

Key Features

Barnett Waddingham
Simplified Pension Drawdown Plan
For NFU Mutual Clients



NFU Mutual
INSURANCE | PENSIONS | INVESTMENTS

Contents

What you should know before you apply	3
Barnett Waddingham Simplified Pension Drawdown Plan aims	3
Your commitment	4
Risk factors	4
Questions and answers	5
General information about the Barnett Waddingham Simplified Pension Drawdown Plan.....	5
Banking arrangements.....	6
Investments: NFU Mutual Trustee Investment Plan.....	7
Retirement benefits	7
Death benefits	8
Cancellation	9
Other information	9
How to contact us	10

Important – please read

This is an important document that provides a summary of the **Barnett Waddingham Simplified Pension Drawdown Plan** for **NFU Mutual** clients. The **Financial Conduct Authority** is a financial services regulator. It requires us, BW SIPP LLP, to give you this important information to help you decide whether the **Barnett Waddingham Simplified Pension Drawdown Plan** for **NFU Mutual** clients is right for you. You should read this document carefully before deciding whether to invest in the **Barnett Waddingham Simplified Pension Drawdown Plan** for **NFU Mutual** clients, and then keep it safe for future reference.

This Key Features document should be read in conjunction with any Key Features Illustration, your Application, the Terms and Conditions, the Glossary, the Schedule of Fees and the **Trust Deed and Rules**, all of which you should have received. If you have not received any of these documents, please contact us using the contact details contained in the 'How to contact us' section.

What you should know before you apply

What is the purpose of this document?

This document provides an important summary to help you decide whether you want to invest in the **Barnett Waddingham Simplified Pension Drawdown Plan** which is issued under the Barnett Waddingham Self Invested Personal Pension (the **scheme**) for **NFU Mutual** clients. A series of questions and answers is included to help you with your decision. Full details are contained in the terms and conditions which you should read before you take out your **Barnett Waddingham Simplified Pension Drawdown Plan**.

Throughout this document, words or phrases that are shown in '**bold**' are explained in the separate Glossary which you should refer to when reading this document. Where we refer to 'us', 'our' or 'we' in this document, we mean BW SIPP LLP as the **operator**.

You should read this document carefully so that you understand what you are applying for, and then keep it in a safe place for future reference.

If you have not appointed an **NFU Mutual financial adviser**, we recommend that you appoint a financial adviser before you apply for a **Barnett Waddingham Simplified Pension Drawdown Plan**.

This document is based on our interpretation of current legislation and **HM Revenue & Customs (HMRC)** practice which may change in the future.

What is the scheme?

The **scheme** is a **self invested personal pension scheme (SIPP)** provided by BW SIPP LLP. It is a **registered pension scheme** and is governed by a **trust deed and rules**. A copy of the **trust deed and rules** will be issued to you when you apply to take out a **Barnett Waddingham Simplified Pension Drawdown Plan**, and is available from us on request.

BW SIPP LLP is the **operator** of the **scheme** and is authorised and regulated by the **Financial Conduct Authority (FCA)**, the independent financial services regulator.

What is the Barnett Waddingham Simplified Pension Drawdown Plan?

The **Barnett Waddingham Simplified Pension Drawdown Plan** is a drawdown pension plan which is issued under the **scheme**. It can only be established on receipt of an initial transfer or transfers from a **registered pension scheme** or a **recognised overseas pension scheme (ROPS)**. You can make additional transfers to your **Barnett Waddingham Simplified Pension Drawdown Plan** after establishment. All transferred funds are **crystallised** into a **flexi-access drawdown fund**.

Barnett Waddingham Simplified Pension Drawdown Plan aims

The **Barnett Waddingham Simplified Pension Drawdown Plan** is intended to:

- Offer you immediate access to a **flexi-access drawdown pension**.
- Allow you to invest in the **NFU Mutual Trustee Investment Plan (TIP)**.
- Pay benefits to you at any age from age 55, or on earlier **ill-health**.
- Use any remaining funds on your death to pay benefits to your **beneficiaries**.
- Treat you fairly in all our dealings with you

Your commitment

You must:

- Make an initial transfer payment or payments to your **Barnett Waddingham Simplified Pension Drawdown Plan** from other **registered pension schemes**, or a **ROPS** which will be invested in the **TIP** on commencement of your **Barnett Waddingham Simplified Pension Drawdown Plan**. You will be given a Key Features Document in respect of the **TIP**.
- Understand the rules relating to your **Barnett Waddingham Simplified Pension Drawdown Plan** including the limits on payment of benefits to you and your **beneficiaries** on inception or death.
- Make sure that a representative of **NFU Mutual Select Investments Limited** has informed you of the key aspects of your circumstances that relate to the decision that you are making in taking out your **Barnett Waddingham Simplified Pension Drawdown Plan**.
- Make sure that a representative of **NFU Mutual Select Investments Limited** has given you all relevant risk warnings, such as tax implications of your decision. You also need to have been made aware of the availability of the Pension Wise scheme and the opportunity to take regulated advice.
- Accept and comply with the Terms and Conditions of the **Barnett Waddingham Simplified Pension Drawdown Plan** (as may be amended from time to time).
- Respond promptly to our requests for information.
- Notify us of any changes to your personal circumstances which may affect your **Barnett Waddingham Simplified Pension Drawdown Plan**.
- Pay all fees as set out in our Schedule of Fees and be personally responsible for any charges relating to your **Barnett Waddingham Simplified Pension Drawdown Plan** that we cannot deduct from your **Barnett Waddingham Simplified Pension Drawdown Plan**.
- Accept that you will not make any **unauthorised payments** to your **Barnett Waddingham Simplified Pension Drawdown Plan**.

Risk factors

- The value of your **Barnett Waddingham Simplified Pension Drawdown Plan** may go down as well as up and is not guaranteed. Past performance is no indication of future performance.
- At any point, including when you first take **flexi-access drawdown pension** and within the cancellation period, the value of your **Barnett Waddingham Simplified Pension Drawdown Plan** may be lower than the amount invested.
- The returns on your **Barnett Waddingham Simplified Pension Drawdown Plan** from your **TIP** investment may be lower than shown on any illustration you have received from us.
- Your benefits may be lower than your illustration shows and are not guaranteed. This could be for a number of reasons such as the investment performance is less than illustrated, the charges increase, you pay less into your pension and/or tax rules change.
- The eventual benefits that you take from your **Barnett Waddingham Simplified Pension Drawdown Plan** may not be comparable to the benefits that you would have received from the funds transferred to your **Barnett Waddingham Simplified Pension Drawdown Plan**.

- Our charges may change in future. We will notify you in advance if we increase our charges.
- If there are insufficient funds in your **Barnett Waddingham Simplified Pension Drawdown Plan** to meet any charges relating to your **Barnett Waddingham Simplified Pension Drawdown Plan**, you will be liable to meet the shortfall personally.
- You should carefully consider the tax implications of taking **flexi-access drawdown pension** from your **Barnett Waddingham Simplified Pension Drawdown Plan**. You may have to pay a substantial amount of tax if you make large withdrawals in a short period.
- Future changes to pensions and tax legislation may affect the benefits that you can take from your **Barnett Waddingham Simplified Pension Drawdown Plan**.

The above risks are not exhaustive and are based on our understanding of current legislation which may be subject to change.

Questions and answers

General information about the Barnett Waddingham Simplified Pension Drawdown Plan

Am I eligible for a Barnett Waddingham Simplified Pension Drawdown Plan?

All UK residents are eligible subject to meeting minimum age requirements, but you must make a transfer or transfers from a **registered pension scheme** or a **ROPS** to establish your **Barnett Waddingham Simplified Pension Drawdown Plan**.

What retirement benefits does the Barnett Waddingham Simplified Pension Drawdown Plan provide?

The benefits that are provided by your **Barnett Waddingham Simplified Pension Drawdown Plan** are **flexi-access drawdown pension** and a **pension commencement lump sum (PCLS)**. There is no limit on how much you can take from your **flexi-access drawdown fund**.

Is the Barnett Waddingham Simplified Pension Drawdown Plan a stakeholder pension?

No. Stakeholder pensions must meet minimum Government standards covering matters such as contributions and charges and are generally available. A stakeholder pension may meet your needs as well as the **Barnett Waddingham Simplified Pension Drawdown Plan** and may have lower charges.

Can I pay contributions into my Barnett Waddingham Simplified Pension Drawdown Plan?

No. Contributions are not accepted into your **Barnett Waddingham Simplified Pension Drawdown Plan**.

Where **flexi-access drawdown pension** is taken a reduced annual allowance may apply to any contributions made to any **registered pension scheme**.

How much does it cost?

Our fees

Our fees are set out in our Schedule of Fees which you should read carefully.

All of our fees will be settled from cash holdings or by disinvesting units from your **TIP** investment in accordance with your instructions using the prices on the 17th day of the month (or the next **business day** if the 17th is not a **business day**) following the date they become due.

Your NFU Mutual financial adviser's charges

This section applies to you if you have appointed an **NFU Mutual financial adviser**, and have received regulated advice from your adviser. The cost of any initial advice provided by your **NFU Mutual financial adviser** will be settled by a deduction of the charges you have agreed with your **NFU Mutual financial adviser** from any transfer payment(s) to your **Barnett Waddingham Simplified Pension Drawdown Plan** before any funds are invested in the **TIP**. We will then pay the charges directly to **NFU Mutual Select Investments Limited**.

Any charges you agree with your **NFU Mutual financial adviser** are additional to the fees you pay to us for establishing and administering your **Barnett Waddingham Simplified Pension Drawdown Plan**. It is your own responsibility to agree the charges with your **NFU Mutual financial adviser**, and we will not make any assessment as to whether this is reasonable or otherwise.

Can I transfer other pension plan funds to my Barnett Waddingham Simplified Pension Drawdown Plan?

You can transfer other pension plan funds to your **Barnett Waddingham Simplified Pension Drawdown Plan** on establishment and subsequently with our consent.

We will only accept transfers from a **registered pension scheme** or a **ROPS**. We will accept cash transfers, but not any **in specie** transfers.

Is there a minimum transfer amount?

If you are advised by an **NFU Mutual financial adviser**, there is no minimum transfer amount required to establish your **Barnett Waddingham Simplified Pension Drawdown Plan**. If you are not advised by an **NFU Mutual financial adviser**, there is a minimum transfer amount of £20,000 required to establish your **Barnett Waddingham Simplified Pension Drawdown Plan**.

How will you look after my Barnett Waddingham Simplified Pension Drawdown Plan?

BW SIPP Trustees Limited is the **trustee** of the **scheme**. Its sole purpose is to hold the **scheme** assets for the benefit of you and all the other **members**. The **operator** is responsible for administering and running the **scheme** on a day-to-day basis.

Banking arrangements

We have **client accounts** in our name with **our chosen bank** which are used collectively for all **scheme members**.

One of these accounts is a **client money account** in which we hold cash as client money in accordance with **FCA** requirements.

Our chosen bank pays interest to you, which is currently tax-free, on any cash you hold in the **client money account**. Subject to the bank base rate amount, from time to time, we may also receive interest on the total cash deposits held in the **client money account**.

The current interest rates paid by our **chosen bank** are available from us on request and on our website at www.barnett-waddingham.co.uk/nfum.

Investments: NFU Mutual Trustee Investment Plan

Your **Barnett Waddingham Simplified Pension Drawdown Plan** can only invest in the **TIP**. Other investments are not allowed.

On your instructions we can transfer any cash you hold in the **client money account** to your **TIP**. This will be invested in accordance with your instructions. However, there is a three day delay before cash is transferred because of the **TIP** unit pricing requirements.

If you have appointed an **NFU Mutual financial adviser**, your **NFU Mutual financial adviser** will explain the operation of the **TIP** to you and will provide you with a **TIP** Key Features Document. If you have not appointed an **NFU Mutual financial adviser**, this will be done by a representative of **NFU Mutual Select Investments Limited**.

How is my TIP investment taxed?

Your **TIP** investment will grow free of UK capital gains tax and income tax, except income from shares.

How will I know how my Barnett Waddingham Simplified Pension Drawdown Plan is performing?

Your **TIP** investment is valued daily and reconciled monthly. We will send you a statement each year showing the value of your **Barnett Waddingham Simplified Pension Drawdown Plan** fund. You can request additional valuations during the year if you want to.

We accept no responsibility for the performance of your **TIP** investment or for any liabilities which may be associated with it. Neither we nor the **trustee** will be liable to you for any claims, costs, expenses or losses arising to your **Barnett Waddingham Simplified Pension Drawdown Plan** and its underlying investments as a result of any loss on the investments in your **Barnett Waddingham Simplified Pension Drawdown Plan**.

Retirement benefits

When can I take my money out?

You can only normally take benefits (a process known as vesting) once you have reached age 55, but you may be able to do so earlier on grounds of **ill-health**, or if you have a protected pension age which is earlier than age 55.

You should note that you will not be able to receive a **serious ill-health** lump sum from your **Barnett Waddingham Simplified Pension Drawdown Plan** as this is not available from **crystallised** funds which have been designated into a **flexi-access drawdown fund**.

What income can I receive?

There is no limit on the amount of pension income that you can take from your **flexi-access drawdown fund**. However, you may wish to take advice on the sustainability of the level of income you want to take. You can choose to receive regular monthly income payments, and/or payments on an ad hoc basis. Any payment will be taxable as pension income at your marginal income tax rate.

The amount of **flexi-access drawdown pension** that you might receive will depend on the value of your **Barnett Waddingham Simplified Pension Drawdown Plan** when you designate into a **flexi-access drawdown fund**, whether you make any transfers after establishment, and how much **flexi-access drawdown pension** you take.

We will issue you with a yearly statement which will give you an updated projection of your income on a given set of assumptions. These are issued for guidance purposes only, and there is no guarantee that your **Barnett Waddingham Simplified Pension Drawdown Plan** will be able to provide the illustrated figures.

What lump sum payments can I receive?

When you designate new funds from your initial and any subsequent transfer payment(s) into a **flexi-access drawdown fund**, you will normally be able to take a tax-free lump sum (a **PCLS**) of an amount up to 25% depending on your available lump sum allowances of the value of the funds you have designated to be **crystallised** into your **flexi-access drawdown fund**.

You will not be able to take a **PCLS** from a transferred-in **flexi-access drawdown fund** or **capped drawdown fund**, and we do not allow any part of the **PCLS** to be paid **in specie**.

What are the lump sum allowances?

From 6 April 2024, the **Lump Sum Allowance (LSA)** and **Lump Sum and Death Benefit Allowance (LSDBA)** replace the **Lifetime Allowance**. They limit the value of tax-free **lump sums** you can take across all of your pensions.

If a **lump sum** is paid that exceeds your available allowances, the excess amount will be subject to income tax at your marginal rate.

If you hold any **Lifetime Allowance** protections, these will still apply to the **LSA** and **LSDBA**.

Death benefits

What happens to my Barnett Waddingham Simplified Pension Drawdown Plan when I die?

When you open your **Barnett Waddingham Simplified Pension Drawdown Plan**, we ask you to complete an **expression of wishes** form nominating the **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 this is not binding on us. Payment of benefits will be made at our discretion and in line with the **trust deed and rules**. This is so that your **beneficiaries** do not end up paying inheritance tax on the death benefits they receive.

Beneficiaries do not have to be **dependants**. You can also nominate trusts and charities, not just individuals. Death benefits can be paid as either a cash lump sum or as income through a **nominee's flexi-access drawdown fund** or a **dependant's flexi-access drawdown fund**.

The tax treatment of death benefits depends on whether you die before or after age 75. Please refer to the Terms and Conditions for more details.

Cancellation

Can I change my mind?

Once we accept your application, we will send you a cancellation notice and form. You will then have 30 days from the date you receive the cancellation notice to cancel your **Barnett Waddingham Simplified Pension Drawdown Plan** and you must confirm this by completing and returning the cancellation form to us using the contact details in the 'How to contact us' section.

If you make a **transfer-in** within the first 30 days from a **money purchase pension scheme** and you decide to cancel your **Barnett Waddingham Simplified Pension Drawdown Plan**, the value of the **TIP** units in which your transfer payment has been invested will be returned to the transferring scheme. If the transferring scheme refuses to accept the returned transfer payment, you must select an alternative pension scheme to which the transfer payment can be paid. Any additional **transfers-in** from other **money purchase pension schemes** after the first 30 days of the plan being set up will be treated identically.

If you want to make a **transfer-in** from a **defined benefit scheme** or a pension scheme or policy that contains a **GAR** either within the first 30 days or subsequently, we will not request the transfer until the 30 day right to withdraw period has expired.

If you take **flexi-access drawdown pension** either within the first 30 days or subsequently, and then change your mind, you must return any lump sum and income received to us within the 30 days from the date you receive the cancellation notice. The funds will then be returned to the original transferring plan, and your **Barnett Waddingham Simplified Pension Drawdown Plan** will be closed and wound up.

Other information

Law

The **trust deed and rules** are written under English law, and therefore your **Barnett Waddingham Simplified Pension Drawdown Plan** will be governed by English law. All communications in relation to it will be in English.

Can you provide me with advice?

No. Neither we nor the **trustee** can provide you with any legal, financial, investment, tax or any other advice concerning your **Barnett Waddingham Simplified Pension Drawdown Plan** or any underlying investments or decisions associated with it.

If you have not appointed an **NFU Mutual financial adviser**, we recommend that you appoint a financial adviser in connection with your **Barnett Waddingham Simplified Pension Drawdown Plan**.

If you would like to make an appointment to review your pension provision with an **NFU Mutual financial adviser**, please call free on 0800 622 323.

Your enquiry may result in a call from an **NFU Mutual financial adviser** or telephone adviser who advises on **NFU Mutual** products and selected products from specialist providers. They will explain the advice services **NFU Mutual Select Investments Limited** offer and the charges.

Should your circumstances change requiring you to find an alternative adviser, you can find details of advisers in your area at www.unbiased.co.uk.

What do I do if I have a complaint?

If you have a complaint regarding your **Barnett Waddingham Simplified Pension Drawdown Plan**, please make this by email or in writing to us in the first instance using the contact details contained in the 'How to contact us' section. We will provide you with a copy of our complaints handling procedure on request. .

If your complaint concerns the administration of your **Barnett Waddingham Simplified Pension Drawdown Plan** and you are not satisfied with our response or the way we have handled your complaint, you may refer this to the **Pensions Ombudsman**.

In addition, **The Pensions Advisory Service** can assist you with how to complain and may be able to resolve matters without the need for the **Pension Ombudsman's** involvement.

All other complaints may be referred to the **Financial Ombudsman Service**. Please refer to the Glossary for all the relevant contact details.

Making a complaint will not affect your right to take legal proceedings.

Financial Services Compensation Scheme (FSCS)

BW SIPP LLP is covered by the **FSCS**. You may be entitled to compensation from the **FSCS** if we cannot meet our financial obligations to you. Any compensation you will receive will depend on the type of business, the relevant **FSCS** rules and the circumstances of the claim.

You should note that the eligibility of each claim will be assessed on a case by case basis.

Please refer to the Terms and Conditions for more details about compensation limits, and to the Glossary for the contact details of the **FSCS**.

Your **TIP** investment may also offer a similar benefit but you should check this either directly with **NFU Mutual** or through your **NFU Mutual financial adviser**.

Who regulates the scheme?

We are authorised and regulated by the **FCA** and our registration number is 458323. Our permitted business includes the operation and administration of the **scheme**.

You can check the **FCA's** register by visiting the **FCA's** website or by contacting the **FCA** directly. Please refer to the Glossary for the contact details of the **FCA**.

Ownership

BW SIPP LLP and BW SIPP Trustees Ltd are wholly owned by Barnett Waddingham LLP

How to contact us

 BW SIPP LLP
PO Box 1209
Cheltenham
Gloucestershire
GL50 9WE

 nfum@bwsipp.co.uk

 0344 443 0111

If you would like to discuss anything related to the Barnett Waddingham Self Invested Personal Pension for NFU Mutual Clients please contact us:

 0344 443 0111

 nfum@bwsipp.co.uk

www.bwsipp.co.uk

April 2024 | 4745780

Barnett Waddingham LLP is a body corporate with members to whom we refer as "partners". A list of members can be inspected at the registered office. Barnett Waddingham LLP (OC307678), BW SIPP LLP (OC322417), and Barnett Waddingham Actuaries and Consultants Limited (06498431) are registered in England and Wales with their registered office at 2 London Wall Place, London, EC2Y 5AU.

Barnett Waddingham LLP is authorised and regulated by the Financial Conduct Authority. BW SIPP LLP is authorised and regulated by the Financial Conduct Authority.

