Did you know?

You may be able to transfer other pension accounts you have into the Fidelity SIPP

Over the course of your working life it is likely that you will have a number of pension accounts. Did you know that it might be possible for you to move these to your Fidelity SIPP?

It's important to understand that transfers are a complex area and may not be suitable for everyone. Before going ahead with a pension transfer we strongly recommend that you undertake a full comparison of the charges, features and services offered.

This factsheet provides some important information regarding why you may, or may not, wish to proceed with a pension transfer to Fidelity. Fidelity Personal Investing only gives information on products and services and does not provide advice. You should read this factsheet carefully and obtain financial advice from an authorised financial adviser if you are in any doubt about transferring a pension.

Fidelity's Retirement Service can offer you retirement guidance and advice. We have a team of specialists who will be able to help you. Additional advisory fees will be charged and agreed with you before undertaking any additional work. Just call 0800 084 5045. Of course you are free to select your own adviser.

Guidance from the government: Pension Wise The government offers a free and impartial guidance service to help you understand your options at retirement. This is available via the web, telephone or face-to-face through government approved organisations, such as The Pensions Advisory Service and the Citizens Advice Bureau. You can find out more by going to pensionwise.gov.uk or by calling Pension Wise on 0800 138 3944.

The advantages of a pension transfer...

There are a number of reasons why you may want to consider moving other pensions to Fidelity:

- **One administrator** – having only one pension administrator means that you will receive only one set of paperwork, making it easier for you to manage your pensions
- **Innovative services** – we also offer a range of innovative services, to help you manage and understand your pension. You'll be able to see your pension alongside other investments you hold with Fidelity in your online account and make changes whenever you want
- **Potentially wider investment choice** – you will have access to our wide choice of funds, exchange traded products and investment trusts. This may be particularly useful to you if your current pension arrangements offer limited investment choice or are under-performing. You should compare the investment choice with your existing arrangement(s)
- **Competitive charges** – at Fidelity we try to keep our fees and charges as low as possible, with no charges when switching between investments, to allow more of your money to work for you.

  You should compare our charges with your existing arrangement(s). Full details of our charges can be found in the relevant key information document and our Fidelity SIPP Key Features Document.

The disadvantages and other key factors to consider...

Transferring existing pensions may not be suitable for everyone. As with all financial decisions there are important factors you need to consider.

- The most important relate to existing associated or guaranteed benefits you may be entitled to, which you could lose if you transfer. This could impact you if you have any pensions that allow you to:
  - receive a defined benefit/final salary pension at retirement, a pension promised by your employer and based on the level of your pay, often at the date of leaving
  - retire earlier than the standard minimum retirement age of 55
  - have more than the standard 25% tax-free cash lump-sum upon retiring. Please note that the value of tax savings will depend on individual circumstances and all tax rules may change in the future.
  - have guaranteed death benefits in excess of the value of your pension
  - have a guaranteed annuity rate
  - have a 'with profits' investment in your pension. This type of arrangement will provide an annual bonus, which is guaranteed, plus a maturity or terminal bonus which is not guaranteed and which will reflect underlying investment performance. The timing of any transfer should take into account when the next annual bonus payment is due and whether eligibility for a maturity or terminal bonus is affected by the transfer. Some with profits funds also apply value adjustments in times of poor or volatile market performance, so you should check if this applies to your policy before you transfer
  - have inflation protection, or allow "linking" of service years as one continuous period of employment, as with public sector pension schemes, such as teachers, nurses etc.
  - have any other minimum pension benefits
- **No guarantees** – you should also remember that there is no guarantee that transferring a pension will result in a higher retirement income. Past performance is not a guarantee of future results and you may receive a higher or lower pension in retirement than you could have received if you had decided not to transfer
- **Exit penalties** – you should also check to see if there are any exit charges or penalties if you transfer out of your current pension, as this could impact the future value of your pension. Fidelity will reimburse the exit fees charged to a customer by their former provider when they move their investments to Fidelity, up to a maximum amount of £500 per person. Please see **fidelity.co.uk/exitfeeterms**
- **Changing your mind** – if you transfer your other pensions and then change your mind, your previous pension provider may refuse to reinstate your benefits
- **Comparing pensions and providers** – before going ahead with a pension transfer we strongly recommend that you undertake a full comparison of the charges, features and services your pension offers against the benefits that Fidelity can provide. **Further information is available from the Money Advice Service at www.moneyadviceservice.org.uk, or you can call them on 0300 500 5000**
- **Small Pots** – If the amount you wish to transfer from any pension is less than £10,000 then you may be able to take it all as a cash lump sum, some of which may be tax free with the balance taxed at your marginal rate of income tax. If you transfer 'small pots' into one account which then exceeds £10,000, the option of taking it all as a cash lump sum could be lost.

Pension accounts that can be transferred to the Fidelity SIPP

- Personal Pension Plans including other Self Invested Personal Pension Plans
- Stakeholder pensions – low-cost pensions that follow Government rules designed to give everyone an easy way to save for retirement. You should compare charges in a Stakeholder pension with the Fidelity SIPP as they may be lower
- Retirement Annuity Contracts (RACs) which are also known as Section 226 plans
- Additional Voluntary Contribution (AVC) plans linked to defined contribution occupational schemes and Free Standing Additional Voluntary Contributions (FSAVC) plans – top-up arrangements for work-based pensions that are separate from your employer's pension scheme
- Executive Pension Plans and Small Self-Administered-Schemes (SSAS) – company pension schemes designed primarily for directors, executives and key employees
- Section 32 buy-out policies (without guaranteed minimum pension (GMP) benefits)
- Pension schemes already paying a retirement income (Pension drawdown plans).

Pension accounts that may be transferred to the Fidelity SIPP

Some schemes contain guarantees deemed as 'safeguarded benefits' or provide benefits which will be lost on transfer. We may at our discretion, accept transfers from:

- Any type of defined benefit scheme – examples include, final salary schemes, career average schemes, hybrid schemes, some section 32 buy out plans and schemes that contain Guaranteed Minimum Pensions (GMP)
- Additional Voluntary Contribution schemes (AVC) linked to defined benefit schemes
- Employer sponsored schemes where your employer and/or you continue to make contributions

Provided at the point the minimum legal and regulatory requirements are met and subject to any other terms as we may prescribe. If you are planning to transfer one of these schemes, confirmation that you have received appropriate financial advice will be required. This will need to include confirmation that a transfer is in your best interests. Without this, the transfer cannot proceed.

If you are unsure about the type of scheme you currently hold and what benefits are available to you, contact the provider of the scheme. We believe that it is essential that you receive financial advice in order to make an informed decision.

These lists are not exhaustive and you should research the benefits available to you within your existing pension before you request a transfer. Our specialists at Fidelity's Retirement Service are able to undertake a detailed analysis of your existing arrangement for you and highlight any potential benefits you may lose on transfer so you can decide if it is worth transferring. There is a fee charged for this service and you can contact **0800 084 5045** for more details. Of course you are free to choose your own financial adviser.

How it works

You have two options available. You can re-register, or cash transfer.

Re-register

If the funds you hold in your existing pension are available on our investment platform and your existing pension provider supports the re-registration process, we can move your pension into the same funds via re-registration. When this is not possible, your funds will be sold and the cash balance transferred to your SIPP Cash Account. You can then re-invest this money in new investments when you are ready.

Cash Transfer

Alternatively, if the investments you hold in your existing pension are not available on our investment platform you can choose to have the assets in your old pensions sold and the proceeds transferred to the Fidelity SIPP as cash, which we will invest into your chosen investments. If you have not made any investment choices, we will place your money in your SIPP Cash Account until you are ready to choose new investments. We will pay interest on cash held, which will be calculated daily and credited to your account on a monthly basis (normally the first week of each month for the preceding month's interest). All interest will be paid gross. The rate you will be paid will be the Bank of England (BoE) base rate minus 1% subject to a minimum of 0.35%.

Please note that if your pensions are moved to us as cash, you will be out of the market while your money is being transferred, so you could miss out on growth and income if the market rises during this time. If your existing pension provider has signed up to an industry accepted paperless transfer service your transfer should be completed in about 10 business days. If not, the transfer could take between 8-10 weeks but could be longer as the process is reliant on prompt action by your existing providers whose time frames can be variable.

Transfer minimums for new accounts

If the transfer is from another pension provider and going into immediate pension drawdown the minimum is £50,000.

For all other transfers the minimum is £10,000.
This includes transferring:

- Entirely in cash
- A combination of cash and existing pension funds
- A pension already in pension drawdown
- An existing pension fund whether it is all of your fund holdings or a selection

Transfer minimums for existing accounts

- If you have an existing Fidelity SIPP and wish to transfer other pensions into your plan, unless they are not already in or about to go into drawdown, the minimum transfer amount is £1,000.

Cashback offer

We promote pension transfer cashback offers on a regular basis (exclusions and T&Cs apply). However, it is important that you take enough time to decide whether transferring your pension to us is right for you. If you need more time and wish to qualify for the cashback offer, please wait until the next offer period.

For more information, please call our UK SIPP team on **0800 358 7480** or visit **fidelity.co.uk/transfer**

Personal Investing