

## KEY FEATURES OF THE MORGAN LLOYD INVEST PLATFORM SIPP

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The Financial Conduct Authority is the independent financial services regulator. It requires us, Morgan Lloyd Invest Ltd, to give you this important information to help you decide whether the Morgan Lloyd Invest Platform SIPP 'ML Invest SIPP' is right for you. You should read this document carefully, so that you understand what you are buying and then keep it safe for future reference.

### **PLEASE READ THIS DOCUMENT CAREFULLY**

Your Adviser has chosen to use the Morgan Lloyd Invest Platform to arrange and manage your investments.

The purpose of this Key Features Document is to provide you with a clear understanding of the Morgan Lloyd Invest Platform and the information you need to help you make a decision about the SIPP. To help ensure you make the right decision for your circumstances please read this Key Features Document in conjunction with the Terms and Conditions and your personalised Key Features Illustration. If you are unsure about any of the information provided, or have any questions, please speak with your adviser who will be able to help you.

The information within this document is based on Morgan Lloyd Invest Limited's understanding of current law and HMRC practice.

### **OVERVIEW**

The Morgan Lloyd Invest Platform makes life less complicated. It is a secure online account that brings your investments together in one location making it easier for you and your financial adviser to review the performance of your investments.

Having all your investments in one convenient location enables you to see how your portfolio is performing as a whole, as well as the performance of your individual investments.

Morgan Lloyd Invest Ltd has entered into an agreement with Hubwise Securities Limited (Hubwise), for Hubwise to provide the Morgan Lloyd Invest Platform with trading, settlement, custody and associated services, together with facilities for investing in funds from a range of different providers, as well as a wide range of securities offered by the London Stock Exchange (LSE) including exchange traded funds (ETFs), investment trusts, equities (shares), bonds and gilts.

### **ITS AIMS**

- To provide an accessible SIPP account.
- To provide a wide range of investment options.
- To provide an opportunity for capital growth and income over the medium to long term.
- To build up a sum of money in a tax efficient way to provide a pension at retirement. You may take a tax free cash lump sum (pension commencement lump sum) in exchange for part of your pension.
- Options for providing benefits to your beneficiaries following your death.
- The ability to transfer your existing pension benefits to your ML Invest SIPP fund.

### **YOUR COMMITMENT**

To invest a minimum initial lump sum payment of £500 and/or a minimum regular monthly contribution of £50.

Before you commit to the SIPP you should satisfy yourself that you understand the features and risks of this product, so you can decide whether it is likely to meet your needs and expectations.

To ensure that the SIPP and your chosen investments continue to meet your requirements, their performance should be monitored regularly and you should also regularly review whether this SIPP remains appropriate for your needs. Your financial adviser will be able to help with both of these. There is no minimum period for holding a SIPP however you should consider it to be a medium to long term investment. You are obliged to tell your financial adviser about any changes to your contact details, country of residence or citizenship as soon as possible after any change.

You must agree to be bound by our Terms and Conditions and to pay the charges set out in our Schedule of Charges.

## RISKS

Most types of investment involve some form of risk. A SIPP gives you access to a wide variety of investments however their value and the value of any income generated from them may fall as well as rise. We cannot therefore guarantee you will get back the amount you originally invested when you cash in your SIPP. Your SIPP may also be less than forecast for the following reasons:

### Choice of investments

- If the investments in your SIPP do not match your attitude to risk they may not perform in line with your investment strategy.
- If you don't review the investments within your SIPP regularly and monitor their performance, they may fail to meet your expectations.
- Past performance is not a guide to future performance and some investments need to be held for the longer-term to achieve a return.
- Investments in international assets may be subject to exchange rate risk.

### Charges

- The effect of charges may be higher than illustrated. If you switch to funds with higher charges than those originally illustrated, or if annual management costs increase in the funds you initially chose, the effect of charges will change.
- If the value of your SIPP is small and/or you trade frequently, dealing costs may be disproportionately high and eat into the value of your account.

### Retirement Benefits

- The level of benefit payment from your fund will depend on a number of factors including investment performance, the level of contributions made to your fund, interest rates and exchange rates, when and how you decide to take your benefits and tax charges applied to your fund.
- If you increase the amount you regularly withdraw in retirement, the value of your SIPP may be less than originally estimated.

### Transfers

- If you transfer an existing pension to the Morgan Lloyd Invest Platform SIPP your provider may not support the re-registration of your investments therefore they may need to be sold first. In this instance, the cash would be transferred to your SIPP.
- If your investments need to be sold first and the proceeds transferred in cash, please be aware that you may lose out on income and capital growth while your money is not invested in the market during the transfer.
- Additional charges may apply when certain investments are repurchased in the SIPP.
- You will not have access to your SIPP until the transfer is complete.

### Taxation

- Breaches of legislation may result in tax charges and penalties being imposed by HMRC.
- Dividends and income distributed from UK domiciled funds as interest, plus interest on cash deposits is paid gross.
- Tax rules could change in the future.

### Cancelling your SIPP

- If you decide to cancel your SIPP within the first 30 days, you may get back less than you invested if its value falls in the meantime.

## QUESTIONS AND ANSWERS

### Q Who will administer my Plan?

Morgan Lloyd SIPP Trustees Limited is the Trustee of the ML Invest SIPP and Morgan Lloyd SIPP Services Limited is the Administrator. The scheme is established under Trust and registered with H M Revenue and Customs (HMRC). It is governed by a Trust Deed and Rules. When you apply for a ML Invest SIPP, Morgan Lloyd SIPP Services Limited will establish a plan for you within the scheme which is established under trust by us and registered with HMRC. A copy of the Trust Deed and Rules is available on request.

### Q What is Morgan Lloyd's role?

Morgan Lloyd SIPP Services Limited is the Administrator and will ensure the scheme is administered in accordance with the applicable rules and legislation. The Administrator will have the following responsibilities:

- Providing legal Trust documentation to establish and govern the scheme and registering the scheme with HMRC
- Maintain up to date and accurate records of scheme investments, income and expenditure
- Liaise with HMRC where necessary and file scheme reports when required

Morgan Lloyd SIPP Trustees Limited acts as a bare Trustee in relation to the Assets of the ML Invest SIPP. The Trustee is the legal owner of all SIPP Assets and is responsible for signing and sealing legal agreements and documentation. The Assets of the SIPP Fund will be registered in the name of the Trustee and be held on behalf of the member.

### **Q Is the SIPP right for me?**

The ML Invest SIPP is a personal pension which allows you to make your own investment decisions about how funds are invested. If you are looking for a personal pension that offers a fast, simple and easy solution for investing your money over the medium to long term the SIPP could be right for you.

As your attitude to risk and financial objectives can change you can switch the investments accordingly to reflect these. You must have a financial adviser linked to your account to be able to do this.

### **Q Who can open a SIPP?**

Accounts can be opened by an individual over the age of 18 to open a SIPP.

### **Q What is the minimum contribution?**

Minimum Lump Sum	£500
Minimum Regular Contributions	£50 per month

### **Q What is the maximum contribution?**

There are no upper limits on the amount that you or a third party can contribute to your ML Invest SIPP in a tax year, but there are limits on the level of contributions that will attract tax relief. If any contributions are made in excess of the maximum amount that can receive tax relief, then the excess contributions may be refunded to you.

Tax relief will be granted on contributions up to 100% of your relevant UK earnings capped at the current Annual Allowance. If you do not have earnings you may contribute up to £3,600 gross in the tax year.

The Annual Allowance is determined by the Government and is currently £60,000 (although if you have already started drawing a pension or your annual income exceeds £260,000, a lower limit may apply).

If you have taken certain benefits from your fund, a lower annual allowance called the Money Purchase Annual Allowance (MPAA) will apply to future contributions to money purchase pension schemes, which includes your ML Invest SIPP. The MPAA is currently £10,000. See the section below titled **What benefits can I take?** for details of what triggers the MPAA.

The Annual Allowance applies as a total limit across all your registered pension schemes in a tax year. Any contribution paid in excess of the Annual Allowance will be taxed at your marginal rate of income tax. You should consult with your Financial Adviser if you think you may be close to or exceed the Annual Allowance in a particular tax year.

### **Q Are there any other limits on my plan?**

From 6 April 2024, the government has set a Lump Sum Allowance (LSA) and Lump Sum and Death Benefit Allowance (LSDBA). These limit the amount of your pension that you can take as a tax free lump sum, and the amount that can be paid as a tax free lump to beneficiaries on your death. They may also affect the availability of certain lump sum payments, depending on how much of the allowances you have available. The allowances are reduced when certain lump payments are made from 6 April 2024, and in line with the amount of Lifetime Allowance used before 6 April 2024. The Lifetime Allowance was a limit previously set by the government on accumulation of funds in registered pension without incurring a tax charge. The new allowances are based on the previous value of the Lifetime Allowance, which was £1,073,100 for the tax year ending 5 April 2024. The Lump Sum and Death Benefit Allowance is therefore £1,073,100, and the Lump Sum Allowance is 25% of this amount, therefore £268,275. If you took retirement benefits from a pension scheme before 6 April 2024, but did not take the maximum lump sum available, you may be able to apply to your pension scheme(s) for an enhancement to your remaining LSA and LSDBA.

You may also be entitled to higher allowances, if you had a protected Lifetime Allowance, if you applied to HMRC before 6 April 2009 for Enhanced or Primary Protection, or if you have since applied for any of Fixed Protection 2012, Fixed or Individual Protection 2014, or Fixed or Individual Protection 2016. You can apply for Fixed Protection 2016 and Individual Protection 2016 until 5 April 2025.

If you have protection you will need to supply Morgan Lloyd SIPP Services Limited with the confirmation from HMRC of protection applicable to you on applying to join the ML Invest SIPP, or when protection is granted by HMRC if later.

### **Q What is the tax treatment of the SIPP?**

Subject to the limits outlined above, your personal contributions to the ML Invest SIPP will be net of basic rate tax. We will claim the basic rate tax relief from HMRC and will credit any basic rate tax reclaimed to your fund.

If you are a higher rate tax payer then you may be able to claim tax relief at the higher rate. We will reclaim the basic rate and you must reclaim the additional amount through your self-assessment tax return.

We recommend you seek tax advice if you are in any doubt about the tax implications of contributing to the ML Invest SIPP.

You will not be subject to income tax on contributions paid by your employer. Investments (other than dividend income) in the ML Invest SIPP grow free of capital gains tax and UK income tax.

You may normally take up to 25% of your fund as a tax free lump sum (this may be limited by the LSA or LSDBA – see section above titled **Are there any other limits on my plan?** for details) from age 55. Any pension income taken from your fund will be treated as earned income and therefore liable to income tax.

Although the inheritance tax position can be complex, lump sum death payments can normally be paid from your SIPP fund free from inheritance tax.

### **Q When can I take my benefits?**

You can start to take benefits from your ML Invest SIPP at any time from the age of 55 (or earlier in certain limited circumstances, e.g. when you retire due to ill health or you have an occupation that HMRC determines has a lower minimum retirement age).

You do not have to retire or stop work to take your benefits from your SIPP and you can take benefits in stages (i.e. the full value of your fund does not have to be used to provide benefits at one time).

### **Q What benefits can I take?**

*Pension Commencement Lump Sum (PCLS)* – you can normally take up to 25% of your pension fund as a tax free lump sum, called a Pension Commencement Lump Sum (this may be limited by the LSA or LSDBA – see above for details). The remainder of your fund is used to provide an income either through drawdown from the fund, or purchasing an annuity. Any pension income taken from your fund will be treated as earned income and therefore liable to income tax. Taking a PCLS will reduce the amount available to provide income. The amount and availability of PCLS may be limited by the LSA or LSDBA.

*Drawdown* – this is an income paid direct from the pension fund, and can be either Capped Drawdown or Flexi Access Drawdown.

Capped Drawdown is only available where you had an existing Capped Drawdown fund prior to 6 April 2015. If you have uncrystallised funds, you can designate further amounts to your Capped Drawdown fund. You can also transfer in a Capped Drawdown fund to your SIPP and continue in Capped Drawdown. The maximum annual amount that can be taken under Capped Drawdown is set by the Government, and is reviewed every three years or every year, depending on your age. If you exceed the maximum amount, your Capped Drawdown fund will automatically convert to Flexi Access Drawdown.

Flexi Access Drawdown is available to anyone with uncrystallised funds, or those already in Capped Drawdown. There is no limit on the annual amount that can be paid under Flexi Access Drawdown. If you take any income at all from a Flexi Access Drawdown fund, the Money Purchase Annual Allowance will apply to future contributions – see the section above titled **What is the maximum contribution?**

*Uncrystallised funds pension lump sum (UFPLS)* – you can take a lump sum from your fund, which is usually 25% tax free with the remaining 75% treated as earned income and therefore liable to income tax. The tax free portion may be limited by the LSA or LSDBA – see section above titled **Are there any other limits on my plan?** for details. If you take an UFPLS, the Money Purchase Annual Allowance will apply to future contributions – see the section above titled **What is the maximum contribution?**

*Annuity* – an annuity is an income purchased from an annuity provider using your pension fund. The income is paid for life and the amount will depend on the size of your fund, as well as factors such as age, and whether you want the annuity to increase while in payment. Enhanced annuities may be available for people with certain health conditions.

*Ill health benefits* – it may be possible to take benefits before age 55, if the Administrator is satisfied that you meet certain conditions. In cases of serious ill health it may be possible to take all of your fund as a lump sum (if taken before age 75 this is tax free up to your LSDBA, with the remainder taxed at your marginal rate; if taken aged 75 or older, the full amount is taxed at your marginal rate). The conditions for ill health and serious ill health benefits are specified in legislation.

### **Pension Wise**

Pension Wise is a government service from MoneyHelper that offers free, impartial guidance about your pension options. An appointment with Pension Wise is free and will help you understand what your overall financial situation will be when you retire. It'll talk you through your options to help you make the right decision. You'll also find out about the other factors you need to consider when deciding on your options before retirement.

You can book an appointment by phone on 0800 138 3944 (+44 20 3733 3495 if you're outside the UK) or online at: <https://www.moneyhelper.org.uk/en/pensions-and-retirement/pension-wise/book-a-free-pension-wise-appointment/book-a-phone-appointment.html>

### **Q Can I close or transfer my SIPP?**

You can transfer your account at any time by contacting your financial adviser.

If you are closing your SIPP by transferring to another provider, we can sell all your investments and pay the full amount, minus any charges, to the SIPP Administrator. Alternatively, it may be possible to re-register your investments into your new pension. If further income distributions are received after the account has closed, these amounts will be paid to your new pension once all distributions have been received.

### **Q Can I transfer an existing Pension to the ML Invest SIPP?**

Yes. You can transfer other existing pension arrangements held with other providers into the SIPP. The ML Invest SIPP does not charge you for transferring your account across however your existing plan manager may apply exit charges (you will need to contact your current provider to find out what the exit charges may be). You may also lose the benefit of guaranteed annuity rates or benefit promises depending on the nature of the scheme from which the transfer is made. You should discuss this first with your financial adviser to ensure this is the right option for you.

### **Q How can I transfer my existing Pension to the ML Invest SIPP?**

If you have an existing investment account, you can move your investments to us by a process called "re-registration" or an "in-specie" transfer. This means your existing investments are not sold; they are simply moved from your current provider to us. With your investments remaining invested at all times you will not miss out on market movements. Please note this is only possible where the Morgan Lloyd Invest Platform supports the assets being re-registered. This option may not be available, however, if your current provider does not facilitate the re-registration of your investments.

Where you request a transfer of special or non-clean share class units, your adviser will need to arrange for these to be switched into standard or clean share class units prior to any in-specie transfer being requested. Alternatively, they can be sold, and the proceeds transferred to us as cash and then reinvested into standard or clean share class units of the same fund, or as directed by your adviser.

If your current account provider does not facilitate re-registration, you can still transfer to the ML Invest SIPP. Your existing investments will need to be sold and the proceeds from the sales transferred as cash for you to invest. Please be aware that:

- You may lose out on income or investment growth while your money is not invested during the transfer period.
- Initial charges may apply when new investments are purchased through the SIPP.
- You will not have access to your SIPP until the cash transfer is complete.

Before transferring you should seek advice from your financial adviser. If you decide that our SIPP is right for you and you would like to transfer your existing account across you will need to complete the SIPP transfer authority form and send it to us at our contact address.

### **Q What is the Key Investor Information Document (KIID)?**

A Key Investor Information Document (KIID) is a pre-sales document which replaces the simplified prospectus. The KIID, which is available from your adviser, is produced by the fund manager, not Morgan Lloyd Invest, and contains details of the fund you are thinking of investing in, including:

- A short description of its investment objective and policy.
- A presentation of past performance scenarios.
- Costs and associated charges.
- The risk/reward profile of the investment, including guidance and warnings.

### **Q How will you keep me informed about my SIPP?**

The Morgan Lloyd Invest Platform has been designed to make it easy for you and your financial adviser to keep track of your investments and ensure you are on course to meet your objectives. Your adviser will keep you up to date with information about your investments, their performance and current value. Your adviser may also provide you with online access to this information, in which case you will be able to obtain a valuation of your SIPP at any time.

In addition, the Morgan Lloyd Invest Platform will send you:

- Contract notes – the Morgan Lloyd Invest Platform will provide contract notes to you every time investments are bought, sold or switched. Contract notes are not provided for regular investments or rebalances to existing investments.
- Quarterly statements – the Morgan Lloyd Invest Platform will provide information on the value of your investments, the transactions that have taken place on your account since your last statement, any income or dividends received and cash withdrawn.
- Corporate action notifications – the Morgan Lloyd Invest Platform will keep you informed of any corporate actions on investments that you hold within your SIPP.

### **Q Can I hold cash?**

Yes, the SIPP has a facility for you to hold cash.

### **Q Is my money guaranteed?**

No, the value of your investments in your SIPP and any income from them can go down as well as up and you may not get back the original amount invested. Your personalised illustration gives examples of what you might get back and the projections shown are based on a range of assumptions about future growth, none of which are guaranteed.

## **Q What happens to my SIPP if I die?**

If you die before age 75:

- Your pension funds can be paid to your beneficiaries as a lump sum and/or income
- Lump sum payments are tax free up to the Lump Sum and Death Benefit Allowance (LSDBA) if paid within two years. Lump sums in excess of the LSDBA, or paid more than two years after death, are taxed at the recipient's marginal rate of income tax.
- Income payments are tax free, if paid from funds designated to drawdown within two years of death. Income paid from funds designated to drawdown more than two years after death, are taxed at the recipient's marginal rate of income tax.

If you die aged 75 or older:

- Payment of your death benefits will be taxed
- If your beneficiaries use the funds to take income or a lump sum, this will be taxed at their marginal rate of income tax

If you die after purchasing an annuity:

- A dependant's pension, if selected, will be paid for their lifetime
- Your annuity will be paid for any guarantee period specified at outset

## **Q Where can I find out about the charges?**

Your personalised Illustration gives you details of the charges made for managing your account and the investments, how they are taken and the effect they could have on the value of your account. The Morgan Lloyd Invest Platform Terms and Conditions, together with the Schedule of Charges, and your personalised Illustration, explain the charges and costs involved, how they are calculated and who receives them.

## **Q Can I change my mind?**

When your application for a SIPP has been accepted you will have 30 days in which you can change your mind and cancel your application. You can do this by contacting your financial adviser or by writing to the SIPP Administrator Morgan Lloyd SIPP Services Ltd.

If you instruct us to complete an investment within your ML Invest SIPP within the applicable cancellation period, your cancellation rights will lapse and you will no longer be able to cancel your application to the ML Invest SIPP.

## ADDITIONAL INFORMATION

### CONTACT DETAILS

If you need any further information about this product, please contact your financial adviser in the first instance. If you wish to contact Morgan Lloyd Invest Ltd or the SIPP Administrator directly, you can do so in the following ways:

- In writing:  
Platform - Morgan Lloyd Invest Ltd, The Outlook, Eden Park, Ham Green, Bristol BS20 0DD  
SIPP Administrator – Morgan Lloyd SIPP Services Ltd, The Outlook, Eden Park, Ham Green, Bristol BS20 0DD
- By telephone:  
Platform - Morgan Lloyd Invest Ltd 0808 1696789  
SIPP Administrator – Morgan Lloyd SIPP Services Ltd 01275 379 200

### CONFLICTS OF INTEREST

There are situations where the activities and interest of a company may conflict or compromise the best interests of its customers and clients. Morgan Lloyd Invest is committed to making clear all our activities or situations that could give rise to a conflict of interest. The company aims to minimise conflicts as far as possible. Where conflicts cannot be eradicated, Morgan Lloyd Invest looks to manage them in the best interests of its clients.

### ABOUT THE TERMS AND CONDITIONS

The Key Features Document provides a summary of the SIPP. It does not include all the definitions, exclusions or Terms and Conditions.

A copy of the Terms and Conditions will accompany this document. For more information about the fund range, please contact your financial adviser.

We reserve the right to amend certain contractual terms, some without prior notice, as explained in the Terms and Conditions. If we do so we will let you know in writing. The contract you are applying for is subject to the Laws of England and Wales. All our literature and future communications to you will be in English. Should material changes occur to any funds you are invested in, we will notify you as soon as possible in writing.

### REGULATORY PROTECTION

Under the FCA rules we classify all our investors as 'retail clients' so you benefit from the highest level of regulatory protection.

### COMPENSATION SCHEME

If you meet the eligibility criteria for the Financial Services Compensation Scheme (FSCS) you will be able to seek compensation from the FSCS should we become unable to meet our liabilities to you. For investments, the level of compensation you can receive from the scheme is as follows:

- 100% of the amount invested up to £85,000.
- If an account is held jointly investors could claim up to £85,000 per person.

Further information about compensation arrangements is available from the FSCS website [www.fscs.org.uk](http://www.fscs.org.uk)

### COMPLAINT PROCEDURES

If your complaint relates to the advice you have been given you should write in the first instance to your financial adviser. If it concerns the service you have received from Morgan Lloyd Invest, please write to the compliance officer at our address, and we will do everything we can to resolve the problem.

If your complaint is not dealt with within 8 weeks, or if you are not satisfied with the outcome, you may refer the matter, free of charge, to the Financial Ombudsman Service. The Financial Ombudsman Service's details are:

Financial Ombudsman Service  
Exchange Tower  
London E14 9SR  
Tel: 0800 023 4567  
[www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

Complaining to the Ombudsman will not affect your legal rights.

*Morgan Lloyd Invest Limited (Company No. 09310773, FCA No. 820737) is an appointed representative of Morgan Lloyd SIPP Services Limited (Company No. 06679257, FCA No. 516447) which is Authorised and Regulated by the Financial Conduct Authority, registered address The Pavilions, Eden Park, Ham Green, Bristol, BS20 0DD. Dealing and custody services are provided by Hubwise Securities Limited (Company No. 06071374) member of the London Stock Exchange and is Authorised and Regulated by the FCA (Reg No. 502619).*