

# The OneSIPP

## STATEMENTS FOR CLIENT SUITABILITY LETTERS

**Important information:** This document contains sample statements to assist financial advisers compiling individual suitability letters and does not constitute a suitability letter 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

Our 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 £13.8 billion\*, employing over 16,000 individuals worldwide and managing more than £54 billion\* in client assets, the Sanlam Group is an organisation with a growing global presence.

\*As at 31 December 2017

### Product criteria

The Sanlam OneSIPP provides you with flexibility to give you more control over your investment by allowing you to select where you invest your money. You can choose from funds, commercial property, model portfolios, stocks and shares and other permitted assets to invest in. Sanlam operates an activity-based charging structure, which means you only pay for the services that you use, when you use them.

### Minimum initial investment

#### Pinnacle

The minimum initial gross contribution required to access the Sanlam range of insured funds is £1,000, and the minimum transfer amount is £25,000. If you opt to pay regular contributions into the plan, the minimum monthly contribution is £100, though this needs to be accompanied by a single contribution of £1,000 gross.

#### Commercial property and self-invested assets

The minimum gross contribution and transfer amount is £25,000. If you opt to pay regular contributions into the plan, the minimum monthly contribution is £100 gross, though this needs to be accompanied by a single contribution of £25,000 gross.

#### Flexi-access drawdown

The minimum gross contribution or transfer to immediately access flexi-access drawdown is £25,000 after the payment of any tax-free cash – also known as the pension commencement lump sum (PCLS).

You can take as much as you wish from your flexi-access drawdown fund as either a one-off or series of ad hoc lump-sum payments, or as a regular income (after PCLS). Any such withdrawals will be subject to income tax. It is also possible to transfer existing capped drawdown funds to OneSIPP, subject to a minimum transfer value of £25,000.

### Charges

#### Basic product charges

Sanlam OneSIPP operates an activity-based charging structure, ensuring that you only pay for the features that you use.

#### Initial charge

Initial one-off administration charge of £387 that is levied when the contract is set up.

#### Annual administration charge

If the contribution and/or transfer into the Sanlam OneSIPP is invested in the Pinnacle range of insured funds or insured model portfolios, the annual charge is 0.25% subject to a minimum charge of £16.50 per month (£198 per year). Where a self-invested option is selected, the minimum annual charge is £40.50 per month (£486 per year).

#### Transfer charges

All transfers are subject to an £83 transfer charge per provider, with an additional £83 charge for in-specie transfers. Please refer to the *Guide to charges* for further details.

#### In-specie transfers

The OneSIPP is able to accept both in-specie transfers and contributions. However, Sanlam cannot accept in-specie contribution of commercial property. Any transfers and/or contributions (with the exception of the commercial property) to be invested in the Pinnacle range of funds must be by cash (all assets will need to be sold before the cash proceeds are transferred to Sanlam).

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

The OneSIPP can accept in-specie property transfers but not in-specie contributions under the self-invested option.

#### Investment choices

OneSIPP allows a wide range of investments to provide you with full investment flexibility. Sanlam will generally allow any investment subject to its investment guidelines. Please refer to the *Investment guide* for further details on permitted assets.

### Commercial property

Subject to HMRC requirements, certain types of commercial property are allowable investments under a SIPP. Investing in this asset via Sanlam's OneSIPP gives you access to the property team, who will guide you through every aspect of the purchase process and ongoing administration of the property.

*Insert this paragraph if commercial property is being held as an insured asset and the VAT option is being used:*

The Sanlam VAT option enables the VAT due on purchase to be paid outside of the SIPP. This avoids having to use the fund's cash as borrowing for the short-term financing of VAT and means there is more cash available to buy the property.

*Insert this paragraph for multi-member commercial property:*

You may pool your fund with others to enable you to jointly purchase a commercial property under a multi-member fund (subject to Sanlam's criteria for connected and unconnected parties).

*Insert these paragraphs if commercial property is being held as an insured asset and there is shared ownership commercial property:*

You can also share ownership of a commercial property so that part is owned by your SIPP and part by a person in their own right (subject to Sanlam's criteria for the connection(s) between the parties for shared ownership).

Where there is shared ownership, the purchase of the commercial property may take place in stages as funds in the SIPP become available.

Please see the *Guide to commercial property* for further details of investing in commercial property via the OneSIPP.

### Investment management

The OneSIPP gives you the flexibility to choose who manages your investments. You decide whether you want to act as the investment manager, with or without advice, or nominate an investment manager to manage your fund, either on a discretionary basis or in accordance with your instructions. If you nominate an investment manager on a discretionary basis, Sanlam has existing relationships with Sanlam Private Wealth, Seven Investment Management and Parmenion, so you can benefit from a flat charge for this service.

Full details of discretionary investment manager (DIM) charging structures can be obtained from our client services team.

*Insert this paragraph if a DIM listed above is chosen:*

Should you choose to use one of the listed discretionary investment managers, Sanlam will not make any transaction charges on your OneSIPP, 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:*

If you nominate a discretionary investment manager of your choice who Sanlam does not have an existing agreement with, you will be charged on a transactional basis, paying only for the transactions made on your behalf in relation to your OneSIPP account.

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

If you nominate yourself as the investment manager of your OneSIPP, you will require a third-party stockbroker to carry out all dealings in securities (other than collective investments) on your behalf and whose charges you will have to meet. A custodial charge will also apply for every asset purchased/sold on your OneSIPP account.

*Insert this paragraph if the client has chosen the Model Portfolio Service:*

You will be investing in a model portfolio for a designated risk profile and investment objectives which we have discussed in depth and you are in agreement that the level of risk is suitable for you.

