



INTELLIGENTMONEY

THE PRIVATE CLIENT PENSION  
KEY FEATURES / TERMS & CONDITIONS

# KEY FEATURES OF THE PRIVATE CLIENT PENSION

The Private Client Pension is a personal pension established under Trust and approved as a registered pension scheme by HMRC under the scheme name 'The Intelligent Pension'.

It is governed by a trust deed and scheme rules. Your application for membership of the Private Client Pension will be subject to the trust deed and rules of the Private Client Pension and its Terms & Conditions as amended from time to time and should be read in conjunction with these documents which are available by writing to Intelligent Money, The Shire Hall, Nottingham NG1 1HN.

This document is designed to highlight the key features of your Private Client Pension. It does not include full terms and conditions

It is your responsibility to decide if the Private Client Pension, including the investments in the Private Client Pension are suitable and appropriate to your needs. If there is anything you do not understand, or if you would like further advice on any aspect of this document, you should seek financial advice.

### Aims

The Private Client Pension is designed to provide you with the following:

- Access to a tax efficient environment in which to save for your retirement;
- Flexibility and control over the investments held within your pension;
- The option of taking a tax free pension commencement lump sum in exchange for part of your pension;
- The option over the age of 55 to take a regular income, withdraw lump sum(s), purchase an annuity or remain invested;
- A lump sum, income or pension for your Nominee(s) or Successor(s) on your death;
- The ability to transfer your existing pension benefits, into your Private Client Pension (with certain exceptions);
- Flexibility as to types and the amount of benefits you receive from the Plan allowing you to tailor this to suit your own circumstances.

### Your Commitment In investing in an Private Client Pension:

- You will review the Private Client Pension and the investments held within your Private Client Pension regularly to assess if they are suitable and appropriate to your needs;
- You can contribute to your Private Client Pension at any time and you can stop and start regular payments at any time without penalty;
- A pension is a long-term investment for your retirement and benefits cannot normally be taken until you have reached your 55th birthday except in limited circumstances e.g. when you retire due to ill health, or if you protected your right (which existed for employees in some occupations before April 2006) to take your entitlement to pre-April 2006 pension early. There are also restrictions on the type and amounts of benefits you can take from your Private Client Pension. These are set out below;
- All contributions will be automatically allocated to your Cash Account and invested as set out below;
- You must provide Intelligent Money with the information we need from time to time to operate your Private Client Pension and any changes to this, including any changes to your eligibility for tax relief.

### Risk Factors

Many things could happen which would have an impact on the level of pension you receive from your Private Client Pension. You should review your pension arrangements regularly to check whether they are suitable and to ascertain whether your Private Client Pension will continue to meet your future pension needs. In particular you should note the following:

- Exercising your cancellation rights may result in you getting back less than you paid in;
- Past investment performance is not necessarily a guide to the future and some investments may carry greater risk in order to try to provide greater potential returns;
- Taking an income from your Private Client Pension at a rate higher than the investment growth rate may result in the value of your Private Client Pension being greatly reduced;
- Taking an income from your Private Client Pension while leaving holdings invested can be less certain than purchasing a pension via an annuity;
- The actual benefits you receive may be lower than your last illustration.

### This may be because:

- Investment performance is not guaranteed and might be lower than expected;
- Interest rates and exchange rates might be lower than those illustrated;
- Annuity rates may fall;
- You might decide to withdraw a higher level of income;
- You might reduce your contributions to your Private Client Pension;
- Pension tax rules may limit the amount of contributions which you can make without incurring a tax charge;
- You might decide to start to take benefits earlier than shown on your illustration;
- Certain tax charges may reduce the value of your Private Client Pension;
- You might transfer your Private Client Pension to another pension

arrangement which may achieve a lower investment return or have higher charges;

- Pension tax rules may change in the future and this could result in changes to the options available to you when taking benefits;
- Intelligent Money may increase its charges after giving you notice of a variety of reasons including:
  - taking account of any changes in our practice;
  - changes in law or a code of practice;
  - taking account of any regulation or recommendations of the FCA or any other regulatory body or decisions or guidance of any relevant ombudsman;
  - to take account of any changes or unexpected change in the service we provide;
  - to take account of any new or improved service or facilities which we may provide;
  - to take account of any ruling by a court or similar body;
  - to correct any errors which might be discovered; and
  - to enable Intelligent Money to maintain our financial strength in the collective interests of all our customers;
- Intelligent Money can also vary any charge for a valid reason where we reasonably believe that such a charge is appropriate;
- If you decide to transfer any existing pension arrangements to your Private Client Pension and you have any doubts as to the suitability or appropriateness of the Private Client Pension, you should seek financial advice before deciding to invest in the Private Client Pension. The Operator does not offer advice on the suitability or appropriateness of the Private Client Pension to your needs.

### You should also be aware of the following general risks:

- Your existing arrangement may ultimately provide greater benefits than those which you would receive under your Private Client Pension. This will, however, depend on investment performance, the charges it applies and annuity rates applicable at that time, together with some or all of the risks described above;
- Your existing arrangements may offer valuable guarantees that would not be matched by your Private Client Pension e.g. if you are or were a member of a final salary pension scheme offered by your current or former employer, this may include a right to particular level of benefit on retirement. If you transfer benefits from this arrangement you will lose any such rights or guarantees that may have been offered;
- By transferring these benefits to your Private Client Pension you give up your right to receive benefits from your existing pension arrangement (including guaranteed benefits);
- You may be able to receive a larger tax free pension commencement lump sum from your existing arrangements than would be available if you transferred those benefits to your Private Client Pension.

### Helping you Decide

What questions should I ask before I decide to proceed? In this document we have given you the answers to a number of important questions:

### What is the Private Client Pension?

- The Private Client Pension is a 'Personal Pension Plan'.
- You are able to select from any of our IM Optimum Portfolios for the management of your investments.
- You, your employer or a third party, may contribute to your Managed Direct Pension.
- You can choose to take a regular income from your Private Client Pension, make lump sum withdrawals or purchase an annuity, from the age of 55.
- From age 55 you can also take a tax free lump sum when you choose to access your Private Client Pension plan. This can be up to 25% of the value of your total pension fund in your Pension.

### Am I eligible to contribute to the Private Client Pension?

To become a member of the Private Client Pension you must fall into one of the following categories:

- You are a UK Resident for tax purposes;
- You have relevant UK earnings;
- You are a non UK resident (but were a UK resident when you set up your Private Client Pension and have been a UK resident at some time in the previous 5 tax years);
- You are a crown servant (or spouse or civil partner of a crown servant) with earnings subject to UK tax.

## The Private Client Pension Key Features

### How much can I contribute?

- There are no upper limits on the amount that you or a third party can contribute to your Private Client Pension in a tax year, as long as you have earnings to support the contribution, but only a certain amount will be tax privileged. The tax privileged amount is known as the annual allowance.
- The annual allowance for the current tax year is £40,000, but this may be restricted to £10,000 depending on which of the choices you make when you take your benefits under the Plan.
- No tax relief will be granted on contributions to your Pension made after age 75.
- The annual allowance takes into account contributions made from all sources.

### This comprises:

- Member contributions;
- Contributions from an employer;
- Any contributions made by a third party on your behalf (which in practice are normally treated as if they were the member's own contributions, to take advantage of tax relief at source);
- Any contributions you make to any other pension arrangements you may have other than your Private Client Pension will also count towards the annual allowance;
- If one of your other schemes is a defined benefit pension (for example, a 'final salary' or 'average salary' scheme), the increase each year in value of your accrued rights is also treated as a contribution (in addition to your own contributions), using a standard factor set by law;
- Your contributions from these other arrangements will be aggregated with the contributions to your Private Client Pension when determining whether you have exceeded the annual allowance in a particular tax year;
- Contributions in excess of the allowance will be subject to a tax charge. This will be payable by you and is dealt with as part of your self assessment tax return and it will be your responsibility to monitor this. You should seek advice regarding any remaining tax allowance within a particular tax year;
- The annual allowance will not be tested in the year that you die; and
- Any contributions made by you or a third party other than your employer in excess of the higher of £3600 or your relevant UK earnings will be refunded to you.

### What about tax?

- If you are a UK resident you will have tax relief on the higher of:
  - £3,600 gross; and
  - 100% of relevant UK earnings, capped at the relevant Annual Allowance;
- Any contributions made by your employer are paid to you gross. The employer can then claim relief (for example, against its liability to Corporation Tax) in respect of its contributions.
- If you are a non UK resident individual (but were in the past five years and when you joined the Private Client Pension) you will receive tax relief on contributions made by you or on your behalf up to £3600 gross.
- Your contributions to the Private Client Pension will be net of basic rate tax. The Operator will claim the basic rate tax relief from HMRC. The Operator will credit any basic rate tax reclaims to your Cash Account. e.g. to contribute £1,000 gross you will contribute £800. The Operator will claim £200 from HMRC on your behalf.
- If you pay tax at higher rates then you will be able to claim further tax relief at the higher rate. The Operator will reclaim the basic rate and you must reclaim the additional amount through your self-assessment tax return.
- Your fund will grow free of capital gains tax and UK income tax except that tax may not be reclaimed on UK dividends.
- The Government has introduced a new form of income withdrawal known as flexi-access drawdown, which generally replaces the previous alternatives of capped and flexible drawdown. However, if you are already in Capped Drawdown, you will have a choice of continuing in Capped Drawdown, or moving to flexi-access drawdown. You should seek financial advice on this option.
- You now also have the new option of taking an "uncrystallised funds pension lump sum" (UFPLS) out of any part of your Fund which has not been designated to provide income withdrawal or to provide an annuity. The first 25% of any such sum is tax-free. You should seek financial advice in relation to this option.
- You may take up to 25% of your fund as a tax free pension commencement lump sum, subject to not exceeding your lifetime allowance.
- All pension payments to you will be paid via the PAYE system unless otherwise agreed.
- The inheritance tax (IHT) position, in particular can be complex, though all forms of taxation are a major consideration in making investment decisions. Tax rules can change at any time in the future. You should always take legal or professional advice on the impact of the tax rules on your pension benefits.

### How do I invest my contributions?

- Cash payments and cash transfers into your Private Client Pension will be paid into your Cash Account held with such bank or building society as the Trustee may determine.
- You are able to select from any of our IM Optimum Portfolios for the management of your investments. Please read the section below for full information on the IM Optimum Portfolios.

- Intelligent Money do not accept any liability for any loss as a result of any action by an Investment Manager or any other person or body responsible for any investment management or associated ancillary services related your Private Client Pension.

### Investing in the IM Optimum portfolios

#### • What are the IM Optimum Portfolios?

The IM Optimum Portfolios are investment strategies offered by Intelligent Money with the underlying investment management provided on Intelligent Money's behalf by Quilter Cheviot.

We offer two target dated managed portfolios where asset allocation and underlying investments change on an ongoing basis as they move towards their dedicated target date(s) and five risk rated model portfolios.

#### • The target dated managed portfolios

The IM Optimum Growth for Withdrawal Strategy is designed for people wanting to make a lump sum withdrawal at their selected target date as it manages down risk in the final years as you approach this date in order to protect your accumulated funds from any sudden volatility or market movements.

The IM Optimum Growth for Income Strategy is designed for people wanting to take an ongoing income from their accumulated funds at their selected target date (although cash withdrawals are always available) as this strategy manages into a balanced income portfolio in the final years as you approach this date.

#### • What are the advantages of target dated portfolios?

Instead of you having to switch through a series of risk rated funds as you approach a specific target date (such as retirement), our target dated portfolios automatically do this for you internally in one investment. The risk management, asset allocation and underlying investments have objectives and risk profiles that change with time as your portfolio gets closer to its target date.

Asset allocation changes are made by the investment manager based on the time horizon to target date and the final objective of the investor. In addition, tactical or short term decisions will be made based on economic and market conditions.

#### • What is the right target date portfolio for an investor?

This is based on your expected date of requiring access to the funds and whether capital or income will be required.

For example, if (at your target date) you are likely to want to buy an annuity or take a cash withdrawal for any other purpose then this would fit with the design of the IM Optimum Growth for Withdrawal Strategy.

Equally, if (at your target date) you are likely to want to take an income or reinvest this income for further capital growth this would fit with the design of the IM Optimum Growth for Income Strategy.

If your objectives change you are always free to switch out of one portfolio into another. You can also change your target date(s) whenever you wish.

#### • The risk rated model portfolios

These portfolios do not run to a target date but instead aim to achieve the optimum level of return through both natural income and capital growth at a constantly defined level of risk/reward in line with market conditions at any given time.

Our model portfolios vary in terms of risk/reward depending on your requirements at any given time, from Growth, Growth & Income, Income, together with Cautious and Defensive portfolios that can be used for growth, income or a mixture. These portfolios all rebalance back to their original mandates.

#### • What are the advantages of the risk rated model portfolios?

The risk rated model portfolios consistently rebalance themselves into the same risk/reward mandate at all times. This is designed for people looking to achieve a constant level of risk/reward until manually amended (unlike the target date portfolios where risk is managed down different glide paths).

#### • What are the risks of the IM Optimum portfolios?

The IM Optimum Portfolios are not cash deposit accounts and therefore, like all investments, carry risks. You would not get all your money back if you decide to withdraw when prices are lower than the purchase prices and the level of income you select to withdraw may cause capital loss if the income drawn is greater than the overall investment return.

Because the IM Optimum portfolios are actively managed the investment manager can make tactical decisions based on economic and market conditions therefore there is the ability to mitigate losses.

Risk is further managed by the portfolios being diversified across a large number of asset classes and underlying investments.

The value of investments and the income from them can fall as well as rise and you may not get back what you invested.

#### • Where do the IM Optimum portfolios invest?

The portfolios are multi asset to ensure diversification and will typically include fixed interest, UK and international equities, and alternative asset such as commercial property. The asset allocation is implemented using passively managed funds.

## The Private Client Pension Key Features

### • Who provides the Discretionary Investment Management for the IM Optimum portfolios?

Quilter Cheviot is the investment manager appointed by Intelligent Money to manage the IM Optimum Portfolios and your money is held in custody by Quilter Cheviot.

Quilter Cheviot is one of the UK's largest discretionary investment management firms and can trace its heritage to 1771. It currently manages over £15 billion in assets for over 40,000 clients.

Quilter Cheviot's parent company is Old Mutual, a FTSE 100 listed company with more than 16 million customers and nearly £300 billion of assets under management.

All dealing and investment transactions are undertaken by Quilter Cheviot in line with the investment strategy designed by Intelligent Money in consultation with Quilter Cheviot.

### • Do I become a client of Quilter Cheviot?

No. You become a client of Intelligent Money and Intelligent Money utilises the services of Quilter Cheviot in the provision of the IM Optimum Portfolios.

### Generic Illustrations

These are examples to show the effects of charge, time and performance on returns. In reality you get more or less and your circumstances will differ. For a personalised illustration, please contact us.

\*The income is a single life, level annuity, paid monthly in advance, 5 year guarantee and no tax-free cash.

Years to retirement	Monthly Savings			Single Payment			
	£50	£100	£300	£10,000	£20,000	£40,000	
5 Years	Value	2,990	5,970	17,900	10,600	21,300	42,600
	Income*	137	273	819	485	974	1,950
10 Years	Value	5,810	11,600	34,900	11,500	23,000	46,000
	Income*	262	522	1,570	520	1,040	2,070
15 Years	Value	8,570	17,100	51,400	12,400	24,800	49,600
	Income*	380	759	2,280	551	1,100	2,200
20 Years	Value	11,300	22,600	67,700	13,400	26,800	53,600
	Income*	494	988	2,960	586	1,170	2,340
25 Years	Value	14,000	27,900	83,800	14,500	28,900	57,900
	Income*	603	1,200	3,610	625	1,240	2,490
30 Years	Value	16,700	33,300	100,000	15,600	31,300	62,500
	Income*	709	1,410	4,240	662	1,330	2,650
35 Years	Value	19,400	38,800	116,000	16,900	33,800	67,500
	Income*	811	1,620	4,850	707	1,410	2,820
40 Years	Value	22,200	44,400	133,000	18,200	36,500	72,900
	Income*	915	1,830	5,480	750	1,500	3,010

### ILLUSTRATION: WHAT MIGHT I GET BACK FROM MY PENSION?

These tables show what your Pension value and income might be for a range of gross/employer contributions and years to retirement. **Assumptions:** 5% annual growth, 1.5% transaction charge and 0.87% annual charge (management charge plus average fund charges) and retirement at 65. Amounts are in real terms, assuming 2.5% annual inflation. Inflation reduces the worth of all savings and investments, not just the Pension. Actual rates of return and charges will depend on your investments and their performance and may be better or worse than shown.

The table below shows the effect of charges on your Pension assuming £300 monthly savings

Years to retirement	Total paid to date	Before charges are taken	After all charges are taken from this Pension
1	3,550	3,900	3,880
3	10,400	11,100	11,000
5	16,900	18,300	17,900
20	56,800	74,800	67,700

This means that after annual inflation of 2.5% our charges reduce the 'real' yearly growth rate by 0.9% to 1.5%

### What choices will I have when I decide to take benefits from my Private Client Pension?

- You can decide to take benefits from your Private Client Pension from the age of 55 or defer taking benefits for as long as you wish; you do not have to take an annuity at age 75.
- If you are suffering ill health, you may be permitted to take your benefits before you reach age 55.
- When you choose to take benefits from your Private Client Pension the value of your Private Client Pension will be tested against your lifetime allowance (if you have primary or enhanced or fixed protection, you must inform the Operator).
- From age 55 you are able to choose from any combination of a number of benefits following the Government's decision to enable members to access their pension funds with greater flexibility. These are:
  - a tax-free pension commencement lump sum of up to 25% of your Fund;

- if you are first accessing your pension fund on or after 6 April 2015, or before that date you were accessing your pension savings through "flexible drawdown", an income, taxed at your marginal rate of income tax, taken from a "flexi-access drawdown fund";
- if before 6 April 2015 you were using "capped drawdown" to access pension savings, you have the choice to either remain in capped drawdown, or to convert your fund into a flexi-access drawdown fund as explained above;
- an uncrystallised funds pension lump sum, which can be paid as a lump sum from any part of your fund which has not already been crystallised. The first 25% of this will be free of tax, while the remainder will be taxed at your marginal rate of income tax;
- purchasing a lifetime annuity to provide an income during your lifetime. You can choose whether this provides a fixed rate of income, or one that either increases or decreases during your retirement. You can also choose how long the annuity is guaranteed to be paid after your death, up to 10 years;
- if any of your choices include either taking income from a flexi-access drawdown fund, or taking an uncrystallised funds pension lump sum, your Annual Allowance for further contributions will be replaced with the Money Purchase Annual Allowance currently set at £10,000. This means you will only be able to contribute this reduced amount without triggering a tax charge.
- Protected Rights ceased to exist on 6 April 2012, and are now treated as ordinary pension rights. As such any restrictions that used to apply in respect of these have fallen away.
- Your decision as to your choices in your circumstances is an important one. We therefore strongly recommend you take financial advice from a regulated firm before proceeding with taking any benefits from your Private Client Pension.
- You are also entitled to free, impartial guidance on your options under the Guidance Guarantee announced by the Government, under which you are entitled to a 30 minute consultation (face-to-face, by telephone or internet) in relation to your options. We recommend that you take this pensions guidance, if you choose not to we can provide you with details of how to access this guidance on request.
- It is a requirement of the Private Client Pension that you receive financial advice prior to drawing any benefits.

### What is the lifetime allowance?

- The allowance is the amount of your accumulated pension arrangements (including your Private Client Pension and any other pension arrangement that you may have) that can be used to provide benefits without incurring a tax charge.
- The standard lifetime allowance set by HMRC is currently £1.25 million. In certain circumstances the lifetime allowance may be enhanced for members who benefited from a higher entitlement in previous tax years.
- It is necessary to apply to HMRC if you think you are entitled to an enhanced lifetime allowance. You need to supply us with the confirmation from HMRC of any enhanced lifetime allowance applicable to you.
- When benefits are taken from your Private Client Pension, this is known as a benefit crystallisation event (BCE). The BCEs that are most likely to be relevant to your plan are:
  - taking a pension commencement lump sum;
  - taking income in the form of income drawdown;
  - purchasing a lifetime annuity;
  - lump sum death benefit payments paid from funds which have not yet been applied to provide income drawdown;
  - transfers to a qualifying recognised overseas pension scheme;
  - when benefits are crystallised the value of the benefits being taken is tested against your lifetime allowance; and
    - any benefits taken in excess of your available lifetime allowance will be subject to the following tax charges:
      - 25%, applied on any funds in excess of those used to generate an income (i.e. those designated for a drawdown pension, or used to secure a lifetime annuity); or
      - 55% on any lump sum taken in excess of the lifetime allowance.

### What happens to my plan when I die?

- When you join the Private Client Pension, you will complete an expression of wish form which allows the trustees of the Private Client Pension to pay benefits to your Nominees when you die.
- The trustees will use an 'expression of wish' form to guide them in their decision as to how to pay this benefit, but this form is not binding upon them. This 'discretionary trust' structure means the payment can be made free from Inheritance Tax (IHT).
- The Government has introduced extensive new flexibilities to how your pension can be used after you have died, and generally reduced the amount of tax that will be payable on these options.
- The death benefits payable depend on your age at death and whether you have started to take benefits from your plan prior to your death.

## The Private Client Pension Key Features

### What happens if I die before age 75?

If you die before reaching age 75 and prior to the commencement of taking benefits, the full value of your fund can be used to provide for your beneficiaries, subject to current HMRC rules and will usually be free of inheritance tax and other tax charges, since the same 'discretionary trust' structure is used as described above.

If you had a drawdown pension fund that you had already drawn benefits from it can be passed tax-free to a chosen Nominee or Successor as either a drawdown pension, or as a lump sum.

Any amount of your Fund that you had not taken any benefits from, can also be passed to a Nominee or Successor, as a lump sum.

### What happens if I die after age 75?

If you had a drawdown pension fund that you had already drawn benefits from, this can be passed to a chosen Nominee or Successor as either a drawdown pension, or as a lump sum. If it is taken as a drawdown pension, a tax charge will be applied at the same rate as the recipient pays income tax. If it is taken as a lump sum, a tax charge of 45% will be applied.

From April 2016 if you elect to take benefits or a lump sum, it will be taxed at the same rate of tax that the recipient pays income tax.

Further information on Death Benefits is available from the Scheme Administrator.

### How do I receive communications regarding my Private Client Pension?

- Once your Private Client Pension is established, all communication in relation to your Private Client Pension will be provided to you.
- You will be able to log in at any time or call Intelligent Money to request the latest valuation of your Private Client Pension, place buy and sell instructions, move in and out of the Cash Deposit Account and request annual benefit statements.

### What are the charges?

The Private Client Pension has an initial, one off, transaction fee of 1.5% on any contributions made and a total annual charge of 0.87%. This annual charge includes all costs in providing the Private Client Pension, including underlying investments, dealing costs, portfolio management and annual pension management expenses. This figure is usually referred to as the Total Expense Ratio (TER) or Ongoing Charges Figure (OCF).

In the event that you have less than our minimum £100,000 investment in IM Optimum Portfolios there will be an additional charge of £500 a year for holding a commercial property plus time charging of £150 an hour in relation to any specific work you instruct us to carry out relating to the property.

If you require any financial advice the firm you select to provide this will agree advice fees separately with you.

### Can I change my mind?

- Yes, you have the right to cancel your Pension within the first 30 days. On receipt of your completed application we will write to you to confirm we have set up your Pension. If you decide to cancel you must tell us by writing to us at our address within 30 days of the set up date.

### What happens to my investments if I decide to change my mind?

- Depending on when you decide to exercise your right to cancel you may not get back your original investment but rather you will receive the original investment less any subsequent fall in value.
- Cancellation rights in respect of the underlying investments will depend on the nature of the underlying investment and where applicable will be detailed in the Investment Manager agreement.

### Can I transfer other pension arrangements into the Private Client Pension?

- You may transfer other existing pension arrangements you may have into your Private Client Pension. You must provide details of the transferring scheme to the Operator using the Transfer Form which will be supplied on request and Intelligent Money will contact the transferring scheme to arrange for the transfer of your funds. Intelligent Money will inform you when the transfer is complete.
- If you wish to transfer your fund in from an overseas pension fund the Operator will establish whether the transferring scheme is a recognised overseas pension scheme that is not a registered scheme. If it is, the Operator will accept the transfer but the transfer amount will not qualify for tax relief. You are entitled to have your lifetime allowance enhanced to make up for this and you must apply to HMRC for this enhancement.

### Can I transfer my Private Client Pension out to another scheme?

- You can transfer your fund out to another UK provider. Your new chosen provider will contact the Operator to initiate the transfer.
- If you wish to transfer your Private Client Pension Investments to an overseas pension provider, the Operator will establish whether the overseas scheme is a qualifying recognised overseas pension scheme (QROPS). If it is, the transfer can go ahead as an authorised payment. The transfer to a QROPS qualifies as a benefit crystallisation event and the amount to be transferred will be tested against your lifetime allowance.

If the transfer value exceeds your available lifetime allowance, then you will be charged tax at 55% on the excess amount.

### Contact information

This document is a brief guide to the Key Features of the Private Client Pension. Please refer to the Terms & Conditions within this document for further details.

For more detailed information about your Private Client Pension, please refer to the trust deed and rules which are available on request, and the Private Client Pension Terms & Conditions within this document.

If you require further information or have any queries, please contact the Operator in writing at:

Intelligent Money, The Shire Hall, High Pavement, Nottingham, NG1 1HN

### Complaints

If you are not happy with the service you have received from us, please contact us in writing at the address provided above. Your complaint will be dealt with in accordance with our internal complaint handling procedures which are available on request. We will do everything we can to resolve your complaint. However, if you are not satisfied with our response you can refer the matter to either the Financial Ombudsman Service (FOS) or to the Pensions Ombudsman (PO). The FOS and PO are both independent statutory bodies that investigate and adjudicate on certain types of complaints and disputes relating to pension schemes and their members.

**The FOS** can be contacted at: The Financial Ombudsman Service, Exchange Tower, London, E14 9SR. Tel: 0800 023 4567. [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

**The PO** can be contacted at The Pensions Ombudsman, 11 Belgrave Road, London SW1V 1RB. Tel: 0207 834 2200.

If your complaint concerns the running of your Private Client Pension, you may be referred to The Pensions Advisory Service (TPAS), which is available to assist members and beneficiaries in connection with any difficulties they may have in relation to their pension scheme.

**TPAS** can be contacted at: The Pensions Advisory Service, 11 Belgrave Road, London SW1V 1RB. Tel: 0845 601 2923.

Making a complaint will not prejudice your right to take legal proceedings. Any complaint regarding any advice given to you by a third part financial adviser should be referred to them for review under their own complaints process.

### Law

The terms of your membership of the Private Client Pension is governed by the laws of England and in becoming a member of the Private Client Pension you shall submit to the exclusive jurisdiction of the English courts.

These terms are effective as of 1st January 2015 and remain in force until a future update is released.

The Private Client Pension is a pension provided by Intelligent Money.

Intelligent Money is authorised and regulated by the Financial Conduct Authority (FCA) under FCA reference number 219473.

**Details of Intelligent Money's FCA authorisation can be obtained on the FCA register at [www.fca.gov.uk](http://www.fca.gov.uk) or by calling the FCA on 0845 606 1234.**



### GDPR PRIVACY STATEMENT

#### USE OF YOUR PERSONAL INFORMATION

Intelligent Money may disclose Personal Information about you to others if we have your consent to do so in such form of consent as may be required under applicable law.

Subject to applicable laws in your jurisdiction, we may also disclose Personal Information about you to others as we believe to be necessary or appropriate: (a) under applicable law or regulation, including laws or regulations outside your country of residence; (b) to comply with legal process; (c) to respond to requests from public authorities and law enforcement officials, including officials outside your country of residence; (d) to assist or support Financial Crime investigations raised by the regulator, (e) to enforce any of our terms and conditions or policies; (f) to protect our operations or those of any of our affiliates and subsidiaries; (g) to protect the rights, privacy, safety or property of Intelligent Money its affiliates and subsidiaries, you or others; or (h) to permit us to pursue available remedies or limit the damages that we may sustain.

We may also transfer Personal Information to an affiliate, a subsidiary or a third party in the event of any reorganisation, merger, sale, joint venture, assignment, transfer or other disposition of all or any portion of Intelligent Money's business, assets or stock, including, without limitation, in connection with any bankruptcy or similar proceeding.

If you would like more information or to see a copy of our full Privacy Policy please contact [compliance@intelligentmoney.com](mailto:compliance@intelligentmoney.com).

Access, correction or deletion requests can be made as follows:

Email: [compliance@intelligentmoney.com](mailto:compliance@intelligentmoney.com)

Post: Intelligent Money, The Shire Hall, High Pavement, Nottingham, NG1 1HN.

# TERMS & CONDITIONS OF THE PRIVATE CLIENT PENSION

**These terms and conditions set out the contract between you (the Member) and Us (Intelligent Money) and should be read in conjunction with the Key Features of the Private Client Pension. All queries and correspondence must be sent in writing to Intelligent Money, The Shire Hall, High Pavement, Nottingham, NG1 1HN**

## 1. DEFINITIONS

### Agreement

these terms and conditions as amended from time to time;

### Cash Account

the cash account established to process payments into and out of your Plan and to hold money that we have not received instructions to invest. This is not to be confused with any other cash deposit account you may select as an investment;

### Cancellation Period

the period of 30 days from the date when you are informed that your application for membership has been accepted;

### Charges

as set out in the relevant fee schedule and amended from time to time;

### Dependant

a person who is a "dependant" under paragraph 15 of Schedule 28 of Finance Act 2004;

### Force Majeure Event

any cause preventing the Establisher, Operator or Trustee from performing any or all of their material obligations under this Agreement which arise from or are attributable to acts, events, omissions or accidents beyond their reasonable control including without limitation, acts of God, war or national emergency, acts of terrorism, riot, civil or governmental order, fire, explosion, flood, storm or epidemic (including any interruption by such events to electronic or other automated systems used in connection with the services provided under this Agreement);

### FCA

Financial Conduct Authority which is the regulator of the financial services industry in the UK;

### Fund Value

the value of the Member's fund as defined in the Plan's Rules;

### HMRC

Her Majesty's Revenue & Customs;

### Private Client Pension

the registered pension scheme which is a trading style of the IM Optimum Pension;

### Member

the person named in the application form and in whose name the Plan has been opened;

### Nominee

is a person who has been nominated by a Member to receive benefits on the Member's death under paragraph 27A of Schedule 28 of Finance Act 2004;

### Operator

Intelligent Money is the current Operator of the Plan;

### Personal Pension Plan

The Private Client Pension established to receive contributions and/or transfer payments as prescribed by the relevant legislation and Revenue rules;

### Plan

the Registered Pension Scheme known as the Intelligent Pension, branded as the Private Client Pension and established by Intelligent Money;

### Provider

Intelligent Money is the current Provider of the Plan;

### RDR

the FCA's Retail Distribution Review effective from 31 December 2012 which involves changes to financial advisers qualifications and charging;

### Registered Pension Scheme

a Registered Pension Scheme within the meaning of Chapter 2 of Part 4 of the Finance Act 2004;

### Revenue

HM Revenue & Customs, being the government agency formerly known as the Inland Revenue;

### Successor

a person nominated by a Dependant, Nominee or Successor of a Member to receive benefits on the Member's death under paragraph 27F of Schedule 28 of the Finance Act 2004;

### Trustee

the entity which is the current Trustee of the Plan (currently Intelligent Money Limited or Intelligent Money Trustees Limited);

### Us

Intelligent Money;

### You and Your

the person named in the application form and in whose name the Plan has been opened.

## 2. TERMS OF THE AGREEMENT

This Agreement is between the Member and Intelligent Money (registered in England and Wales under Companies House registration number: 04398291).

This Agreement details the terms of business and the services which will be provided under the Plan for the Member whilst they participate in the Plan.

The Plan is a Registered Pension Scheme approved by the Revenue. The Plan has been established for the purpose of the provision of pension and lump sum benefits for eligible individuals under the Finance Act 2004. The Plan is governed by a Declaration of Trust and Rules (the Rules) and any subsequent deeds amending these.

Intelligent Money hereby undertakes to operate the Plan in accordance with the Rules and this Agreement. A copy of the Rules and amendments to them is available by writing to Intelligent Money, The Shire Hall, High Pavement, Nottingham, NG1 1HN.

The Trustee is the legal owner of all the assets of your Plan (which it holds on trust for you and/or your Beneficiaries). All investments not held in the name of a Nominee must be registered in the name of the Trustee.

## 3. CONTRIBUTIONS

You may contribute to your Plan at any time provided you remain eligible to do so. The Operator is also able to accept contributions on your behalf from your employer or another third party.

Contributions may be made as a one-off (or series of one off payment(s)) of any amount, or on a regular basis. There is a limit on the amount of contributions that can be made to your Plan by or on your behalf that will attract tax relief. Please refer to the Key Features for details of these limits.

You will have the option of taking all your benefits from the Plan at once, or taking your benefits in stages over a period of time. In achieving this, your Plan will be divided into crystallised funds i.e. funds you have designated for income withdrawal and uncrystallised funds i.e. the part of your Plan from which you have not yet taken any benefits.

Once part of your Plan has crystallised you will be able to continue making contributions, although these may be restricted depending upon the options you choose. Contributions (other than contributions made by your employer and contributions you make on or after age 75) are made net of basic rate tax. The Operator will claim the tax relief at basic rate from the Revenue.

The Operator makes such tax claims monthly, in arrears. Tax relief is not available for investment until it is received from the Revenue, which can take up to 11 weeks depending on the timing of your contribution.

Reclaimed monies will be credited to your Cash Account. You are responsible for reclaiming any higher rate tax relief from the Revenue and this will not be credited to your Plan.

You are not entitled to receive tax relief on contributions made by your employer. All proposed contributions must be supported by the appropriate application form and/or any other documentation required by the Operator.

Proposed contributions received without the appropriate documentation will be unavailable for investment and will normally be returned unless such documentation is supplied within 30 days of the proposed contribution being received.

Once a contribution has been accepted into your Plan it cannot normally be refunded. Refunds can only be paid from Registered Pension Schemes in very limited circumstances.

## 4. TRANSFERS

### Transfers-In

You may arrange for a transfer of any other pension arrangement you may have into the Plan, provided it is consistent with the Plan Rules and the

## The Private Client Pension Terms & Conditions

transfer rules applicable to Registered Pension Schemes. Transferred in funds will not be available for investment until the Operator and Trustee are satisfied the transfer is acceptable and the funds have been received.

The Operator and Trustee reserve the right to refuse any transfer and may refuse to accept a transfer where a pension transfer specialist would normally be involved and you have not received this advice in respect of the transfer and have not signed a disclaimer indemnifying the Provider, Operator and Trustee. The Provider, Operator and the Trustee do not offer and are not authorised to give advice on transfers.

The Operator does not check transfers for suitability. It is your responsibility to decide that the Private Client Pension is suitable and appropriate to your needs. If you have any doubts as to the suitability or appropriateness of the Private Client Pension or the investments to which it is linked you should seek independent financial advice from a financial adviser before deciding to invest.

### Transfers-Out

You may request a transfer payment to be made from your Plan to another Registered Pension Scheme or certain qualifying overseas pension schemes.

The Operator and Trustee reserve the right to refuse to effect any such transfer until it is satisfied it is allowed under the Plan Rules and any overriding legislation.

The Operator and Trustee will not be liable for any lost investment opportunities or any reduction in the amount of the transfer payment arising during that time. The amount of the transfer payment will be the aggregate value of the part of your Plan being transferred as at the date the transfer is made, less any outstanding charges or charges incurred as a result of the transfer payment.

### 5. CASH ACCOUNTS (not to be confused with cash deposit accounts you may hold as an investment within your SIPP)

All monies in respect of your Plan, not applied for investment purposes, will be held in a Cash Account established by the Trustee at a designated bank (or banks) as the Trustee shall from time to time determine.

The Trustee will be the sole authorised signatory to the Cash Account.

The Cash Account is provided as a "current account" facility to enable payments in and out of your Plan and hold Funds not invested. As such it does not pay interest to the Member (as any interest available is retained in full by Intelligent Money to cover the costs of establishing and operating the Cash Account within your Plan at no additional charge). Cash Accounts are not permitted to go overdrawn.

Where monies are transferred to an investment manager permitted to hold Funds in respect of your Plan, the investment manager will be responsible for the establishment of a bank account held in the investment manager's nominee name in a form acceptable to the Trustee and shall account for all transactions and interest periodically. The Operator and the Trustee do not accept liability for default by any authorised institution or any third party (including an investment manager or bank) that holds cash in respect of your Plan.

### 6. STATEMENTS AND DOCUMENTATION

You will be provided with an annual benefit statement each year. The Operator will keep a record of payments in and out of your Cash Account and transfers between your Cash Account and investment managers.

Details of the transactions undertaken by investment managers on your behalf will only be available from the investment managers and the investment manager must provide valuations at least monthly to the Operator.

You are responsible for checking the accuracy of statements as soon as possible and informing Us if there appears to be any inaccuracy. The Operator and the Trustee accept no responsibility for information provided by a third party.

### 7. INVESTMENTS

Please refer to the Key Features document for full information on the investment options available to you in the Private Client Pension.

### 8. INVESTMENT PROCEDURES

You may choose the investments of your Plan from our range of IM Optimum Portfolios (please refer to the Key Features document for full information).

The Trustee will insist on limiting its liability and any liability of the Operator to the value of the part of your Plan invested with the fund manager.

The Operator will not be liable for any loss arising from your investment instructions. The Operator may aggregate your instructions with those

of other Private Client Pension members and place an aggregated deal with the fund manager. Instructions to purchase units/shares in any investment will only be placed where you have sufficient cleared funds in the Cash Account.

The Operator will use the investment instructions provided by the Member as pre-agreed to transfer monies from the Member's Cash Account to the Investment Managers. The Member may amend these investment Instructions at any time and the Operator will apply these instructions to monies received after it has processed the new instructions.

Neither the Trustee, nor the Operator accept liability for any loss occasioned by any investment manager or other person or body which is responsible for any fund management or ancillary service connected therewith.

The Trustee will not exercise voting rights or any other rights in respect of any investment unless directed by the Member to do so. The Trustee reserves the right to realise investments to pay benefits or fees and charges under the Plan and this Agreement.

### 9. CHARGES PAYABLE ON THE PRIVATE CLIENT PENSION

9.1. For information on all of the charges, please see the Key Features Document.

### 10. COMPLAINTS

Should the Member wish to register a complaint in relation to the services provided under this Agreement then such a complaint can be made in writing to Intelligent Money, The Shire Hall, High Pavement, Nottingham, NG1 1HN. We will then forward to you a copy of our 'Complaints handling procedures' leaflet. Any complaint will be dealt with promptly. We will always endeavour to deal with a complaint in a fair and honest way, however, if you are unhappy or unsatisfied with our conduct of a complaint you can complain directly to the Financial Ombudsman Service.

### 11. VARIATION

The Operator and the Trustee have the right to make any amendment to these provisions in order to comply with a change of applicable law or regulation, by giving the Member 30 days' notice. If the change is to the Member's advantage then notice can be given within 30 days of the change.

This Agreement as varied, if appropriate, shall continue until your Plan has been terminated by the payment of a transfer value to another Registered Pension Scheme or the provision of annuity/death benefits in the appropriate form, or the Plan is wound up or otherwise there are no assets remaining in your Plan. No Member has the right to amend this Agreement. The Rules of the Plan can be amended without your consent in accordance with the power of amendment set out in the Rules from time to time in force. If such changes would have a material impact on you then the Operator will give you 30 days notice of any such change. Nothing in this Agreement restricts in any way the powers to amend the Plan contained in the Rules.

### 12. CANCELLATION RIGHTS – YOUR RIGHT TO CANCEL

To comply with legislation, the rules of the Plan will provide that within 7 days of your application for membership being accepted you will be issued with cancellation notice detailing your right to a 30 day cancellation period. Your right of cancellation or withdrawal is dependent on the type of transaction entered into. Please refer to the Operator for further information.

#### How to cancel

If you decide that you wish to withdraw your initial Application and any concurrent or subsequent transfer of an existing pension you should write to the Operator before the end of the Cancellation Period advising that you wish to exercise your right to cancel. Each time you apply to transfer an existing pension you have the right to cancel the transfer.

#### Costs incurred during the Cancellation Period

There is no charge for cancelling your Application. The Operator however reserves the right to deduct charges for any services provided during the Cancellation Period. Any contributions received will then be refunded and any transfer values received, returned. Please note that these refunds will be subject to investment fluctuations if assets have been purchased during the Cancellation Period. As a result the value of the amount which you receive may be lower than originally invested. The transferring scheme may not be willing to accept back a transfer. If this occurs you may request a transfer to another pension provider.

### 13. TERMINATION

No fees or charges paid at the time of termination shall be refunded and those payable shall remain so and will include any charges associated with undertaking any transaction necessary to terminate your Plan.

Termination will be without prejudice to the completion of transactions already initiated and the Operator is authorised to continue to operate the Cash Accounts relating to your Plan after notice has been given for the purpose of settling or receiving monies in respect of transactions already initiated and paying any expenses or fees due to the Provider or other parties.

### 14. THE FINANCIAL SERVICES COMPENSATION SCHEME

We are a participant in the UK Financial Services Compensation Scheme which provides a measure of protection where an investment firm is unable to meet its obligations to its clients, currently to an amount of 100% of the first £50,000 (or currency equivalent).

More information about this scheme and on your eligibility to benefit from the protection afforded by the scheme is available on request or from the Financial Services Compensation Scheme, whose address is 10th Floor, Beaufort House, 15 St Botolph Street, London, EC3A 7QU.

### 15. CONFIDENTIALITY

The Operator and the Trustee undertake not to disclose, at any time, information coming into their possession during the continuance of your Plan except to the investment manager, unless expressly authorised to do so or where required to do so by law or any regulatory purpose and such information will be held in accordance with the provisions of Data Protection Act 1998. The Operator may also give essential information about the Plan to others if necessary to run the Plan.

Our regulator requires that we classify our clients as 'retail' (personal) or 'professional' (business). In all cases we will classify you as a retail client. This will give the highest level of consumer protection and in some circumstances access to the Financial Ombudsman Service.

### 16. INSTRUCTIONS AND NOTICES

The Member should give all written notices and instructions to the Operator in writing at Intelligent Money, The Shire Hall, High Pavement, Nottingham, NG1 1HN. You agree to receive communications and statements from the Operator via email and to notify the Operator if you wish to change your contact details or if you become aware that the security of any methods of communication that you use to communicate with the Operator has or may have been compromised.

The Operator will not be liable for acting upon any communication that it reasonably believes to be from you or from a person authorised by you.

The Operator will use all reasonable efforts to ensure that its web site is available at all times, however, the web site may not necessarily contain content for use by the Member, the content from time to time may be solely for the use of the Member's agents, the Operator reserves the right to withdraw the web site to make any necessary improvements or amendments to its features.

The Operator will use appropriate equipment and systems to minimise any errors or viruses occurring on the web site, but it does not represent or warrant that the web site is and will be error free, free of viruses or other impairing or harmful components.

### 17. JURISDICTION

This Agreement shall be constructed in accordance with the laws of England and the parties submit to the exclusive jurisdiction of the English courts.

### 18. CHARGES

The Fees for providing and operating your Private Client Pension are as detailed in the Key Features Document.

Where we do not charge VAT on services that we understand to be VAT exempt, we reserve the right to collect VAT retrospectively should HMRC deem that VAT should have been payable on any such services. For the protection of all Scheme Members the Operator can from time to time levy ad hoc fees on all or certain Plans to ensure that all statutory and regulatory requirements and obligations of the Operator and Trustee can be met in full or be fully covered. Should any single deduction be in excess of the Plan annual management charge, or 1% of each Plan value (whichever the greater), we will write to you giving 30 days' notice of such deduction. The Trustee reserves the right to amend the charges or apply additional charges as described in the Key Features subject to providing the member with due notice which will not be less than 30 days.

### 19. SERVICES

The following services are provided:

- Establishment of your Plan;
- Ongoing operation of your plan;
- Receipt of contributions/transfer payments into/out of the Plan;
- Recovery of basic rate tax on Member contributions where applicable;
- Annual statements detailing assets, contributions and transfer payments received and amounts of tax recovered from the Revenue;
- Creation of banking facilities;
- Settlement and payment of benefits; and
- Such other services as may from time to time be necessary to efficiently operate your Plan and to comply with Revenue requirements.

### 20. MISCELLANEOUS

If at any time any part of this Agreement is found by a court, tribunal or administrative or regulatory body of competent jurisdiction to be in part illegal, invalid or unenforceable in any respect that will not affect any other provisions of this Agreement which will remain in full force and effect.

No provision of this Agreement will be enforceable by any party (other than you, the Trustee, Operator or Establisher) by virtue of the Contracts (Rights of Third Parties) Act 1999.

Neither the Trustee or Operator or the Establisher will be deemed to be in breach of this Agreement or otherwise liable to you (or to any third party) for any failure or delay in it performing its obligations under this Agreement due to a Force Majeure Event, provided always that the Trustee or Operator or the Establisher (as appropriate) use their reasonable endeavours to (where possible) bring the Force Majeure Event to an end and whilst it is continuing to mitigate the impact of the Force Majeure Event.

Private Client Pension is a trading name of Intelligent Money Limited which is authorised and regulated by the Financial Conduct Authority (FCA) under FCA reference number 219473.

**Details of Intelligent Money's FCA authorisation can be obtained in the FCA register at [www.fca.gov.uk](http://www.fca.gov.uk) or by calling the FCA on 0845 606 1234.**

### 21. TREATING CUSTOMERS FAIRLY

Intelligent Money fully endorses the FCA's principals of Treating Customers Fairly (TCF). Should a conflict of interest arise between Intelligent Money and a client or between clients of Intelligent Money we will apply our conflict of interest policy, a full statement on which is available on request.

Neither our 'Key Features', these Terms & Conditions or any other documentation or verbal communications with a member should be construed as providing investment or financial advice as defined by the Financial Services and Markets Act 2012 as amended from time to time or re-enacted. The Operator and trustees do not provide the member with any advice as to the suitability of determining for example, but not exclusively, transferring any existing benefits to the Private Client Pension, what investments to buy or sell, the level of any contributions, when or whether to retire, or to select an annuity or income withdrawal. Technical Information sheets providing more in depth information are available on request by contacting Intelligent Money. If you are in doubt about any of the matters above, or in any event when you decide to take benefits, you should seek financial advice from a regulated financial adviser.

The Financial Conduct Authority regulates the financial services industry in the UK. This document has been produced to help consumers decide if the pension services provided by Intelligent Money are right for them.

**The full Trust Deed and Scheme Rules are available by writing to Intelligent Money, The Shire Hall, Nottingham NG1 1HN.**