

A photograph of a woman with her hair in a ponytail, wearing a light-colored, textured jacket, standing on a pier or boat and looking out over a vast body of water towards a sunset. The sky is a mix of soft pinks and blues, and the water reflects the light. A dark blue horizontal bar is overlaid on the bottom portion of the image, containing the title text.

The Sippchoice Bespoke SIPP Guide

Capability. On every level.

We've been self invested pension specialists since 1979.

We use over 40 years of our experience to give you control of your retirement funds through a wide range of investment choices and benefits.

We believe in long-term relationships. When you sign up with us you'll work with one of our Pension Consultants and a skilled team of Pension Administrators.

Our Pension Consultants average over 28 years' self invested pension experience so they're experts at dealing with complex investments and transactions – including commercial property purchase.

Our aim is simple. It's about using what we know to make your pension fund work to your best advantage, within the framework of the legislation.

In this guide we'll explain in some detail the background, operation and advantages of our SIPPs.

Rest assured, we'll be with you every step of the way.

Choice and control.

The Sippchoice Bespoke SIPP is designed to meet your current and future requirements.

The Sippchoice Bespoke SIPP is a streamlined investment vehicle only able to invest funds in a single portfolio with an investment manager or platform that is on Dentons' approved list. The portfolio can not include any non-standard funds and/or assets.

It is not linked to any particular fund manager or insurance company, so you can choose the investments that best suit your personal circumstances – subject to certain requirements and HM Revenue & Customs (HMRC) rules.

Sippchoice Trustees Limited acts as the bare trustee of the Sippchoice Bespoke SIPP. Dentons is both the Scheme Administrator and provider of the Plan.

Key features include:

- › Total flexibility on the frequency and payment of contributions
- › The ability to select your own fund managers
- › Early 'retirement' irrespective of whether you remain at work, subject to a minimum age of 55 (rising to 57 from April 2028)
- › Penalty free transfers
- › Staggered or phased retirement
- › Capped/Flexi-access drawdown –no need to purchase an annuity
- › Efficient administration
- › Simple transparent fee structure
- › Inheritance tax planning possibilities
- › Significant tax advantages.

Under current legislation, the Sippchoice Bespoke SIPP enjoys considerable tax benefits:

- › Tax relief on permitted personal contributions at your highest marginal rate of income tax, subject to certain limits
- › Investments are generally exempt from UK income tax and capital gains tax (CGT)
- › Employer's contributions may qualify for full tax relief as a business expense
- › Benefits on death will normally be free from inheritance tax
- › Benefits on death before age 75 could be free of any tax
- › From age 55 you can usually take a tax-free lump sum of up to 25% of the value of your SIPP fund (subject to any remaining lifetime allowance you may have)
- › The normal minimum pension age (NMPA) is changing from 55 to 57 on 6 April 2028 and, depending on your age, may well have implications in terms of when you can crystallise the funds in your SIPP and start taking benefits.

The Sippchoice Bespoke SIPP is a Registered Pension Scheme for the purposes of Section 150(2) Finance Act 2004.

Building your future.

There are many ways to contribute to the Sippchoice Bespoke SIPP. We accept regular and one-off payments from you and your employer. You can transfer benefits from other pensions. The decision is yours.

Contributions

You, your employer and a third party other than your employer may contribute to your Sippchoice Bespoke SIPP. This can be on a regular basis, as one-off contributions or a combination of both. There is no specific requirement to contribute and you can pay at intervals that suit your personal circumstances.

You will normally be eligible for tax relief on the total amount of contributions you and/or a third party (other than an employer) pay in a tax year to your Sippchoice Bespoke SIPP and any other registered pension schemes you may have, that do not exceed the greater of:

- £3,600 gross and
- 100% of your relevant UK earnings that are chargeable to income tax for the tax year in question.

Contribution allowances

- Annual allowance

An annual allowance of £60,000 currently applies to the total gross contributions paid in a tax year to your Sippchoice Bespoke SIPP and any other registered pension scheme you may have. If this is exceeded and you do not have enough unused annual allowance to carry forward from the three immediately preceding tax years to cover the excess, you will be liable to a tax charge on the excess.

- Money purchase annual allowance

Once you flexibly access benefits (e.g. take an uncrystallised funds pension lump sum or your first payment of flexi-access drawdown pension) the money purchase annual allowance will apply. This is the upper limit for a tax year, on the total value of contributions paid by or for a member to the Sippchoice Bespoke SIPP and any other money purchase registered pension schemes you may have, that can benefit from tax relief. It is £10,000 gross.

- Tapered annual allowance

This reduces a pension scheme member's annual allowance on a sliding scale for a tax year in which their 'adjusted income*' exceeds £260,000 in a tax year. Members with an adjusted income of £360,000 or more will have a tapered annual allowance of £10,000 gross.

This allowance will not apply if a member's 'threshold income**' is £200,000 or less even if they had adjusted income of £260,000 or more. The minimum tapered annual allowance has varied in the tax years since its introduction.

*Adjusted income includes the member's earnings, dividends, interest on savings and pension contributions (including those made as a result of a salary sacrifice or similar arrangement).

**Threshold income is broadly similar to adjusted income except that pension contributions that entitle the member to Relief at Source and employer contributions resulting from a salary sacrifice (or similar arrangement) made before 9 July 2015 are excluded.

We understand that everyone's different. That's why the Sippchoice Bespoke SIPP easily adapts to your changing circumstances.

Drawing earnings

Whatever your earnings are in a tax year, once you have drawn your first amount of flexi-access drawdown pension or taken an uncrystallised funds pension lump sum from the Sippchoice Bespoke SIPP fund, the money purchase annual allowance of £10,000 gross will apply in relation to total contributions to your SIPP and to any other money purchase registered pension schemes you may have. Please see 'Powerful features' section for further details.

Whether an employer gets full tax relief on contributions it makes to your Sippchoice Bespoke SIPP will be a matter for the employer's local Inspector of Taxes.

Three-year carry forward

If you have used all of your annual allowance in a tax year, it may be possible for further contributions to be made in that year provided you have unused annual allowance available from one or more of the immediately preceding three tax years (starting with the earliest year) to carry forward to the tax year in question.

Full tax relief will only be available on contributions paid in the tax year by you or by a third party who is not your employer provided your relevant UK earnings for that tax year are at least equal to the amount of those contributions.

To take advantage of this facility, you must have been a member of a Registered Pension Scheme in the year from which you carry forward any unused allowance.

If the money purchase annual allowance applies, carry forward of any unused allowances from previous tax years will no longer be available.

Transfers in

Your Sippchoice Bespoke SIPP can accept transfers from your other registered pension schemes. This means that if you have made pension provision in the past, or have accrued benefits under previous employers' schemes, you can consolidate these within your SIPP.

The potential advantages of transferring can be summarised as follows:

- › reduced administration costs
- › flexible death benefits
- › the ability to defer an annuity purchase
- › flexi-access drawdown and phased retirement.

If you want to retain the investments that are held in an existing pension scheme rather than selling them and transferring the cash proceeds, it may be possible to transfer the investments in-specie, which means transferring their ownership to your SIPP.



The investment process.

The Sippchoice Bespoke SIPP is designed for a straightforward investment strategy.

With your funds in place, we make it easy for you to take advantage of selecting an investment manager or platform of your choice (subject to Dentons acceptance). Examples of the permitted investments are shown opposite.

The Sippchoice Bespoke SIPP only allows you to invest in a single portfolio which does not contain any non-standard funds and/or assets.

When we establish your SIPP we automatically open an individual interest bearing current account into which all contributions and/or transfers will be paid. This remains the default account.

Once the funds have cleared you have control over how they are invested. However, we may need to carry out due diligence on the selected investment manager or platform.

You may wish to appoint an investment manager to help advise you on a range of suitable investments or to carry out your instructions. Unless held by an investment manager's nominee, all investments will be held in the name of your SIPP.

We'll even provide you with online access so you can see the most up-to-date valuations for all of your investments including details of contributions and transfers, benefits (where applicable) plus live links to certain platforms.



With funds in place
it's time to think about
investment choices.

The types of investments available for the Sippchoice Bespoke SIPP include:

- › stocks and shares listed or dealt on any HMRC recognised Stock Exchange
- › stocks and shares quoted on the Alternative Investment Market (AIM)
- › equities traded on a recognised overseas stock exchange
- › authorised unit trusts that do not hold residential property
- › shares in investment trusts
- › FCA recognised offshore funds.

A number of investments are not accepted within the Sippchoice Bespoke SIPP including:

- › Bed & breakfast units
- › Carbon credits
- › Cloud lending
- › Commodities other than gold bullion
- › Cryptocurrency
- › Forestry
- › Futures, warrants, options and binary options
- › Hedge funds
- › Individual CFD and FX accounts
- › Individual hotel rooms
- › Land banking
- › Litigation funding
- › Loans to individuals or connected parties
- › Off-plan hotel developments
- › Overseas commercial property and land
- › Overseas unquoted equities
- › Storage pods
- › Taxable property - defined by HMRC as residential property and tangible movable property (including personal chattels)
- › Unregulated collective investment schemes (UCIS).

Please note: These lists are not definitive.

If you've got a specific investment in mind then please talk to us. We'll do what we can to make it happen.



Capability on every level.

We have been delivering expertise in self invested pensions for over 40 years.

Flexible benefits.

Time to draw from your pension? With the Sippchoice Bespoke SIPP you're in control. Take a tax-free lump sum. Take amounts from different proportions at different times. We'll help you do it as tax-efficiently as possible.



Retirement

You can start taking benefits at any time from the age of 55 (rising to 57 from April 2028), irrespective of whether or not you remain in employment. However, tax considerations may apply if benefits are deferred beyond the age of 75.

Whenever you draw benefits from the entire SIPP fund or part of it, depending on how much remaining lifetime allowance you have left, you will usually have the following options:

1. Tax-free 'pension commencement lump sum' (PCLS) with the balance being retained in your SIPP to pay you a drawdown pension or used to buy an annuity from an insurance company, either of which will be assessable income for tax purposes.
2. Uncrystallised funds pension lump sum (UFPLS), 25% of which is tax-free and the balance is assessable income for tax purposes.
3. Combinations of the above.

Drawdown pension payments and each UFPLS must be paid via the SIPP's payroll system.

Funds remaining in your SIPP continue to benefit from any investment growth (income and gains) and the associated tax exemptions.

Lifetime allowance

For most individuals, the lifetime allowance is the upper limit on benefits they can crystallise in aggregate in all of their registered pension schemes, without incurring a lifetime allowance tax charge.

Prior to 6 April 2023, if you exceeded your remaining lifetime allowance at any time when crystallising benefits, the excess was subject to a 55% tax charge if paid as a lump sum. If it was instead used to provide you with a drawdown pension or to buy an annuity, the tax charge prior to tax year 2023/24 was 25% and the payments of drawdown pension or annuity would be assessable income for tax purposes. Please note that the option to take the excess as a lump sum is only available before you are 75.

For the 2023/24 tax year, the lifetime allowance tax charge is being set at £0. However, in certain circumstances, members/beneficiaries will pay tax at their marginal rate on any excess above the lifetime allowance.

From the 2024/25 tax year it is proposed that the lifetime allowance will be abolished.

However, the maximum an individual can claim as a tax-free PCLS is limited to a maximum of £268,275 (25% of £1,073,100 (the standard lifetime allowance as at 6 April 2023)) except where you previously held some form of LTA protection where your previous entitlement to PCLS will be retained.

Powerful features.

When you are ready to draw your Sippchoice Bespoke SIPP pension you have a number of options available to you. Drawdown allows you to retain control of your pension fund assets while receiving an income from them.

Flexi-access drawdown

This allows you to draw a pension income from your crystallised funds within your Sippchoice Bespoke SIPP with no upper limit other than the value of those funds. Therefore, you must bear in mind that you could run out of funds to support yourself in the future if, for example, your investments perform poorly, you draw too much pension or you live longer than expected.

The first payment of flexi-access drawdown will mean that the money purchase annual allowance of £10,000 gross will apply to contributions to your SIPP and any other money purchase registered pension schemes you may have.

Uncrystallised funds pension lump sum

This allows you to take a lump sum from uncrystallised funds within your SIPP, limited as noted above, which is normally tax-free and the balance is assessable income for tax purposes. The lump sum must be paid in one go.

Payment of an uncrystallised funds pension lump sum will mean that the money purchase annual allowance of £10,000 gross will apply in relation to contributions to your SIPP and any other money purchase registered pension schemes you may have.

Capped drawdown

Capped drawdown is only available to a SIPP member who had designated funds for capped drawdown prior to 6 April 2015.

This is pension income that may be taken from a SIPP subject to a limit set by HMRC. The limit equates approximately to the annuity that could be bought with the relevant funds solely for the SIPP member with no annual increases. The limit has to be reviewed every three years up to age 75 and then each year thereafter.

Annuity

If you decide to use SIPP funds to buy an annuity from an insurance company, the terms of the annuity will normally be determined at that time. The terms can include such features as annual increases at a set percentage or in line with inflation and provision for annuity payments to a spouse or other dependant in the event of your death.

The actual level of annuity you can buy will depend on your age, health and annuity rates at that time.

An annuity usually provides a secure and set level of income for the rest of your life. It is not normally possible to cancel an annuity contract or vary its terms. However, if the annuity is a flexible annuity, payments can decrease and do not have to continue for life.

Capability on every level.

Discretionary Portfolios are held in over 40% of our self invested pensions.





We administer over
8,000 SIPPS with
AUA of £5.4bn.

Capability on
every level.

Benefits on your death.

It's hard to talk about death benefits. But it's reassuring to know that your family and those close to you will be fully supported when you're no longer here. With the Sippchoice Bespoke SIPP there are plenty of options.

Payments of benefits from the SIPP on your death at any age are usually free from inheritance tax as the Scheme Trustee has absolute discretion as to whom, in what form and in what proportions to pay benefits.

Death before age 75

In the event of your death before the age of 75, and irrespective as to whether retirement benefits have been drawn, the whole of your SIPP - including life cover up to your lifetime allowance - can normally be paid out as a lump sum or as pension income payments to your nominated beneficiaries tax-free. Pension income can only be paid to individuals.

Your uncrystallised funds in the SIPP must be tested against your remaining lifetime allowance and any excess will be subject to a lifetime allowance tax charge. For the 2023/24 tax year, the lifetime allowance tax charge will be £0 but, in certain circumstances, your beneficiaries may pay tax at their marginal rate on any excess above the lifetime allowance. For the 2024/25 tax year onwards, it has been proposed that the lifetime allowance will be abolished.

Death after age 75

In the event of your death after attaining age 75, remaining funds can be paid to your beneficiaries as a lump sum or pension income. Pension income can only be paid to individuals. Lump sums and/or pension income to individuals will be assessable income for tax purposes and lump sums to anyone else (e.g. trusts and companies) will be subject to a special tax charge of 45%.

In certain circumstances, lump sums to charities can be tax-free.

Benefits on death of a beneficiary

When a nominated beneficiary dies whilst receiving benefits from the fund, benefits can then be paid to their beneficiaries and so on, until your SIPP fund has been exhausted. The tax treatment of the benefits will depend upon the beneficiary's age at death (i.e. before age 75 it will be tax-free but after age 75 it will be taxable at the recipient's marginal rate of tax) and to whom the benefits are to be paid.

This gives the potential for you to pass pension funds down through the generations with the funds remaining invested in a tax privileged environment.

Simple and transparent.

With the Sippchoice Bespoke SIPP there are no hidden surprises. We've worked hard to develop a solution that's easy to understand and puts you in control at all times.



Charges

Our charging structure is fully transparent. It is explained in our Schedule of Services, a copy of which will be provided upon request.

All of the fees will be deducted from your default bank account unless other arrangements are specifically agreed in writing.

In addition to our charges, you may also incur investment management charges depending upon your investment strategy and the investment manager selected.

Cancellation rights

You can cancel your Sippchoice Bespoke SIPP within 30 days of the SIPP's inception. To do so, you need to provide written instruction to the Group Compliance Officer at the address shown on the back page. This should be posted on or before 30 days of the date of inception.

While you can verbally advise the Group Compliance Officer of your wish to cancel, such a verbal notice must also be supported by a written instruction.

We will repay any money you have paid into the SIPP, less any charges incurred in accordance with the Schedule of Services, up to the date of cancellation.

During the cancellation period any funds held within the SIPP will be retained in the SIPP bank account unless you specifically elect to waive your cancellation rights - in order, for example, to facilitate an urgent investment transaction.

Please note: Additional cancellation rights apply to each transfer intended to be received by your SIPP. In accordance with FCA rules, you cannot waive the cancellation rights in respect of any transfer from any other registered pension scheme under any circumstances. During the 30-day transfer cancellation period you will not be able to invest transferred funds into illiquid assets.

Portability

If your personal circumstances change then your SIPP can change with you.

Thanks to its great flexibility you can change the level of contributions you make at any time and can continue to use it as your pension vehicle even if you change from being employed to self employed or vice versa.

Alternatively, you can suspend contributions and recommence payments at a later date without any financial penalty. You can also continue to control the existing funds within your SIPP.

If you're unhappy with your SIPP you are free to transfer the assets into another Registered Pension Scheme. All we ask is that you settle any fees before we start the transfer.

Fully compliant.
We're authorised.
We know the rules.
We understand the
legal framework.

The Provider

A registered pension scheme that is a SIPP can only be established by a firm that has the relevant permission from the Financial Conduct Authority (FCA). Such a firm is commonly referred to as a 'Provider'. Dentons Pension Management Limited (Dentons Pensions) is the Provider and Scheme Administrator for tax purposes of our SIPPs.

SIPP bank account

The default bank account for the Sippchoice Bespoke SIPP is provided by Cater Allen.

This account is an interest bearing cheque account offering instant access to the funds held.

We are committed to paying a competitive rate of interest.

General information

Dentons Pension Management Limited is authorised and regulated by the Financial Conduct Authority for the purposes of establishing, operating and winding-up personal pension plans.

Details of this authorisation can be confirmed through the FCA Register (Reference No 461094) at: <https://register.fca.org.uk> or by telephoning 0800 111 6768.

This guide contains a broad description of the main features of the Sippchoice Bespoke SIPP.

Full details are set out in the Master Trust Deed and Rules, the Terms and Conditions of Business and Schedule of Services, the Sippchoice Bespoke SIPP Fee schedule and the Dentons Permitted Assets document. Copies are available on request. In the event of any conflict or dispute, the Master Trust Deed and Rules will override this guide.

Dentons will not ordinarily provide advice concerning the suitability or otherwise of the Sippchoice Bespoke SIPP in relation to your own circumstances, nor will Dentons provide you with advice in relation to whether an intended investment is appropriate or suitable other than to inform you that any such investment is not considered to be in accordance with HMRC regulations and requirements.

If you have any queries regarding the Sippchoice Bespoke SIPP, our contact details are:

Dentons Pension Management Limited
Sutton House, Weyside Park,
Catteshall Lane, Godalming,
Surrey, GU7 1XE
T 01483 521 521
E enquiries@dentonspensions.co.uk
W www.dentonspensions.co.uk

In the event that you are not satisfied with any of our services, you should write to the Compliance Officer at the above address or email: compliance-officer@dentonspensions.co.uk and your correspondence will be dealt with according to our Complaints Procedure. A copy of this will be given to you when we acknowledge receipt of your correspondence.

If you are not satisfied with our reply to your complaint, you can refer the matter to either The Pensions Ombudsman or to the Financial Ombudsman Service - dependent upon the nature of your complaint.

Where your unresolved complaint concerns the administration of your Sippchoice Bespoke SIPP, you should refer the matter to The Pensions Ombudsman, an independent body that will adjudicate upon your complaint between you and us. Contact details are:

The Pensions Ombudsman
10 South Colonnade
Canary Wharf, E14 4PU
T 0800 917 4487
E enquiries@pensionsombudsman.org.uk
W www.pensions-ombudsman.org.uk

Where your unresolved complaint concerns the marketing of the Sippchoice Bespoke SIPP, you should refer the matter to the Financial Ombudsman Service which provides consumers with a free and independent service for the resolution of disputes with organisations that are authorised and regulated by the FCA. Contact details are:

Financial Ombudsman Service
Exchange Tower, Harbour Exchange,
London, E14 9SR
T 0800 023 4567
E complaint.info@financialombudsman.org.uk
W www.financial-ombudsman.org.uk

A reference to either Ombudsman service will not affect your legal rights.

Where your unresolved complaint concerns how we have handled your personal data in relation to your SIPP, you should refer the matter to the Information Commissioner's Office. Contact details are:

Information Commissioner's Office
Wycliffe House, Water Lane, Wilmslow,
Cheshire, SK9 5AF
T 0303 123 1113 (local rate) or
T 01625 545 745 (national rate)
W <https://ico.org.uk>



Dentons Pension Management Limited
Sutton House, Weyside Park
Catteshall Lane, Godalming
Surrey GU7 1XE

T 01483 521 521
F 01483 521 515
E enquiries@dentonspensions.co.uk
W www.dentonspensions.co.uk

Dentons Pension Management Limited, Denton & Co. Trustees Limited, NTS Trustees Limited, TP Trustees Limited, Sippchoice Trustees Limited, Fairmount Trustee Services Limited and M.A.B. Trustee Company Limited are registered in England & Wales under numbers 02352951, 01939029, 01407848, 02604059, 06869793, 01909678 and 01604556 respectively. Registered office at Sutton House, Weyside Park, Catteshall Lane, Godalming, Surrey, GU7 1XE.

Dentons Pension Management Limited is authorised and regulated by the Financial Conduct Authority, register number 461094.

VAT number for Dentons Pension Management Limited is 863 1639 14.

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