above and you do not have to take benefits all in one go. The way in which you take benefits is flexible and can be structured to meet your individual requirements. Any income withdrawals will be subject to your highest rate of income tax.

What happens on death?

The table below outlines the various options available upon death of the scheme member:

Please note, the range of persons who can access death benefits has been widened to include not only dependants but also nominees and successors (a nominee is an individual that has been nominated by the member to receive benefits under the arrangement following the death of the member. To be a successor that individual must have been nominated by a dependent, nominee or other successor of the member to receive benefits under the arrangement following their death).

Age of Member on Death	Uncrystallised Fund	Crystallised Fund
Below age 75	Lump sum or Income death benefits can be paid completely tax free to any beneficiary (up to the deceased's available Lifetime Allowance). The benefit must be paid within two years of death otherwise the death benefits will be taxed at the beneficiary's marginal rate of tax.	Lump sum or Income death benefits can be paid completely tax free to any beneficiary – there is no Lifetime Allowance (LTA) test as this would have taken place when benefits were first taken. The payment of a lump sum must be made within two years of death otherwise the death benefits will be taxed at the beneficiary's marginal rate of tax.
Age 75 and above	Lump sum or Income death benefits will be taxed at the beneficiary's marginal rate of tax. There is no test against the LTA as it would have taken place at age 75 (if not before).	Lump sum or Income death benefits will be taxed at the beneficiary's marginal rate of tax. There is no test against the LTA as it would have taken place at the earlier of age 75 or when benefits are first taken.

- It is at the trustees' discretion as to whom any death benefit will be paid but we will take into consideration any expression of wishes.
- A lump sum may be paid to a registered charity tax free.
- On death before age 75, Uncrystallised Funds will be tested against the Lifetime Allowance (£1,073,100 2023/24 tax year).
- If a lump sum is chosen by your nominee it must be paid within two years of your death.
- Uncrystallised Fund - If flexi-access drawdown is chosen by your nominee the benefits must be designated for flexi-access drawdown within two years of your death.

Can the Walker Crips SIPP borrow funds?

- The Walker Crips SIPP can borrow funds to enable the scheme to purchase an asset.
- The Walker Crips SIPP may borrow funds from any individual, company or financial institution, whether they are connected to the scheme or not. However, any borrowing from a connected party, which is not made on commercial terms, will be subject to a tax charge.
- The Walker Crips SIPP can borrow up to 50% of the net value of the fund.

There is no requirement for The Walker Crips SIPP to offer its assets as security for any loan, however you may find that this forms part of the lender's decision when considering their lending terms.

Can I change my mind?

- When taking out a Walker Crips SIPP, you are given Statutory rights to cancel your membership of the pension scheme within a 30 day period. This is to give you a period of reflection in which to change your mind.
- When we accept your application to set up a Walker Crips SIPP, we will issue a cancellation notice to you that gives you details of how the plan can be cancelled (unless you have waived these rights in your application form). The 30 day cancellation period begins on the day you receive the cancellation notice from us.

- If you cancel your Walker Crips SIPP, any money less any fall in the market value of investments made will be returned by us to the person or organisation that made the original payment.
- If you cancel your plan after a transfer payment has been received from another scheme, we will attempt to return the amount of the transfer less any fall in the market value of investments made, to the original pension scheme. However, the original scheme is not obliged to accept the transfer back and may refuse to accept the repayment or only accept it on different terms to those which applied before the transfer. If the original pension scheme refuses the repayment, the funds must be transferred to another registered pension scheme.
- Where 'in specie' transfers are involved, no changes to the ownership of the assets will be made until after the cancellation period has expired, as this could incur third party fees eg where property is being transferred.
- If a transfer originates from a defined benefit pension scheme, we will not request the funds until the cancellation period has expired. However, we cannot guarantee that the transfer value will not expire during the cancellation period.
- Where any Adviser Charges have been paid from your Walker Crips SIPP, we will request repayment from your Financial Adviser, but we will not be responsible or liable to you or your SIPP if these are not repaid by your Financial Adviser.
- If you wish to cancel, you should complete the cancellation notice, or write to us at the following address:

Walker Crips Pensions
Apollo House
Eboracum Way
YORK
YO31 7RE

- If you do not wish to cancel the contract, simply ignore the cancellation notice(s). After this, you can normally only gain access to your pension benefits from age 55 (the normal minimum pension age increases from age 55 to age 57 from 06 April 2028).
- Your right to cancel will remain unaffected if any circumstances beyond your control arise that makes it impossible for you to enforce that right.
- Please ensure that you tick the appropriate box at the end of the application form to indicate whether or not you wish to waive your right to cancel the plan. Please note, cancellation rights cannot be waived for transfers.

Can I change my mind when electing to take benefits?

- When first electing to take benefits from your Walker Crips SIPP, Walker Crips Pensions will send you a cancellation notice.
- You will have 30 days from the date of receipt of the cancellation notice, to reflect upon your decision and in which to change your mind about taking income.
- If you decide to cancel your election to take income withdrawals, you should complete the cancellation notice or write to us at the following address:

Walker Crips Pensions
Apollo House
Eboracum Way
YORK
YO31 7RE

- If you decide to cancel, you must immediately return the full amount of any pension commencement lump sum and income you may have received.
- After cancellation, if Walker Crips Pensions are instructed to re-invest the pension commencement lump sum and income in the same investments that the money originally came from, you may receive less units/shares because of transaction costs or upward movements in prices. In some cases it may not be possible to re-invest in the same investments the money originally came from.
- Where Walker Crips Pensions incurs administration and/or legal costs in recovering the pension commencement lump sum and income, you will have to cover the amount of any such costs to a reasonable level.
- If you choose to cancel your election to take income withdrawals, this will not affect any instructions you send us in the future about taking income withdrawals.
- If you do not wish to cancel your election to take income withdrawals, simply ignore the cancellation notice.

What do I do if I have a complaint?

- If you have a complaint regarding the administration of The Walker Crips SIPP, your complaint should be addressed to:

The Group Compliance Manager,
Walker Crips Pensions
Apollo House
Eboracum Way
YORK
YO31 7RE

- A copy of the complaints procedure is available on request.

If you are not happy with our response and you wish to take the matter further you can refer it, without giving up any other rights you may have, to any of the following:

- Financial Ombudsman Service, Exchange Tower, London, E14 9SR;
Telephone number: 0800 023 4567;
www.financial-ombudsman.org.uk
- Pensions Ombudsman, 10 South Colonnade, Canary Wharf, E14 4PU;
Telephone number: 0800 917 4487;
www.pensions-ombudsman.org.uk

Legal Information

- The Walker Crips SIPP is governed by the law of England and Wales.
- The Walker Crips SIPP is subject to the Financial Services Compensation Scheme (FSCS) and compensation may be available from the FSCS if Walker Crips Pensions cannot meet its liabilities in respect of the product.
- The Walker Crips SIPP is a regulated investment as defined by the Financial Services and Markets Act 2000.

Walker Crips Pensions

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