

Key features of the Parmenion SIPP

1. Introduction

The Financial Conduct Authority (FCA) is a financial services regulator. It requires us, Parmenion Capital Partners LLP, to give you this important information to help you decide whether our product, the Parmenion SIPP which includes both the Parmenion Pension Investment Account and the Parmenion Flexible Income Account, 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.

This document is designed to highlight the key features of the Parmenion Self Invested Personal Pension (SIPP) and should be read in conjunction with the Parmenion Terms and Conditions which provides more detailed information. The Parmenion SIPP is established under trust and is accepted as a registered pension scheme with HM Revenue & Customs (HMRC). The SIPP is governed by a Trust Deed and Rules, a copy is online at [parmenion.co.uk](https://www.parmenion.co.uk). Further information on pension schemes is available on the HMRC website.

The information provided in this document is based on Parmenion's understanding of current law and taxation, which may be subject to change.

Parmenion Capital Partners LLP is the operator of the Parmenion SIPP and is authorised and regulated by the FCA. Where we refer to "we", "us" or "our" in this document, we mean Parmenion Capital Partners LLP.

2. Its aims

The Parmenion SIPP intends to offer you:

- A tax efficient and flexible way of saving for your retirement.
- The ability to use your pension savings to provide you with an income when you reach your chosen retirement age, after age 55 or earlier due to ill health.
- Flexible income choices, including the ability to withdraw your Pension Commencement Lump Sum (commonly referred to as tax free cash), whilst keeping your pension savings invested.
- Professionally managed investments which meet your retirement needs.
- The ability to use any remaining pension savings on your death to pay benefits to your beneficiaries.
- Fair treatment in all of our dealings with you.

3. Your commitment

When you open a Parmenion SIPP, you must:

- Make at least one contribution or transfer into it. Please see **Section 5: Questions & Answers**, for more on this.
- Accept and agree to the Parmenion Terms and Conditions (as amended from time to time).
- Understand and acknowledge that you cannot cash in your Parmenion SIPP at any time and the money invested must stay in a pension arrangement, usually until at least age 55 and be used to provide income to support your retirement.
- Maintain a relationship with your Adviser and review your portfolio regularly to ensure that it remains suitable for your needs.
- Provide us with the information we need from time to time to administer your SIPP and advise us of any changes to this, including any changes to your eligibility for tax relief.

4. Risks

Please read these carefully, they could affect your expected income on retirement. We do not offer advice on the suitability of the Parmenion SIPP for your needs or your options at retirement. You must appoint and seek advice from your Adviser.

Many things could happen which could have an impact on the level of retirement income available from your Parmenion SIPP. You should review your pension arrangements regularly with your Adviser to check that they remain suitable and to ascertain whether the Parmenion SIPP will continue to meet your retirement needs. In particular you should note the following:

Risk	Saving for Retirement	Taking Retirement Income
Your retirement income is not guaranteed and may be lower than the amount shown on any illustration you have received and could be lower than the amount invested.	✓	✓
There are 3 key factors that will affect the value of the retirement benefits you are able to take from your pension; the amount that is paid in, the age at which you retire and external influences such as investment performance, inflation and annuity rates.	✓	✓
Your retirement income will be affected if you do not maintain expected contributions into your Parmenion SIPP Pension Investment Account. You should review your pension regularly to ensure it remains on track.	✓	✗
Charges paid to us and your Adviser will have an impact on the value of your pension savings. Please refer to your personalised illustration to see how the charges affect your investment growth.	✓	✓

Risk	Saving for Retirement	Taking Retirement Income
<p>Stock market investments fluctuate in value, as does income from them. Past performance is not a reliable guide to future returns. Inflation reduces the buying power of your pension savings.</p>	✓	✓
<p>If you transfer another pension into your SIPP, the eventual benefits you receive may not be comparable. Your existing arrangements may offer valuable guarantees (such as guaranteed rates, growth, bonuses, minimum retirement income, discretionary bonuses or a potential demutualisation bonus), that will not apply in your SIPP. If you have benefits in a Final Salary scheme, then this may include a right to a particular level of income on retirement. If you transfer benefits from such arrangements you will lose any such rights or guarantees that may have been offered.</p>	✓	✓
<p>It is possible that there may be changes to pension tax rules in the future which may mean the tax advantages could reduce or may affect the benefits that you can take from your Parmenion SIPP.</p>	✓	✓
<p>Taking benefits in the form of income drawdown is less certain than the benefits received from an annuity purchase. You therefore need to consider carefully if and for how long to delay annuity purchase bearing in mind that annuity rates are not guaranteed and can fluctuate over time.</p>	✗	✓
<p>Taking an income, or making withdrawals from your Parmenion SIPP will reduce the value of your pension savings especially if investment returns are poor and a high level of income is taken. In extreme circumstances the value of your pension savings could reduce to zero and not provide an income for the rest of your life.</p>	✗	✓

5. Questions & Answers

What is a SIPP?

A SIPP is a Self-Invested Personal Pension, i.e. a type of personal pension that gives you greater control over how your pension monies are invested when compared to some more traditional personal pension schemes.

What is the Parmenion Pension Investment Account?

The Pension Investment Account is an investment portfolio which is used to accumulate your pension savings. The value is available for taking retirement benefits. Please see the section headed, **'What choices will I have on retirement?'**

What is the Parmenion Flexible Income Account?

The Flexible Income Account is an investment portfolio which is used to hold investments from which you have already drawn the Pension Commencement Lump Sum. The value is available to be taken as income taxed at your marginal rate. Please see the section headed, **'What choices will I have on retirement?'**

Am I eligible?

You must have received advice from an Adviser and be able to confirm you are not a US person. To contribute and claim tax relief you must be under 75 and meet one or more of the following categories:

- You are a UK resident for tax purposes.
- You have UK relevant earnings.
- You are a non UK resident but were a UK resident when you set up your Parmenion SIPP and have been a UK resident at some time in the past 5 years.
- You are a crown servant (or spouse or civil partner of a crown servant) with earnings subject to UK tax.
- You can set up a Parmenion SIPP Pension Investment Account for children under the age of 18 if you are their legal parent or guardian.

Is the Parmenion SIPP a stakeholder pension?

The Parmenion SIPP is not a stakeholder pension. Stakeholder pensions may have lower costs and meet your needs as well. They are widely available simplified pension plans (with limited investment choice), that must meet minimum standards set by the Government in relation to charges, benefits and Terms and Conditions. If you are in any doubt regarding the suitability of the Parmenion SIPP then you should contact your Adviser.

How much can I contribute?

You and/or your employer can pay either regular or one-off contributions. There is no upper limit on the amount that you or your employer, can pay into your pension, but tax relief may be restricted (see Annual Allowance). Contributions can be made by you to your Pension Investment Account as long as you have earnings to support the contribution in the equivalent tax year. Tax relief can be claimed on personal contributions of the higher of the 'basic amount' (Currently £3,600 (gross)) or 100% of UK relevant earnings.

Employer contributions are paid gross and do not attract tax relief. All other contributions received into your pension are counted as personal contributions including contributions from a parent or legal guardian into a SIPP for a client under the age of 18.

There is also a limit set by HMRC on the amount of tax relief available to individuals on an annual basis. This is called the Annual Allowance, see below.

You should ensure that any regular or one-off contributions made are sufficient to meet your needs in retirement. There is no penalty for stopping or reducing any regular contributions, but your benefits may be affected by the level of contributions paid into your pension. If you delay the payment of contributions to your pension, the investment growth before your chosen retirement age may be affected.

What is the Annual Allowance?

This is the maximum gross amount, set by HMRC that you can contribute into ALL pension arrangements including your Parmenion SIPP, without incurring a tax charge. This takes into account contributions from all sources, i.e. your own contributions and those made on your behalf by third parties including your employer. The current Annual Allowance is £60,000 (2023/34).

High earners

If you earn over £260,000 of 'Adjusted Income' your Annual Allowance will be lower. For every £2 of 'Adjusted Income' over £260,000, the Annual Allowance falls by £1, subject to a minimum allowance of £10,000. Anyone who earns more than £360,000 will have the minimum Annual Allowance of £10,000.

'Adjusted Income' is total taxable income plus employer pension contributions.

Retirement benefits built up in a defined benefit pension are given a value which also counts towards the Annual Allowance.

You should ask your provider what that value is.

Payments cannot be refunded on the sole grounds that they are above the Annual Allowance and may incur a tax charge.

Reduced Money Purchase Annual Allowance

If you are in receipt of any taxable income from either your Pension Investment Account or Flexible Income Account your Annual Allowance is reduced to £10,000 for all personal pensions that you may have. You are able to continue to contribute a further £50,000 per annum to your occupational defined benefits scheme. If you take taxable income from another pension arrangement, you must inform us within 90 days.

Contributions in excess of the Annual Allowance will be subject to income tax at your marginal rate.

It is your responsibility to monitor whether your contributions will exceed the Annual Allowance and you will be responsible for reporting this via your self-assessment to HMRC and for paying the tax charge.

If you exceed the Annual Allowance in any tax year, you should contact your Adviser for further guidance and notify us within 30 days if you are no longer entitled to tax relief on your contributions.

Previous year's allowance

You may be able to carry forward the Annual Allowance from the previous 3 tax years if you have been a member of a registered pension scheme, but have not used the full Annual Allowance. You must have sufficient UK Relevant Earnings to support the contribution in the tax year that the contribution is made. You must inform us if you wish to do this.

What is the tax treatment of my SIPP?

Tax Relief

All contributions made by you are net of basic rate tax relief. The current rate of Basic Rate Tax is 20% of the gross contribution (2023/24) so for every £80 contributed you will receive an additional £20 from HMRC (Total gross contribution £100). We will claim the tax relief from HMRC on a monthly basis (tax reclaims can take from 6 to 10 weeks to be received by us), once received they will then be invested at the next available opportunity.

If you are a higher rate tax payer then you may be able to claim relief at the higher rate, which can be done through your self-assessment tax return, or directly with your tax office.

Tax rules relating to tax relief on contributions could change in the future.

Other tax consequences

There will not be any tax to pay on dividends received on your investments, which are also free of Capital Gains and Inheritance tax.

Can I transfer my existing pension into my Parmenion SIPP?

Yes. With our consent, you can transfer any UK Registered Pension Scheme and some overseas pension schemes which meet with HMRC requirements into your Parmenion SIPP. If you have an overseas pension scheme that you would like to transfer into your Parmenion SIPP, please speak with us directly to confirm whether your particular scheme is eligible for transfer. You should read the risk warnings when considering a transfer of an existing scheme.

Transfers from Capped Drawdown Arrangements will be transferred to the Flexible Income Account and the Capped Drawdown rules will be replaced with the current rules in Section 5; **‘What choices will I have on retirement?’**

Where can I invest?

You can either invest into a discretionary solution managed by us or another discretionary investment manager. Alternatively, your Adviser may choose to invest into individual investments on your behalf.

How will I know how my investment is performing?

You will be able to view online valuations and transactional history. You will receive a quarterly report detailing all transactions and valuations over the previous 3 months.

Each year you will receive a Statutory Money Purchase Illustration (SMPI) showing the current value of your SIPP and a retirement income projection which will be based on certain assumptions.

We accept no responsibility for the performance of your selected investments or for any liabilities which may be associated with them, except to the extent that in our capacity as investment manager it arises due to our fraud, wilful default, negligence or breach of any of our obligations under FCA rules.

What choices will I have at retirement?

You can only normally take benefits from your Parmenion SIPP from the age of 55, but you may be able to take benefits earlier on the grounds of ill health or if you have a protected pension age which is earlier than 55.

If you require any income from your SIPP and you are over the age of 55, you have the following options;

Pension Commencement Lump Sum is the 25% of your fund, (limited by the Lifetime Allowance - see below) that's available tax free.

Uncrystallised Fund Pension Lump Sums are withdrawals that can be made to you from your Pension Investment Account. The amount requested is paid to you 25% tax free (limited by the Lifetime Allowance - See below) and the remaining 75% is taxed at your marginal rate of income tax as part of your overall income.

Taxable Income is any withdrawal from your Flexible Income Account.

The withdrawal will be taxed at your marginal rate of income tax as part of your overall income.

Withdrawal Type	Tax Status	Payment Frequency	Impact
Pension Commencement Lump Sum	Tax Free	Single Monthly Quarterly Annually	3x the value of the lump sum must then be transferred to Flexible Income Account and can then only be drawn as taxed income.
Uncrystallised Fund Pension Lump Sum	25% Tax Free 75% Taxed	Single Monthly Quarterly Annually	Any residual pension savings remain invested in your Pension Investment Account
Taxed Income	100% Taxed	Single Monthly Quarterly Annually	Any residual pension savings remain invested in your Flexible Income Account.

A. Options if you would like to keep your pension savings invested within a Parmenion SIPP.

You are able to take any combination of the above payment types.

We recommend that all withdrawals are discussed with your Adviser.

B. Transfer all or part of your pension savings to another provider to either purchase an annuity or into an alternative drawdown arrangement.

What about tax on withdrawals?

You will be taxed on withdrawals from your Parmenion SIPP as part of your overall income and tax will be deducted at your marginal rate. Marginal rate means you only pay the specified rate of tax on that portion of income. For instance, if your salary puts you in the 40% tax bracket (over Personal Allowance + £37,700 in 2023/24), then you pay 40% tax on the segment of earnings in that income tax band. For the lower part of your earnings, you will still pay the appropriate 20% or 0%. We will deduct tax according to your tax code, which determines your Personal Allowance (which may be higher or lower than the standard allowance of £12,570), provided by HMRC. If we do not have your tax code for your first withdrawal, you will be subject to emergency tax code 1257L M1.

Drawdown - The Tax Implications - 2023/24

Portfolio / Income Value	Tax Payable
Total Income to £12,570 (Standard Personal Allowance)	0%
Total Income from £12,571 to £50,270	20%
Total Income from £50,271 to £150,000	40%
Total Income exceeding £150,000	45%

*Scotland & Wales have introduced different tax brackets to the rest of the UK. If you are resident in Scotland or Wales your income tax brackets will be different. You can find the relevant information on [gov.uk](https://www.gov.uk).

It's important to understand that the timing of your withdrawal may affect the amount of tax you pay in that month, and therefore the amount of income you receive. This could affect your ability to meet your financial obligations at that time.

Tax refunds can be requested from HMRC at any time in the year, please refer to: [gov.uk/claim-tax-refund](https://www.gov.uk/claim-tax-refund).

What is the Lifetime Allowance?

When you take benefits or when benefits are paid on death, your pension savings will be tested against the Lifetime Allowance. The lifetime allowance is the maximum amount of your accumulated pension arrangements, including your Parmenion SIPP that can be used to provide benefits. The limit is set by HMRC and the current limit is £1,073,100 (2023/24). The amount of Pension Commencement Lump Sum you're allowed to take from your pension is limited to 25% of the Lifetime Allowance, unless you have any protection in place.

You may have protected your lifetime allowance in the past which will mean that you have a personal lifetime allowance that will be higher than the current allowance.

If you have any questions on this subject you should contact your Adviser.

What happens when I die?

When you open your Parmenion SIPP you will be asked to complete an Expression of Wish form nominating beneficiaries you would like your benefits to be paid to on your death. We will take this into account when deciding to whom your benefits should be paid, but it is not legally binding on us. Payments of benefits will be made at our discretion in accordance with the trust deed and rules. We will write to your beneficiaries giving details of the options available to them.

Your nominated beneficiary can decide to forfeit the benefits and pass them onto another nominated beneficiary. The benefits paid may then be limited to a Lump Sum Death Benefit, depending on your instructions before death.

If you are under age 75 when you die, the value of your Parmenion SIPP can be passed to your beneficiary tax free. This can be paid as a one off lump sum or as a regular monthly income and is paid tax free.

If you are over the age of 75 when you die, the value of your Parmenion SIPP can be passed to your beneficiary, either as a one-off lump sum or as a regular monthly

income taxed at their marginal rate.

These payments will usually be free of inheritance tax.

How much does it cost?

To view the charges which are applicable to you for the Parmenion SIPP and the investments held, please refer to your 'illustration for the Parmenion SIPP' and Investment Management Report (IMR)' documents.

What if I change my mind?

You have a legal right to change your mind within 30 days of the date of our acknowledgement of your application. You should do this by writing to us using the contact details in **section 6**.

You also have 30 days to cancel any transfers made to your Parmenion SIPP from other pension arrangements. If the transfer has not yet been received, we will attempt to cease the application process. If the transfer has already been received and invested, we will contact the transferring scheme to arrange a transfer back to them. The value of the transfer back may be lower if investments have fallen. The transferring scheme could refuse to receive the transfer back and you will have to transfer to another provider.

During your cancellation period, we will process your application and invest all contributions received. If you choose to cancel your Parmenion SIPP, your investments will be sold at their current value, any shortfall will be borne by you.


You also have a right to cancel any lump sum withdrawal and the first regular income withdrawal made from your Parmenion SIPP within 30 days. You must return the income payment in full and we will claim any PAYE income tax back from HMRC. Any tax will be reclaimed immediately but can take up to 3 months to be returned to your Parmenion SIPP.


You may still be liable to pay an adviser charge under the terms of your agreement with your Adviser. However, we are able to facilitate a refund of this, if agreed by you and your Adviser.


6. Contact information

This document is intended as a guide to the Key Features of the Parmenion SIPP. For more detailed information please refer to the Parmenion SIPP Trust Deed and Rules and/or the Parmenion Terms and Conditions.

If you require any further information, please contact Parmenion Capital Partners LLP.

 Aurora
Counterslip
Bristol, BS1 6BX.

 0345 519 0100

 operations@parmenion.co.uk
www.parmenion.co.uk


7. Complaints

If you are not happy with the service that you have received from Parmenion Capital Partners LLP, please contact us on the contact details in **section 6**. Your complaint will be dealt with in accordance with our internal complaints handling procedure which is available on request.


We will do everything we can to resolve your complaint. However, if you are not satisfied with our response you can refer the matter to the Financial Ombudsman Services (FOS) or the Pensions Ombudsman (PO), who are both independent statutory bodies that investigate and adjudicate on certain types of complaints and disputes relating to pension schemes and their members.

The FOS can be contacted at:


 0800 023 4567

 complaint.info@financial-ombudsman.org.uk
www.financial-ombudsman.org.uk/contact-us

The PO can be contacted at:


 10 South Colonnade
Canary Wharf
E14 4PU

 0800 917 4487

 enquiries@pensions-ombudsman.org.uk
<https://www.pensions-ombudsman.org.uk/contact-us>

If your complaint concerns the service you have received with regard to your Parmenion SIPP, you may refer your complaint to MoneyHelper, provided by the Money & Pensions Service (MaPS) which is an independent non-profit organisation that provides free information, advice and guidance on all pension schemes.

MoneyHelper can be contacted at:

 120 Holborn
London
EC1N 2TD

 0800 011 3797


 www.moneyhelper.org.uk


Any complaint that you may have regarding the advice you received from your Adviser should be sent to them to consider under their own complaints procedure. The law of England and Wales will apply to all disputes.

8. Compensation

Parmenion Capital Partners LLP contributes to the Financial Services Compensation Scheme (FSCS). You may be entitled to compensation from the scheme if we are unable to meet our obligations.

This depends on the type of business and the nature of the claim. More information about this scheme is available on request or from the FSCS who can be contacted at:

 Financial Services Compensation Scheme
PO Box 300
Mitcheldean
GL17 1DY

 0800 678 1100

 www.fscs.org.uk/contact-us

Parmenion

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Financial Conduct Authority.

FCA Number 462085.
Registered in England and Wales
OC322243.