

# Transfer Pension Portfolio

## STATEMENTS FOR CLIENT SUITABILITY LETTERS

**Important information:** This document contains sample statements to assist financial advisers in compiling individual suitability letters and does not constitute a suitability itself. Sanlam Investments and Pensions accepts no liability for any action taken or not taken by any individual or firm as a result of the contents of this material. While we have made every effort to ensure the accuracy of this material, we cannot accept responsibility for any consequences (financial or otherwise) arising from relying on it. Please note that if the content is to be used in a suitability letter, it must be approved by your own compliance officer in the first instance.

### Provider profile

Sanlam's UK wealth management business is part of Sanlam Limited, the international financial services group, which has been advising clients around the world for over 100 years. Valued at almost £9.7 billion\*, employing more than 21,000 individuals worldwide and managing more than £45 billion\* in client assets, the Sanlam Group is an organisation with a growing global presence.

\*As at 31 December 2018

### Product criteria

The Sanlam Transfer Pension Portfolio is our Section 32 pension which allows you to transfer your benefits in an existing Section 32 and other type of deferred annuity contract, or benefits in an occupational pension scheme that is winding up, to a more flexible pension plan. It gives you the ability to retain any protected tax-free cash sum and/or a protected pension age on transfer, subject to certain conditions being met. It also provides you with flexibility to exercise more control over your investments by allowing you to select where you invest your money.

You can choose funds, commercial property, stocks and shares and other permitted assets to invest in.

### Minimum investment

The minimum transfer value is £50,000.

### Charges

The Sanlam Transfer Pension Portfolio operates an activity-based charging structure, ensuring that you only pay for the features that you use.

### Initial charge

Initial one-off charge of £416 that is levied when the contract is set up.

### Scheme administration charge

One-off administration charge of £183 per scheme transferred.

### Transfer charge

All transfers are subject to a £92 transfer charge per provider, with an additional £92 charge for in-specie transfers. Please refer to the *Guide to charges* for further details.

As you are transferring funds from (*insert number of schemes*) schemes from (*insert number of providers*) providers, the total initial charge will be (£416 + (*number of schemes* x £183) + (*number of providers* x £92)).

### Annual administration charge

The annual administration charge is 0.25% subject to a minimum charge of £41.50 per month (£498 per year).

### In-specie transfers

*Use this paragraph where a client is doing an in-specie transfer:*

You have chosen to transfer the assets from your current pension scheme 'in-specie'. An 'in-specie' transfer means that the assets will be transferred to the ownership of Sanlam Investments and Pensions without the need for sale and therefore you will not be out of the market during the transfer process. Any transfer to be invested in the Pinnacle range of funds must be by cash – all assets need to be sold before the cash proceeds are transferred to Sanlam.

*Use this paragraph if in-specie property transfers are requested:*

The Transfer Pension Portfolio can accept an in-specie commercial property transfer under the self-invested option.

### Investment choices

The Sanlam Transfer Pension Portfolio allows a wide range of investments to provide you with full investment flexibility subject to the regulator's permitted investment requirements. Please refer to the Investment guide for further details on permitted assets.

*Use this paragraph if the self-investment option is chosen:*

As you have chosen to self-invest all or part of your retirement fund, you can invest in a wide range of investments, including commercial property. Please see our permitted investment and commercial property guides for further information.

### Commercial property

HMRC rules permit certain types of property as an investment under a self-invested Section 32 buy out contract. Sanlam Investments and Pensions offers the following facilities to assist you with investing in commercial property:

- An in-house property team who will guide you through every aspect of the purchase process and ongoing administration of the property to make investing in commercial property simpler.
- The VAT option enables any VAT due on purchase to be paid and reclaimed outside of the Transfer Pension Portfolio. This avoids having to use part of the pension fund's financing of VAT and means there is more cash available to buy the property.
- You may pool your fund with others to enable you to jointly purchase a property under a multi-member fund (subject to Sanlam's criteria for connected and unconnected parties).
- Funds from existing Transfer Pension Portfolios and from Sanlam OneSIPPs may be combined to buy commercial property (subject to Sanlam's criteria for the connection between participants).

Please see our *Guide to commercial property*.

### Investment management

Our Transfer Pension Portfolio contract gives you the flexibility to choose who manages your investments. This can be yourself, with or without advice, or you can nominate an investment manager to manage your fund, either on a discretionary basis or in accordance with your instructions. Sanlam has an existing relationship with Sanlam Private Wealth so you can benefit from a flat charge for this service.

Full details of discretionary investment manager (DIM) charging structures can be found in the *Listed discretionary investment managers* document.

*Insert this paragraph if a DIM from our list is chosen:*

As you have chosen to use one of the discretionary investment managers Sanlam has an existing relationship with, we will not make any transactional charges on your Transfer Pension Portfolio, allowing you to benefit from a flat charge for these services.

*Insert this paragraph if a new or existing client with cash wishes to appoint a DIM we do not have an existing relationship with:*

Sanlam allows you to nominate a discretionary investment manager of your choice or yourself as investment manager. You have chosen to nominate (insert name of DIM or 'yourself') as the investment manager and you will be charged on a transactional basis, of £42 per transaction. A custodian charge will also apply for every asset purchased/sold within your Transfer Pension Portfolio.

*Insert this paragraph if the client is to be the investment manager:*

As you have nominated yourself as the investment manager of your Transfer Pension Portfolio, you will require a third-party stockbroker to carry out all dealings in securities (other than collective investments) in relation to your self-invested fund.

*Insert this paragraph if the client has chosen to invest into one of the model portfolios:*

You will be investing in a Model Portfolio for a designated risk profile and investment objectives and we will advise if this is suitable for you. *(Insert relevant benchmark wording from 'Accel risk profiles – statements for client suitability letters' in relation to appropriate risk profile).*