

This document is for Investment Professionals only and should not be relied upon by private investors.

# Recommending our pension

Supporting  
you in your  
due diligence  
process

**Adviser Solutions**



# Choosing the best retirement solution for your business

In a world of pension flexibility and freedom, selecting the right pension product for your firm is more important than ever before. Since its introduction in 2013, our pension has grown significantly and has benefited from a continuous programme of enhancements. We believe it offers you a flexible solution for your clients – both pre- and post-retirement.

In order to help you in your due diligence process, we have produced this document covering the reasons why you can recommend our pension to your clients. It complements the more detailed Product Specification which is also available on our website.

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### Financial strength and private ownership

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When you recommend our pension to your clients, you have the reassurance of knowing that it is offered by one of the largest platforms in the UK. As a pioneer in this field, we have over 20 years' experience in providing the products, infrastructure and support your firm needs to work efficiently, save time and reduce costs.

- Today we are trusted with the administration of over £46 billion of clients' assets<sup>1</sup>.
- We are an experienced administrator of retirement solutions and have been operating in the Defined Contribution (DC) pensions market since 1994.

We are fortunate to be owned and backed by Fidelity International – a private, global asset management company which has demonstrated its commitment to the sector by establishing investment platform businesses in many markets around the world.

With such experience, scale and support, we have committed to a multi-year investment programme. This is designed to enhance our proposition, services and usability here in the UK even further and our pension is at the heart of this development. We are also passionate about delivering an ever-improving experience to all our clients. To achieve these aims, we will continue to dedicate ourselves to developing new services that will help advisory firms achieve their business goals now and in the years ahead.

### Awards and recognition

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As a longstanding investment and retirement platform, we're committed to building long-term relationships with advisory firms no matter which model they operate under. Making advisers' lives easier and their firms more efficient is at the heart of what we stand for. We're very proud to have received a number of accolades and top ratings in recent years, these include:

- Defaqto 2024 Gold Platform Service
- Defaqto 2024 Gold Pension Service
- AdviserAsset 2024 Platinum rating (nine years in a row)
- Best Pension for Advisers 2023
- 2023 NextWealth Digital Process Champion Seal
- Professional Paraplanner 2023 awards
- Platform of the Year 2021
- UK Platform Award 2023 - Leading Innovation Award

Further information on award and recognition can be found [here](#).

### About our pension

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#### Scheme structure

The pension is a trust-based pension. Financial Administration Services Limited act as the scheme administrator and FIL SIPP Trustee (UK) Limited is the scheme trustee.

Within the pension a client may have a pension savings account (or uncrystallised account) into which all their regular and single payments will be paid. Depending on the benefits they decide to take, they may also have one or more than one pension drawdown accounts. Each of these accounts will have a different account number.

Cash may be held within each pension savings account and pension drawdown account. These are not designated bank accounts. All transactions will filter through the cash within each account. This does not necessarily require maintenance as natural dividends from funds can flow into cash within the account to offset charges or drawdown income. If there is insufficient cash available, we will sell some of your client's investments, and we will follow your choice wherever possible.

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1. Source: Fidelity as at September 2023.

### Contribution levels

Your clients can start contributing to our pension from the following amounts, which can be accepted from the client themselves, their employer or a third party:

- Regular – £50 gross a month
- Lump sum – £1,000 gross
- A pension transfer – £10,000
- A pension re-registration – £50,000

Once an account has been opened, a client can make top ups from:

- Regular – £50 gross a month
- Lump sum – £1,000 gross

For drawdown arrangements the minimum amounts are as follows:

- To open a flexi-access drawdown account, and going into immediate drawdown – £50,000

Your clients can stop, restart, increase or decrease their contributions without penalty or charge whenever they wish (subject to the minimum opening account limits).

### Pension transfers

Your clients can transfer most existing pensions to us – our only requirement is that the value of a cash transfer should exceed £10,000. The assets in the existing pension can be sold and the proceeds transferred to us as cash.

To make the transfer process as quick and simple as possible, we use the Origo Transfer Service to conduct the transfer for you. This means there is less paperwork for you to complete and clients are not out of the market for a significant amount of time.

If the funds in the existing pension are available on our Platform, you also have the option of moving the pension into the same funds through the re-registration process. The minimum transfer value is £50,000 for re-registrations.

You can track pension re-registration/transfer cases at every stage of the process via our online 'Instruction and Transfer Tracking' service. This service also allows you to turn on email alerts that will notify you of a change in the application's status, allowing you to keep your clients updated. In addition to the 'Instruction and Transfer Tracking' service we also have a 'Pension Transfer Status' report that is available through our Reporting Services' facility. This also lists whether any documentation is required to complete the process.

### Drawdown to drawdown transfers

We can also accept transfers from pension schemes already in drawdown. Each crystallised pension which is transferred to our pension will be held in a separate account. You can move your clients' existing drawdown accounts to us through an online process. These can be completed without the need of a client signature.

### Immediate drawdown

Clients are able to enter into drawdown immediately following the transfer of a pension to us. Transfers for immediate crystallisation can be arranged online.

### Charging structure

Our low charging structure is designed to be as simple and transparent as possible:

- No set-up or annual administration charges
- No annual administration charges for income drawdown
- A Service Fee of just 0.25% a year (charged monthly in arrears)
- An Investor Fee of £45 a year (£3.75 collected monthly in advance)<sup>2</sup>
- No charges for transferring out.

All charges will be paid from cash within the pension. If there is insufficient cash available, we will sell some of the investments, and we will follow your choice wherever possible. After that other investments may be sold, starting normally with the largest investment in the account. We will try not to sell investments that carry dealing charges like exchange-traded investments, unless they are the only investments held.

### Investment options

Our investment range provides you with extensive choice whether a client is building their pension pot or taking benefits in retirement:

- You can select from over 7,000 investment options, including company shares, investment trusts and ETFs
- Our range includes a wide selection of low-cost passive and multi-asset investments as well as over 880 sustainable investments
- Cash can be held within each pension account (this can be used if a client wishes to switch some or all of their pension savings into cash for tactical or strategic reasons).

This range is designed for all adviser investment models, whether you construct bespoke portfolios, use model portfolios, utilise a Discretionary Fund Manager or use a centralised investment proposition. We pay interest on any cash held by your client, further details on interest rates can be found [here](#)

You can change investments at any time.

To help you identify the investments options available on the platform for your clients, we have two tools available:

- Investment Finder - enables you to sort, filter, and compare a wide range of investment options, including company shares, investment trusts and ETFs
- Sustainable Investment Finder - is designed to make the process of selecting sustainable funds easier. Browse funds by category or search for a specific fund, to identify potential fund solutions, whatever a client's sustainable outlook may be.

### Model portfolios

Our Model Portfolio Centre allows you to create bespoke portfolios of up to 50 investments, taking into account the client's attitude to risk and whether they require growth or income. The portfolios can be set up for your entire firm to use or can be tailored for individual adviser or client requirements.

A rebalancing tool is also available which can be used on all client accounts once they are assigned to a portfolio. This allows you to re-adjust client portfolios online in a timely manner in order to meet changing needs or goals or to react to market volatility. You have the option of rebalancing individual client portfolios or bulk rebalancing.

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2. The Investor Fee will only be deducted from the pension if it is the only sole account held by the client.

### Adviser fees

Our Adviser Fees service has a number of different options to suit your business. You can take:

- Initial fees on single and regular contributions, cash transfers and one-off crystallisations
- Ongoing fees
- Specified (one-off) fees
- Fees as either a percentage or a fixed monetary amount.

We collect your fees on your behalf and make a consolidated payment to your bank account once a month. Adviser fees will also be paid from cash within the pension. If there is insufficient cash available, we will sell some of a nominated investment if one exists. After that other investments may be sold, starting normally with the largest investment in the account. Again we will try not to sell investments that carry dealing charges like exchange-traded investments, unless they are the only investments held.

### Management information

Our Reporting Services facility enables you to find data and client information quickly and through a simple online process. Each report is designed to help you manage your business more efficiently.

The 'Pension Transfer Status' report, for example, allows you to view and track the status of all in-bound client pension transfers from other providers. The report also identifies whether any documentation is still required to complete the transfer. Other reports available for our pension include:

- Holdings – full reporting of all client holdings
- Transactions – lists details of recent transactions to enable you to check, for example, charges and fees
- Adviser Fee payments – to support the payment and reconciliation of your fees
- Adviser Fee rates – lists all client accounts set up with an ongoing fee, at what rate and where the deductions will come from
- Portfolio valuations – an overview of your total client holdings
- Client list – details all current clients and the number of active accounts held
- Fund availability – lists all funds currently available on our platform
- Agency list – details all branches that are linked to a unique adviser number (UAN)
- Web access – enables you to keep track of users set up under an agency number and ensure that they have the correct permissions
- Regular Savings Plan – allows you to track how many payments have been made, the current amount and when the next payment is due
- Pension summary report.

You can specify which reports you receive and their frequency. They are compatible with most database and spreadsheet programs. The reports are held on a secure site to ensure your clients' data remains confidential.

For more details on our management information reports, please download our ['Reporting Services'](#) user guide.

### Post-retirement options

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#### Withdrawals

Typically from the normal minimum pension age (unless a client has a lower protected pension age), clients who have taken advice have the following options for making withdrawals from their pension. They can also use their pension pot to secure a guaranteed income on the open market or withdraw the whole amount as cash.

#### Income drawdown

Flexi-access drawdown is available to all pension clients. They are able to take unlimited withdrawals up to the maximum value of their pension plan. Income can be taken as one-off, or as regular payments, monthly, quarterly, half yearly or annually.

We also support clients with existing capped drawdown arrangements as long as they remain within the income limits. Clients can request to convert their arrangements to flexi-access drawdown with no additional costs.

We make no additional annual administration charges for clients in income drawdown above the standard platform fees.

#### Pension Commencement Lump Sum (PCLS)

When accessing their unused pension benefits they can take up to 25% of those benefits tax free, so long as it does not exceed their available Lump Sum Allowance (LSA), with a balance of 75% allocated as a drawdown pension. The standard LSA is £268,275. Clients with protected tax-free cash rights may be able to take a higher percentage.

#### Uncrystallised Funds Pension Lump Sums (UFPLS)

Clients also have the option of taking uncrystallised funds pension lump sums from our pension. The first 25% of every withdrawal is tax free as long as this amount is not higher than the LSA. The standard LSA is £268,275. Clients with protected tax-free cash rights may be able to take a higher percentage.

#### Phased drawdown

Clients can also choose to enter into phased drawdown where their pension pot is crystallised monthly, quarterly, half yearly or annually based on the frequency chosen online. In order to phase, or drip feed into drawdown, this is completed by partial crystallisations.

#### Small pots

Clients are also able to take advantage of the rules relating to small pension pots. If their pension is valued at no more than £10,000, the whole amount can be withdrawn as a lump sum (assuming no more than two personal pension pots have previously been taken in this way). The first 25% of the lump sum will be tax free.

Taking a small pot does not trigger the client's Money Purchase Annual Allowance.

#### Investment options

Our investment range with over 7,000 options is available to clients who stay invested post-retirement. Options include a wide range of income investments including bond, equity income and multi-asset income funds from a broad range of providers. It is also possible to hold cash within a pension account.

### Adviser fees

The full range of fee options are available to you when your clients stay invested post-retirement. This includes ongoing fees and specified (one-off) fees where advice is given but no new money is invested.

### Flexible options on death (or in ill health)

The death benefits payable from a pension will depend on the client's age when they die. Payments are at the trustee's discretion, although they will carefully take account of the client's Expression of Wish form. We offer flexible death benefit options, including nominee's drawdown and our Expression of Wish form includes nominee options.

#### Where the client is under the age of 75

The remaining pension account value can be:

- Paid out as a tax-free lump sum (subject to any applicable tax-free cash allowances)
- Used to pay out tax-free income withdrawals to the beneficiary
- Used to offer a combination of the above.

#### Where the client is over the age of 75

The remaining pension account value can be:

- Paid out as a lump sum subject to the beneficiary's marginal rate of income tax
- Used for income withdrawals, which will be taxable at the beneficiary's marginal rate
- Used to offer a combination of the above.

The above descriptions apply where death benefits are paid or a designation is made within two years of us being notified of the customer's death. Where benefits are paid or a designation is made after two years of us being notified, different conditions will apply.

#### Payment of serious ill health lump sum

If a client is suffering from a serious health condition, they may commute any pension held under the scheme and receive the entire benefit entitlement as a lump sum. The amount that can be paid tax free will be limited by their available Death Benefit Allowance (LSDBA). The standard LSDBA is £1,071,300. This is possible where specific criteria are met and the condition is verified by a recognised health professional.

#### The Pension – Expression of Wish and Nomination Form

An Expression of Wish and Nomination Form and a helpful guide on its use can be downloaded from the ['Help & Support'](#) area of our website, once you have logged in. You can also complete an online Expression of Wish and Nomination Form on behalf of your client, without the need to send us any paperwork.

### Platform integration

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The pension is fully integrated into our platform. This means you can use all the platform's features and tools when administering your clients' pension accounts, saving you both time and money. For example, you can conduct all the following tasks online:

- Produce pre-sale and post-sale illustrations
- Buy and switch pension investments whenever you wish
- Set up and manage regular and one-off tax-free and taxable income instructions for drawdown accounts
- View client pension holdings alongside all their other investments
- Create your own model portfolios through our Model Portfolio Centre
- Ensure portfolios stay in line with client goals by using our rebalancing tool
- Analyse client holdings with Portfolio X-Ray™
- Utilise our 'Client reporting' facility which gathers all the information needed for a client review in one convenient place
- Generate an income report that provides a comprehensive breakdown of all natural income payments (including any interest paid on cash holdings), generated from any income investments held by your client on the platform
- Your clients can view their holdings and documents via the Fidelity APP, which can be download to their mobile devices.

The pension also provides access to comprehensive management information (please see page 7 for more details).

### Support for practitioners

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#### Literature and sales materials

A full range of supporting product literature is available for our pension. This includes the following items which are available for download from our website:

- Adviser Guide – an introduction to our pension
- Client Guide – covering all your clients need to know about our pension
- Product Specification – the detailed information on investing and taking benefits from our pension
- Product Summary – the key information at a glance
- Disclosure materials
- Application forms where applicable
- Withdrawal Options factsheet – outlining the features of the various withdrawal options.

We also support you in your promotional campaigns by providing suggested wording for marketing letters to clients. These paragraphs summarise the benefits of savings within a pension as well as highlighting the many compelling features of our pension. You can find these paragraphs in the appendix of this document.

Many of these items are also available for download in pre-printed form [here](#).

### Technical support

Our website provides an array of insightful material to support you in navigating the complexities of retirement planning and the more complex areas of pensions. These include videos and factsheets on areas such as pension death benefits and tax relating to pension withdrawals.

We also provide a comprehensive range of videos to support individuals either studying for pension or personal tax and trust exams or who simply want to build their knowledge. Each video covers the learning outcomes from the CII exam syllabuses.

You can find all our support materials at [fidelityadvisersolutions.co.uk/technicalmatters](https://fidelityadvisersolutions.co.uk/technicalmatters)

### Events and seminars

Our practitioner support also embraces a nationwide event programme covering issues such as tax and pension planning. We are an endorsed CPD provider and advisers attending our seminars will receive structured CPD accreditation.

### Financial planning made simple

We've partnered with leading Canadian Fintech company, Conquest Planning, to exclusively distribute its state-of-the-art financial planning software to the UK IFA market. Conquest Planning not only enables you to quickly build accurate financial plans in collaboration with your clients, it's designed to intelligently work with you to find the optimal path for each client. A unique feature of the software is a digital assistant – Strategic Advice Manager – that leverages Artificial Intelligence to instantly illustrate the impact of different scenarios on the client's goals.

Simply visit our website to find out more: [conquestplanning.fidelity.co.uk](https://conquestplanning.fidelity.co.uk)

### Other support

Our focus is on providing first class customer service. We always aim to be within easy reach and we want to make sure you get the support you need quickly and easily.

Our professional, highly-qualified team includes:

- **Paul Squirrell, Head of Retirement and Savings Development, Regional Business Development Managers and Business Development Executives** – supporting key relationships with their day-to-day requirements to support their firms' and their clients' needs.

AdviserLine (0800 41 41 81 between 8.30am and 5.30pm on any business day) – our Customer Account Executives will be pleased to assist you with any queries relating to your clients' accounts, general web support and any client-related questions where you are unable to find the answer online.

### Comparison due diligence and comparison tools

To help you in your due diligence process, our pension is featured on all the following independent due diligence and comparison tools:

- AdviserAsset
- Defaqto Engage
- Dynamic Planner
- Lang Cat Platform Analyzer
- O&M Pension Solutions
- O&M Systems
- Selectapension
- Synaptic Comparator

## Appendix

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### Create your own marketing letters for our pension

Create a marketing letter to be used with our pension client guide, 'Helping you grow your retirement income'.

To help you create your own pension prospecting letter for clients, why not make use of the sample wording below, which can be used in conjunction with our pension guide for clients. We have highlighted the benefits of investing in a pension from a client perspective, but please remember any recommendation to invest remains with you. Please also note that it is down to each individual adviser firm to ensure that correct disclosure material has been provided to the client and that the final letter adheres to the regulations/guidelines laid down by the Financial Conduct Authority.

#### 1. The importance of pension planning

Making sure you plan for your retirement is essential. If you don't, you could find yourself working for longer than you anticipate, particularly if you are affected by increases to the State Pension Age. A pension is designed to provide you with an income during your retirement and is split into two stages – saving and retirement.

While saving, you should aim to increase the value of your pension as much as possible, and when you retire you can use the money you've saved to take a tax-free cash sum and to generate income – either by purchasing an income for life, known as an annuity, or drawing an income from your pension savings whilst leaving the rest to grow, known as pension drawdown.

#### 2. The advantages of saving in a pension

The government encourages you to save for your retirement by giving tax relief on pension contributions. For a basic rate tax payer, for every £100 saved, the cost to them is just £80 as the government puts in 20%. At present this benefit is even greater for people in the higher income tax bracket, although this may change in the future. This tax relief is a great help in building up your pension pot prior to retirement and means you are getting more for your money while you are saving.

#### 3. Finding the right pension for you

To make the most of your savings over the long term, you need a pension that offers a wide choice of investments, competitive charges and flexibility in both the saving and retirement phases of your life. I've found that this pension delivers all these things, which is one of the reasons why I am recommending it to you.

#### 4. Cost-effective investing

##### **Paragraph for clients already paying an Investor Fee on another sole account on the platform**

With no set-up or annual administration charges, this pension is one of the most competitively priced retirement savings products available. The only charges you will pay are an annual Service Fee of 0.25% (calculated against the value of the investments in your pension) and the ongoing charges for the funds in which you invest. There may also be a charge if you choose to invest in funds that have different buying and selling prices (known as dual priced funds), if a fund manager levies buy and sell charges or when buying or selling exchange traded investments.

##### **Paragraph for clients with no other assets on the platform**

With no set-up or annual administration charges, this pension is one of the most competitively priced retirement savings products available. The only charges you will pay are an annual Service Fee of 0.25% (calculated against the value of the investments in your pension), an annual Investor Fee of £45 (£3.75 collected monthly) and the ongoing charges for the funds in which you invest. There may also be a charge if you choose to invest in funds that have different buying and selling prices (known as dual priced funds), if a fund manager levies buy and sell charges or when buying or selling exchange traded investments.

### 5. Don't pay anything to move to different investments

What's more, if over time, we decide to change the funds in which you invest, this pension allows you to do so quickly and cost effectively. You can switch between funds free of any charges, allowing you to stay in control of your investments and adapt to the changing markets and your own goals. Furthermore, you also have the flexibility to redirect future payments, without charge, into a different fund should we decide this to be in your best interests. There may, however, be a charge if you choose to invest in funds that have different buying and selling prices, known as dual priced funds, if you choose to invest in funds where fund managers may levy buy and sell charges, or when buying or selling exchange traded investments.

### 6. Flexible contribution options

The pension offers complete payment flexibility. You can pay regular monthly, quarterly, half-yearly or yearly contributions and single one-off payments. If you choose to pay regular contributions you can stop, reduce or increase them (within limits) without extra costs or penalties. This gives you the reassurance of knowing you can change how much you are contributing if your income or circumstances change. Additionally, if you have built up retirement savings with another provider, you may also transfer these in. If you are employed, your employer may also pay into your account, as can other people such as relatives.

### 7. Cash within the pension

Fidelity's pension allows you to hold cash within each account which enables you to more easily manage your contributions, investments and any fees. Cash within an account can also be used, if necessary, to shelter your savings from periods of stock market volatility. Fidelity does not charge a service fee on any cash held within a pension account and any cash held will accrue interest. In addition, if when you reach retirement you wish to take income from your pension, this will be paid from cash first. We can discuss how you wish to maintain the balance in this account.

### 8. Flexible benefit options, more choice in retirement

In recent years, budget changes have had a significant impact on the decisions you face at retirement. These changes have provided greater flexibility and choice than ever before, putting you in control of your retirement. Put simply, anyone at or over the normal minimum pension age can take as much of their defined contribution pension savings as they like – when they like. This is good news. It means we can now design a retirement plan that's right for you and right for your family.

You can choose from a combination of:

- lump sum withdrawals (with 25% tax free up to the lump sum allowance)
- income withdrawals using pension drawdown
- various annuity options

We can discuss this in more detail and what options are suitable for you nearer your retirement age.

### 9. Passing on your pension to loved ones

A pension can also be a tax-efficient way of passing on your savings to your loved ones. If you die before age 75, your beneficiaries can receive your pension pot free of any tax as a lump sum (subject to the Lump Sum and Death Benefit Allowance (LSDBA)), or as an income which is not restricted.

If you die after the age of 75, your beneficiaries will be taxed at their marginal rate if they take an income or lump sum from your pension pot.

### 10. Further information I hope you find this information useful.

Please take a look at the enclosed guide, 'Helping you grow your retirement income', which explains the details about the pension. If you have any questions before we speak again, then please contact me.

Need further information  
on our pension, simply visit  
[fidelityadvisersolutions.co.uk](http://fidelityadvisersolutions.co.uk)

 **Adviser Solutions**

