

# The Transfer Pension Portfolio

## AT A GLANCE

Exploring how the Transfer Pension Portfolio offers clients a wide range of investment options without losing valuable benefits

**Important information:** This guide is for use by financial advisers only. It is not intended for onward transmission to a private customer and should not be relied upon by any other person. The information contained in this document is correct as at 1 October 2018. We reserve the right to review our charges from time to time. This information is provided as a summary of the Transfer Pension Portfolio. More detailed information can be found in the *Product guide*, *Guide to charges* and *Key features* document.

### Summary

The Transfer Pension Portfolio allows someone with an existing Section 32, other type of deferred annuity contract, or benefits in an occupational pension scheme that is winding up, to transfer their funds to a flexible pension plan.

It is possible for your clients to retain their protected tax-free cash sum and/or a protected pension age, on transfer, subject to certain conditions being met

### Features

- Ability to fully self-invest in a wide range of asset classes including property, shares and collectives.
- Ability to invest in our Pinnacle Range of funds, the SIP Active Fund Range, commercial property or a combination of these.
- Ability to invest using our Model Portfolio Service.
- Innovative solutions for acquiring commercial property.
- Clients can nominate their own investment manager to manage the fund, either on a discretionary basis, or in accordance with their instructions, depending on their requirements, or they can manage the fund themselves (unless for a Model Portfolio where the investment manager is preselected).
- Ability to invest via a third-party platform provider.

### Summary of investments

Full details are shown in the *Permitted investments guide* via the website or assets can be checked via the permitted investments tool under 'Advanced services' on the website.

By way of guidance the permitted investments include:

- authorised unit trusts and OEICs;
- investment trusts;
- shares quoted on most major international stock exchanges;
- bank and building society deposits;

- gilts and fixed interest securities;
- commercial property; and
- arable agricultural land.

### Pinnacle Range of funds

More than 170 funds from more than 45 investment managers. Full details are shown in the *Fund choice guide*. Switching between funds in the Pinnacle Range is currently free.

### Sanlam model portfolios

Managing wealth to agreed risk profiles can be particularly time consuming, and comes with additional regulatory responsibilities. That's why many advisers choose to use Sanlam's risk-rated model portfolio services.

Sanlam offers four types of portfolio solution:

- Active model portfolios
- Index-linked model portfolios
- Socially responsible investment (SRI) model portfolios
- Income Fund

These provide the flexibility and control that today's financial advisers need to meet different investment objectives with precision through the most appropriate vehicles, including ISAs and SIPPs.

### Active model portfolios

Our active model portfolios are a range of investment funds blended in line with specific risk profiles and managed by a team looking to outperform the relative benchmark. We create portfolios by combining actively managed third-party funds from the whole of the market, which we blend according to the investment environment and outlook for potential returns. By adjusting the mix of funds, we ensure the portfolios remain within the agreed level of risk.

This service is suitable for your clients who are willing to pay active management fees in the expectation that it is possible to outperform the benchmark.

### Index-linked model portfolios

A lower-cost option, suitable for your clients who are more sensitive to fees or don't believe it's possible to outperform a benchmark through active management. The investment team constructs and manages the portfolios in line with their risk profiles by combining index-tracking vehicles, such as exchange-traded funds (ETFs). They aim to match, as closely as possible, the risk and reward of the Sanlam risk benchmark over the long term.

## The Transfer Pension Portfolio

### Socially responsible investment (SRI) model portfolios

Socially responsible investing is increasingly popular, particularly among a new generation of younger investors. We offer a straightforward way for financial advisers to provide their clients with SRI investments through our range of risk-rated model portfolios. The investment team combines investment funds with a bias towards SRI investing, which they blend according to risk profiles.

These portfolios are suitable for clients who want a portfolio manager to make active investment decisions and offer the potential to outperform the Sanlam risk benchmark over the long term, while also investing ethically.

### Income Fund

A Sanlam-appointed portfolio manager will select a range of different investment funds and blend them into a portfolio in line with the 'Cautious' risk profile. They will aim to generate an enhanced yield (income) from this portfolio and to grow that income over time.

This portfolio is suitable for those looking to receive a higher income from their investments with the potential for capital growth at a Cautious level of investment risk.

### Minimum investment summary

Minimum investment	£50,000
Flexi-access drawdown pension	To take a regular or series of ad hoc payments – £25,000 after tax-free cash (pension commencement lump sum). Payments can be made a maximum of once per month and for a minimum of £50 each. To take a one-off lump sum payment, no minimum fund value applies.

### Adviser fee summary

Initial adviser fees – transfer values	Ongoing adviser fees	Ad hoc adviser fees
% of transfer value or specified amount	% of fund value	Specified amount deducted from fund value (only one allowed per year)

### Notes

- All Transfer Pension Portfolio adviser fees are deducted from the product after investment.
- Initial adviser fees will be taken from the transfer value.
- We require an adviser fee instruction signed by the client before facilitating any adviser fees.

## Product charges summary (see *Guide to charges* for full details)

	Charge
Initial administration charge (per client)	£397
Initial administration charge (per scheme)	£173
Annual charge (per client)	0.25% (minimum £40.50 per month)
Transfer in	£87 per provider
In-specie transfer	£87 (this is in addition to the transfer-in charge)
Capped drawdown pension	
Annual administration of drawdown pension	£210 per annum
Review of maximum income levels for capped drawdown	£170 per review
Flexi-access drawdown pension	
Establishment of flexi-access drawdown pension	Free
Annual administration of flexi-access drawdown pension	Nil
Transaction charge	£40 per transaction Where a listed discretionary investment manager is used, the transaction charge is waived and replaced with a flat fee of £250 per annum. Full details of discretionary investment managers to which this charging schedule applies can be found in the <i>Listed discretionary investment managers</i> document.
Property charges	See <i>Guide to charges</i> for further information.
Other charges	Any custodian, brokerage, stamp duty charges on the purchase or sale of an asset will be deducted from the fund, together with any monthly custodian and fund management charges. Any charges made by a third-party platform provider.

