

For customers

Our new
platform



Product technical guide

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Introduction

The Nucleus platform is an online wealth management service that enables you and your Financial Conduct Authority (FCA) authorised financial adviser (adviser) to view and manage your savings and investments within a variety of tax-efficient products.

This Technical Guide covers a range of Nucleus products, and not all sections are applicable to all products. Please see the relevant **Permitted Investments List** for more information on the investment options available to your products.

Nucleus SIPPs are self invested personal pensions - a UK registered pension scheme that complies with HM Revenue & Customs (HMRC) pension scheme requirements.

You can also open an Individual Savings Account (ISA), a General Investment Account (GIA), and an Offshore Bond with us.

This document is designed to provide guidance on how to manage your Nucleus products, as well as technical and regulatory information that may apply. Please note that this content is subject to change from time to time, and the most recent version of this guide should always be accessed from our website.

For example, this guide references the Normal Minimum Pension Age (NMPA), meaning the earliest age you can typically begin to make pension withdrawals, as 55. From 6 April 2028, the NMPA is expected to rise to 57.

If you have any questions after reading this guide, please speak to your adviser, visit our website at nucleusfinancial.com or call us on 03455 212 414.

If you do not have an adviser and would like to speak to one, you can visit moneyhelper.org.uk for help on how to find the right adviser for you.

For more general information on pensions, please see the Useful Contacts section at the end of this guide.

Should you need access to any of our literature in alternative formats, such as Braille, large print, audio or E-text, please contact us on 03455 212 414 (or via the Typetalk service on 18001 03455 212 414).

Getting started

Eligibility

To be eligible, you must be aged 18 or over, have an adviser appointed and must not be:

- a US Person or resident of the US for tax purposes
- an undischarged bankrupt.

You don't have to be resident in the UK, but you will not normally receive tax relief on any SIPP contributions, and cannot open an ISA or Offshore bond. There may be exceptions, such as crown employees stationed overseas, and your product application will provide further details of eligibility criteria.

You may open a Junior SIPP or Junior ISA on behalf of a person under the age of 18 if you are their parent or guardian.

If at a later date your eligibility status changes, you'll need to inform us in writing.

Before applying for a product, you will be provided with a **Key Features Document** and illustration by your adviser. These are designed to help you decide whether the product is suitable for you. You should read them, as well as the **Charges Schedule, Permitted Investments List** and **Terms and Conditions** of the product so that you understand how it works.

Setting up

Once you're satisfied that you wish to proceed, your adviser can complete an online application, which can be submitted to us with a digital signature.

Product bank account

Any payments of money into your products from you or a third party will be held in pooled bank accounts. These accounts hold money for you and our other clients. Your individual holdings will be recorded internally by us and available to view at any time. Your individual cash holding for a product is referred to as your product bank account or cash balance.

The pooled bank account will be held in the name of the SIPP trustee in respect of SIPP monies. A separate pooled bank account will be held in the name of the Product provider and operated in accordance with the FCA's Client Money Rules for the GIA and ISA.

For further information on how the product bank accounts operate, please visit the Banking page on our website or refer to your platform services terms and conditions.

Please note that these bank accounts are designed for holding cash for short periods while your investments are being made, or withdrawals are being paid, rather than for holding cash over the long term.

All charges are deducted from the product's cash balance. You and your adviser should ensure that sufficient cash balances are maintained to cover these charges as they fall due.

Online portal

Once your application has been processed, and you have received confirmation that your product is open, you can register for online access to your Nucleus products via our online portal. Through the portal you will be able to:

- view and manage your products and underlying investments
- amend your personal details
- view your product bank details
- buy and sell certain asset types
- change your income levels
- obtain an illustration
- communicate with us via secure message.

We will issue you with a registration code to allow you to view and manage your products through our secure website. Your adviser will also have full online access to your plan.

Please note that your adviser can set permission levels to refine your online access to an appropriate level. You should discuss and agree this with them.

Paying money in

There are no minimum contribution levels on any of the Nucleus SIPP, ISA or GIA products. For the Offshore Bond, the minimum initial contribution is £100,000.

- ISAs have strict limits on the maximum amount you can pay into them.
- SIPPs do not have the same limits, but the amounts you choose to contribute will have important tax implications.
- The GIA does not have any such limits, though your individual tax circumstances should always be considered.

You can make payments into most products, on an ad-hoc or a regular basis, by electronic bank transfer or Direct Debit. Your product bank account details can be found within your online platform account.

When making a payment by bank transfer, it is important that you quote the correct payment reference for your product, to ensure that the money is promptly allocated to the relevant account.

Transferring existing investments in

The procedure for transferring investments to your product will depend on the type of investment and the product in which it will be held. Any recommendation to proceed with the transfer of pension benefits between providers should be made by an appropriately qualified adviser.

It may be possible to transfer in assets you hold elsewhere rather than having to sell them and transfer cash. This is known as an in-specie transfer. This would have to be through a formal transfer into the product from another provider; we currently do not allow in-specie contributions (payments in) using assets. Any assets to be transferred must be allowed by the Permitted Investments List of the receiving product.

- If you wish to transfer existing pension benefits to a SIPP, the trustees of the transferring scheme will calculate a transfer value which, if you accept, they will pay to us in cash. However, a transfer from an existing pension could include investments which can become part of your SIPP.
- The providers of any ISA that you wish to transfer will normally process a cash transfer, which will be paid to us and credited to your ISA. However, a transfer from an existing ISA could include assets which can become part of your ISA with Nucleus.
- Assets that are not held in an ISA or pension arrangement may be transferred into your GIA by re-registering or assigning them to the nominee company used by us.

Your right to cancel

Once your product has been set up, we will send you a welcome letter, confirming the details of your application and asking you for any other forms or information we may need to carry out your instructions. We hope you will be happy with your decision to open a Nucleus product, but a cancellation notice will be included in case you change your mind and wish to cancel your application.

You can let us know if you wish to cancel your application by completing the cancellation notice and returning it to us at the following address within 30 days of receipt: **Nucleus, Suite 202 Warner House, 123 Castle Street, Salisbury, SP1 3TB.**

On our receipt of the cancellation notice, we will cancel your product and return any money or assets back to the person or organisation that made the original payment, or if that is not possible in respect of a pension transfer, to an alternative pension scheme of your choosing.

Please note that it is possible that the value of an investment may have fallen and you may not get back the amount you originally invested. For more information please refer to the relevant product's terms and conditions, available from our website.

Charges

We apply administration charges to your products, and these are detailed in the relevant product **Charges Schedules**, which are available from our website.

You may also pay charges to other parties, such as fund managers, depending on the investments you choose, as well as charges to your adviser for the services they provide to you. Please see the Charges page of our website for more information on the types of costs you may incur.

Regular statements

Any investments you or your adviser make will be acknowledged on receipt, and statements will be sent to your adviser in the first instance.

We will send you regular statements showing the value of your investments for all products you hold. Your adviser can also produce regular valuations at any time using our online portal.

Self-invested Personal Pension (SIPP)

You can put money into your SIPP by:

- making personal contributions
- someone making contributions on your behalf, such as a family member (referred to as a third party in this document) or your employer
- transferring in retirement savings that you have already built up in pension schemes elsewhere.

Contributions

If you wish to make a contribution into your SIPP, please speak to your adviser about the tax implications that could apply before proceeding.

Personal and third party contributions

You can pay as much or as little as you want into your SIPP, although there are limits on the amount that will attract tax relief. Please see the Tax Relief section below for more details.

Please note that contributions made to your SIPP after you reach the age of 75 will not be eligible for tax relief.

You can make single or regular contributions and you can stop, restart, increase or decrease your regular contributions at any time. Regular contributions can be set up on a monthly, quarterly, half-yearly or annual basis via a Direct Debit.

To make a single contribution, you can make an electronic transfer (BACS, CHAPS, Faster Payment) from your bank account to your SIPP. Your SIPP bank account details can also be found on your online portal account.

To set up a regular contribution, you will need to complete a Direct Debit Mandate. Please allow 10 business days for us to set this up.

Please note that if a third party is making contributions on your behalf, we will not be able to accept any money from them until we have completed an identity check on the third party. This is to ensure we comply with the UK Anti-Money Laundering regulations.

Employer contributions

Your employer can make single or regular contributions into your SIPP. If they are paying regular contributions, they will need to complete an 'Employer Record of Payment' as part of the process. This confirms that they will pay contributions to Nucleus by the 'due date' they have specified.

Once the Direct Debit has been set up, we are obliged to notify the Pensions Regulator if contributions are missed or received after the due date.

For the purposes of setting up the Direct Debit, we will use the first contribution date as the ongoing collection day. This must be between the 1st-28th of any month.

To make a single employer contribution, please ask your employer to arrange an electronic bank transfer from their bank account to your SIPP cash account.

To set up a regular employer contribution, ask your employer to complete the Direct Debit Mandate attached to the **SIPP Contribution Form** and send these documents to us.

Tax relief

You may be eligible for tax relief on your contributions. If you are, we'll reclaim the basic rate tax relief from HMRC on your behalf and add it to your SIPP cash balance.

If you are a higher rate tax payer, you may be able to claim the difference between the basic tax rate and the higher tax rate on your tax return or by contacting HMRC.

Eligibility

Your eligibility for tax relief will depend on a number of factors including:

- your residential status and earnings
- how much you decide to contribute.

If you are a UK resident, you will be able to receive tax relief on any gross contributions of up to 100% of your earnings each tax year.

Even if you have no earnings, you can still receive tax relief on contributions up to £3,600 gross each tax year.

If you open your SIPP and later cease to be a UK resident, then you will continue to be able to receive tax relief on the first £3,600 of your contributions for the first five years that you become non-resident. If you become a UK resident at a later date, you will then be able to receive tax relief on your contributions in the normal way.

If you are a non-UK resident, you will not be eligible for tax relief on any contributions you make.

Third party contributions

We treat third party contributions as personal contributions and so we reclaim basic rate tax relief in the same way, where this is applicable.

Employer contributions

Employer contributions are treated as 'gross' contributions and we therefore don't reclaim tax relief on them.

Exceeding your personal tax relief limit

If you are required to file a tax return you are obliged by law to declare your contributions on the return.

If HMRC notifies us that the contributions you have paid exceed your personal tax relief limit for the year (meaning the higher of your earnings in the tax year or £3,600), then depending on your wishes, we'll either:

- repay the excess contribution back to you after basic rate tax relief on it has been deducted and returned to HMRC (noting that we cannot normally refund contributions under any other circumstances); or
- record the excess contribution separately within your SIPP. Please note that any contributions that exceed your personal tax relief limit will not attract any tax relief.

Levels of tax relief for the current tax year

Basic rate pension tax relief is 20%. Therefore, for every £100 contribution you wish to make to your SIPP, you will only need to contribute £80 and we will claim basic rate tax relief of £20 from HMRC on your behalf and add it to your SIPP.

If you are a Scottish resident (as determined by HMRC) your tax rate may differ. For example, you may be liable to income tax at no more than the Scottish starter rate of 19%. For the current tax year, we'll still claim tax relief of 20% where applicable. HMRC has stated that currently it doesn't reclaim the difference between the Scottish starter rate and the Scottish basic rate of tax.

The Welsh government has the power to amend the rate of income tax paid by Welsh residents, and if they do, this may impact the amount of tax we can reclaim on contributions made by Welsh residents.

The annual allowance

The annual allowance limits the tax privileges applicable to your contributions in a tax year. If you exceed the annual allowance, you will be subject to an annual allowance tax charge on the amount above the allowance.

In the current tax year, the annual allowance is £60,000. This £60,000 limit includes contributions made by you, your employer and any third parties.

If you have a defined benefits pension scheme (where the pension benefits at retirement depend on your earnings history and your length of service with a particular employer), the annual value of any increase in your benefits will also count towards the annual allowance.

If you have adjusted income (your total income including any pension contributions before the deduction of personal allowances or reliefs) of more than £260,000 per annum, your annual allowance will be reduced by £1 for every £2 of income above £260,000, with a maximum reduction of your annual allowance to £10,000.

Your annual allowance will not be affected by transfer values received from other pension arrangements, or pension debits/credits from a divorce settlement.

It is possible for any unused annual allowance to be carried forward for up to three years.

The money purchase annual allowance

If you wish to take money out of your SIPP (or any other money purchase pension you may have) then you can continue to make contributions. However, you may be subject to the **money purchase annual allowance (MPAA)**.

The MPAA for the current tax year is £10,000. If you contribute more than the MPAA to your money purchase pension arrangements, then you will be subject to an annual allowance tax charge on the amount above this limit.

MPAA rules will apply to you if one of the following occurs:

- You take an income from a flexi-access drawdown fund, including receiving payments from a short-term annuity provided from a flexi-access drawdown fund.
- You receive an uncrystallised funds pension lump sum.
- You notify your scheme administrator that you wish to convert your pre-6 April 2015 capped drawdown pension fund to a flexi-access drawdown fund and you subsequently take an income from that fund.
- You take more than the permitted maximum for capped drawdown from a pre-6 April 2015 capped drawdown pension fund.
- You receive a stand-alone lump sum and you are not entitled to enhanced protection.

In addition, you will be subject to the MPAA rules if you had a valid flexible drawdown declaration accepted by a scheme administrator before 6 April 2015.

The money purchase annual allowance rules are not triggered by the following:

- You receive a tax-free pension commencement lump sum but do not take an income
- You receive a trivial commutation lump sum
- You receive a small pot lump sum
- You are in receipt of a scheme pension
- You are in receipt of a lifetime annuity
- After 6 April 2015, you take no more than the permitted maximum for capped drawdown from a pre-6 April 2015 drawdown pension fund.

It is not possible for unused MPAA to be carried forward to future years. The rules around triggering the MPAA are complex and if you think they may apply to you, we recommend that you obtain professional financial or tax advice.

Transfers in

Your SIPP can be used to consolidate pension savings you hold with other pension providers, even if you do not want to make further contributions into it. This may make it easier to monitor and manage your pension savings if they are all in the same place.

You can transfer in pension savings from any other UK registered pension scheme, such as a personal pension or an employer pension scheme. You may also be able to transfer in pension savings from a Qualified Recognised Overseas Pension Scheme (QROPS).

Any transfer is subject to both our acceptance and the agreement of the administrators of the transferring scheme. We strongly suggest that you obtain financial advice before instructing any form of pension transfer.

Please note that we will not accept pension transfers from:

- defined benefit pension schemes (also known as final salary schemes),
- defined contribution schemes (occupational money purchase schemes) that contain safeguarded benefits, or
- any schemes that have any other protected benefits

unless you have received advice from an appropriately qualified financial adviser, and the adviser recommends that you proceed with the transfer. This requirement applies to all such transfers regardless of the amount.

Please note that from 6 April 2028, the NMPA is expected to rise to 57. Individuals with a protected pension age should ensure their protection can continue to be held by the new scheme before instructing any form of pension transfer.

Tax

Transferring savings from other registered pension schemes into a SIPP is not treated in the same way as a personal contribution, and will not affect your tax relief position. However, we always recommend you seek financial advice before instructing a transfer.

Block transfers

HMRC rules allow for some of the existing scheme specific benefits that you might have had prior to April 2006 (such as an entitlement to retire at an earlier age, or a pension commencement lump sum in excess of 25%) to be protected when you transfer your scheme pension benefits to your SIPP. However, certain requirements must be met, including what is referred to as a 'block transfer', where you and another member of the transferring scheme must transfer your total pension rights at the same time.

Subject to these requirements being met and the transferring scheme agreeing that the transfer can be made, we are able to accept block transfers. Benefits from this type of transfer will be kept in a separate SIPP arrangement.

Arranging a transfer in

If you wish to make a cash transfer in, you or your adviser can submit a request through our online portal. Alternatively, you can ask your current provider to transfer your pension to us.

Following your request, we will contact the trustees of the transferring scheme to obtain the discharge papers on your behalf, or you can provide them to us. Once the discharge papers have been completed, the transferring scheme will calculate a transfer value which, if you accept, they will pay to us in cash.

Should you wish to transfer existing pension funds without first disinvesting to cash, you can also complete an **In-specie Transfer In Request** via our online portal.

The advantage of making an in-specie transfer is that you may avoid selling and buying costs, and your money can continue to benefit from uninterrupted investment performance. It may not always be possible to make an in-specie transfer, as this will depend on the types of assets held in your existing pension scheme.

Taking money out

When you are ready to take benefits out of your SIPP, either in the form lump sums or as regular income, the way in which you take your benefits can have tax implications, particularly if you have large amounts of money in your pension, or a number of pensions with different providers.

We therefore recommend that before applying to take benefits out of your SIPP, you should:

- speak to your adviser
- access free, impartial guidance through **Pension Wise**, a Government-backed service provided by **MoneyHelper**, details of which are given at the end of this document
- read the MoneyHelper brochure called 'Your pension: your choices', which is available at nucleusfinancial.com/moneyhelper-choices
- read our **Guide to Accessing Your Pension** and the FCA's 'Pensions Scams' leaflet, which are available on our website.

Starting to take money out of your SIPP

You can normally start taking benefits (withdrawals) from your SIPP from age 55. You do not need to retire or stop working to receive your benefits, which may be taken in their entirety, or phased over a number of years.

You may be able to take your benefits earlier than age 55 if you have a protected retirement age, due to the fact you were a pension scheme member who qualified for early retirement under prior legislation, or if you are forced to retire due to ill health. If your pension rights can be taken before the minimum pension age of 55, then you must crystallise all of the benefits in the scheme at the same time.

Please note that from 6 April 2028, the NMPA is expected to rise to 57.

There is no upper age limit by when you must start to take benefits.

Providing proof of age

When you come to take your benefits, if you have not already done so, you will need to provide us with evidence of your date of birth.

Your adviser can do this by sending us a letter confirming they have seen evidence of your date of birth. Alternatively, you can confirm your age by sending us a black and white photocopy of your unexpired passport, or your original birth certificate (and marriage certificate if your name has changed on marriage).

Please note that due to Crown Copyright rules, we can only accept originals of birth and marriage certificates as proof of your age.

Taking money out early due to ill health

Subject to medical evidence, we may agree to pay 'ill health early retirement benefits' before the age of 55, or 'serious ill health benefits' if you are expected to live for less than 12 months.

The medical evidence must be from a registered medical practitioner and must confirm that, in their opinion:

- for early retirement, you are, and will continue to be, medically incapable (either physically or mentally) of continuing your current occupation as a result of injury, sickness, disease or disability, or
- for serious ill health, you are expected to live for less than one year.

If you are suffering from poor health when you come to retire, you may wish to investigate the annuity options available to you, as you may get a better annuity rate than someone of a similar age who is in good health via an enhanced annuity. We suggest you consult with your adviser if you think this may be applicable to you.

Taking money out in stages

Rather than taking your money out all at once, you may have the option to take money out in stages over a period of years, allowing you to wind-down your working activity in the way that suits you.

However, if you have any pre-6 April 2006 pension benefits with protected pension entitlement, as provided for under the transitional rules, you might not be able to take these benefits in stages.

Benefit options

You can take as little or as much as you want from your SIPP. You have the choice of taking your funds as an income for life by purchasing a lifetime annuity, or you can access your funds as and when you want through lump sums and income drawdown. Or you can use a combination of options.

To access your SIPP funds, you will have two main choices:

- You can put your funds into drawdown, known as flexi-access drawdown, from which you can take out any amount over whatever period you choose as an income withdrawal.
- You can also take a single or series of lump sums from your uncrystallised funds (those not already designated for income), known as an uncrystallised funds pension lump sum (UFPLS).

Certain payments will trigger the money purchase annual allowance rules. Please see the Contributions section of this document for further details.

Your adviser can use the online portal to place requests to access your pension benefits, and you can both use it to manage any ongoing income withdrawals.

Flexi-access drawdown

If you choose to access your pension through drawdown for the first time, the funds will be crystallised (designated) into flexi-access drawdown. You can take a tax free lump sum of up to 25% of the funds you crystallise, and there will be no limit on the amount of income that you can draw from the remaining value of the crystallised funds in your plan each year.

You can take income payments annually, half-yearly, quarterly or monthly. Any income payment via flexi-access drawdown will be taxable under PAYE and will trigger the money purchase annual allowance rules.

Capped drawdown

If you have an existing pension fund that is in capped drawdown (a fund crystallised before 6 April 2015 where you have not since exceeded the capped drawdown income limit or converted to flexi-access drawdown), you can continue to receive capped drawdown from your SIPP should you transfer in that pension. You can also crystallise further funds in capped drawdown where you have an existing capped drawdown arrangement.

The difference between capped drawdown and flexi-access drawdown is that there's a limit on the amount of income you can take from a capped drawdown fund; a limit that's regularly recalculated based on your age, your fund value and the government actuary department's tables of annuity rates.

Taking an income under capped drawdown does not trigger the money purchase annual allowance rules, whereas taking an income under flexi-access drawdown does.

Uncrystallised funds pension lump sum (UFPLS)

If you want to access some or all of your money purchase pension savings without designating funds for income drawdown, you can take an uncrystallised funds pension lump sum. This lump sum is payable from the uncrystallised part of a pension fund, and so cannot be paid from a fund already in drawdown.

The designated sum will be paid in one go, with 25% of the amount paid tax-free, and the remainder taxed as pension income through PAYE.

To qualify, you must be aged 55 or older (or meet the ill-health conditions).

To ensure that the amount you could receive tax-free is not greater than the amount that could be paid as a pension commencement lump sum through drawdown, you must not have either primary or enhanced protection with a protected lump sum of more than £375,000.

If you take an uncrystallised funds pension lump sum, you will be subject to the money purchase annual allowance rules. Please see the Contributions section of this document for further details.

Buying a lifetime annuity

You can choose to purchase a lifetime annuity from an annuity provider with your fund at any time from age 55. Your annuity can be purchased on the open market from any insurance company you choose. When you purchase a lifetime annuity you can usually take a tax free lump sum of up to 25% of the funds being crystallised.

A lifetime annuity must be payable to you at least annually by an insurance company, and must be payable at least until your death.

Payments from a lifetime annuity are taxed as income.

To exercise the open market option to purchase a lifetime annuity, please complete and submit the **Annuity Request Form**, which can be found on our website literature.nucleusfinancial.com.

Checklist for applying to take benefits

- An application for a request to take benefits, or
- **Annuity Request Form**
- Confirmation if you have any form of HMRC protection and evidence of this, such as the relevant certificate (please see the next section of this document for information on protection)
- Proof of your age (if not previously provided)
- Sufficient money available in your SIPP bank account, or appropriate disinvestment instructions, in order for us to pay out your required benefits.

We recommend that you always seek appropriate guidance or financial advice to understand your options at retirement before taking any action.

Allowances and protection

Prior to 6 April 2024 benefits taken from a registered pension scheme were subject to the lifetime allowance which limited the total value of benefits that could be taken before a tax charge would be applied. The lifetime allowance tax charge and lifetime allowance were abolished with effect from 6 April 2023 and 6 April 2024 respectively. The standard lifetime allowance immediately prior to 6 April 2024 was £1,073,100.

From 6 April 2024 benefits taken from registered pension schemes are instead subject to the Lump Sum Allowance and Lump Sum and Death Benefit Allowance. Rather than limiting the total value of pension savings that can be taken before a tax charge is applied, the new allowances work by restricting the value of non-taxable benefits that can be paid from registered pension schemes.

Lump Sum Allowance (LSA)

The standard LSA is £268,275.

The allowance will be reduced in relation to any of the following relevant benefit crystallisation events (RBCE's) occurring on or after 6 April 2024:

- A pension commencement lump sum (PCLS), or
- The non-taxable element of an uncrystallised funds pension lump sum (UFPLS).

The LSA will also be reduced in relation to any benefits taken prior to 6 April 2024. The reduction will normally equate to 25% of the amount of the lifetime allowance utilised prior to that date.

Lump Sum and Death Benefit Allowance (LSDBA)

The standard LSDBA is £1,073,100.

The LSDBA will be reduced in relation to any of the following RBCE's occurring on or after 6 April 2024:

- A pension commencement lump sum (PCLS),
- The non-taxable element of an uncrystallised funds pension lump sum (UFPLS),
- A serious ill-health lump sum, or
- A relevant lump sum death benefit.

As with the LSA, the LSDBA will also be reduced in relation to any benefits taken prior to 6 April 2024 with the reduction normally equating to 25% of the amount of the lifetime allowance used prior to that date. However, if a serious ill health lump sum was paid prior to 6 April 2024 the reduction will be 100%.

If 100% of the lifetime allowance had been utilised prior to 6 April 2024 your remaining LSA and LSDBA will be nil.

Transitional protection

Prior to 6 April 2024, it was possible to protect benefits in excess of the standard lifetime allowance if you held one of the various forms of transitional protection. If you do hold one of these transitional protections, then your LSA and LSDBA may be increased to reflect the available protection. You may also be able to obtain a transitional tax-free amount certificate if you have previously taken benefits but have not taken the full tax-free lump sum permitted. Please speak to your adviser if you think this applies to you.

The various forms of protection are as follows:

Fixed and individual protection

Fixed and individual protection allowed for your lifetime allowance to be set at a greater value than the standard lifetime allowance:

- **Fixed protection 2012** - fixed your lifetime allowance at £1.8 million.
- **Fixed protection 2014** - fixed your lifetime allowance at £1.5 million.
- **Fixed protection 2016** - fixed your lifetime allowance at £1.25 million.
- **Individual protection 2014** - only available if the value of pension savings at 5 April 2014 exceeded £1.25 million and subject to an overall maximum of £1.5 million.
- **Individual protection 2016** - only available if the if the value of pension savings at 5 April 2016 exceeded £1 million and subject to an overall maximum of £1.25 million.

Enhanced lifetime allowance

You may have been eligible for an enhancement of the standard lifetime allowance if:

- Your SIPP received a transfer from an overseas pension scheme which had not received UK tax relief.
- A pension credit that qualifies for an enhancement was received as a result of a pension sharing order.
- You made contributions as a non-UK resident of more than five years standing.
- You hold a primary protection certificate.

Enhanced protection

Enhanced protection allowed the total value of your pension savings to be protected from the lifetime allowance tax charge in exchange for no further contributions being paid.

Junior SIPP

A Nucleus Junior SIPP must be linked to a Nucleus SIPP held by the child's parent or guardian. The adult that opens the Nucleus Junior SIPP on behalf of the child will be considered the 'registered contact', until the child reaches the age of 18, at which point they will take control of their SIPP.

Both the Junior SIPP and corresponding parent's/ guardian's SIPP must have the same adviser named on the plan.

SIPP on death

Your SIPP is held within a trust, and as such, it currently lies outside your estate for inheritance tax purposes (though please note, remaining pension funds on death will generally form part of your estate from the 2027/28 tax year). Currently when you die, the proceeds from your SIPP can normally be paid to your beneficiaries free of inheritance tax.

There may be other tax charges on the proceeds, depending on your age at the date of your death and the options your beneficiaries decide to take. Your beneficiaries can normally either take the death benefits as a cash lump sum or keep the funds within the pension environment to provide a regular income.

To let us know who you would like your SIPP benefits to go to in the event of your death, or to update your nomination, please complete the 'Expression of Wish' section of your online portal account, or provide details on your product application. You should review this regularly as your circumstances change.

Income

Where your beneficiaries retain the funds within the pension environment and choose to draw an income, the tax consequences will be as follows:

- If you die under the age of 75 and benefits are designated for income within 2 years of your death, then income paid to your beneficiaries will be free of income tax.
- If you are over the age of 75 at date of death, income paid to your beneficiaries will be subject to income tax at their marginal rate.

On the deaths of the recipients of your pension fund, any residual pension can be passed on to a beneficiary of their choosing. The tax treatment of the residual fund is dependent on the age of the recipient at the time of their death, not your age.

Lump sum

If you die under the age of 75 and a lump sum death benefit is paid to your beneficiaries, the lump sum will be tested against your LSDBA. If there is insufficient LSDBA available to cover the lump sum, the excess will be subject to income tax at the marginal rate of the recipient beneficiary.

Your personal representatives will be responsible for providing details of the lump sums paid to HMRC in order that HMRC can arrange to assess the beneficiaries at their marginal rate of tax.

Where any of the lump sum death benefits paid relate to pension funds that were originally crystallised by yourself prior to 6 April 2024 these will not be subject to the LSDBA.

If you die over the age of 75 any benefits paid as a lump sum to your beneficiaries will be subject to income tax at their marginal rate.

If a lump sum death benefit is paid to a trust, then a tax charge of 45% will be applied. You can nominate a registered charity to receive a lump sum death benefit in the event that you have no dependants. Any lump sum paid to a registered charity will be tax free.

If you die after buying an annuity

If you have used all or part of your fund to buy an annuity, on your death the benefits paid will depend on the options selected when the annuity was purchased.

When you purchase an annuity you can choose to include a spouse's, civil partner's or dependant's pension.

Individual Savings Account (ISA)

Opening an ISA

Under the ISA Regulations, there are four types of ISA:

- Cash ISA
- Stocks and shares ISA
- Innovative finance ISA
- Lifetime ISA.

Nucleus ISAs are a stocks and shares ISA, as defined under ISA Regulations.

For the current tax year, the ISA allowance is £20,000, and £9,000 for the Junior ISA.

You can split this amount between a cash ISA, a stocks and shares ISA, an innovative finance ISA and a lifetime ISA (up to a maximum of £4,000 and subject to age restrictions) as you choose, up to the £20,000 limit.

For example you could put £5,000 into a cash ISA, £4,000 in a lifetime ISA and £11,000 in a stocks and shares ISA.

If you do not use the ISA subscription limit in any tax year, you cannot carry it forward or add it to the limit of the next tax year.

Tax

All investment income and capital growth within your ISA is free of UK taxes.

Making a subscription

As long as you keep within your annual limit, you can invest lump sums whenever you wish, or pay in a regular amount.

To make a single or regular subscription to your ISA, please use online portal or complete and submit the **ISA Subscription Form** found on our website.

Subscriptions can be paid by electronic bank transfer, direct debit, or you can request for money to be transferred in to your ISA from your GIA with Nucleus. Your ISA bank account details, including your payment reference, can be found within your online portal account, or obtained from us on request.

Transferring in an existing ISA

You may transfer an ISA you hold with another provider to us at any time, provided that the transfer is in accordance with the regulations applying to ISAs, and if your existing ISA manager agrees to the transfer.

A transfer may be made in cash or by re-registering assets, subject to your ISA manager's agreement. You will need to check with your existing ISA manager whether they apply any charges to transfer your ISA.

To arrange the transfer of your existing ISA into your ISA with Nucleus, please complete and submit an **ISA Transfer Request** via the online portal or by completing the document available from our website.

Investing within the ISA

Any subscriptions made into your ISA will be held as cash until you provide investment instructions.

You can invest in platform funds, such as unit trusts and OEICs, stocks and shares via an integrated stockbroking account, model portfolios and some off-platform investments. For full details, please read the **Permitted Investments List** for your ISA, which is available from our website.

Please note that due to HMRC reporting requirements, we are unable to offer access to third party investment managers through our ISAs.

Overseas investment risk

Please note that if you hold investments outside of the UK, due to local laws a third party nominee may not hold your investments in a way which is separately identifiable from investments of that third party or of us. In the event of their insolvency, if there is a shortfall in investments available to settle all claims, all of your investments may not be recovered, and you may share proportionately in accordance with all investors' entitlements.

ISA withdrawals

You can withdraw any amount, or close your ISA, at any time. Withdrawals can be made on a regular basis, or as a single lump sum, and you can choose which underlying assets are sold to make the payment. There is no minimum amount that must remain in your ISA.

ISAs held with Nucleus are flexible. This means that if you withdraw an amount from your ISA, you can still repay up to that amount back in without impacting your subscription allowance for that tax year.

You can make withdrawals or close the ISA by writing to us or by placing an instruction via your online portal account.

If you would like to make withdrawals on a regular basis, you will need to notify us at least 14 business days before the date of the first payment.

Withdrawals will be paid by electronic transfer to a bank account in your name.

Junior ISA

A Nucleus Junior ISA must be linked to a Nucleus ISA held by the child's parent or guardian. The adult that opens the Nucleus Junior ISA on behalf of the child will be considered the 'registered contact', until the child makes an application to take over as the registered contact, which they can choose to do once they reach the age of 18.

Both the Junior ISA and corresponding parent's/guardian's ISA must have the same adviser named on the plan.

Withdrawals cannot be made from a Junior ISA until the child turns 18, unless they become terminally ill or die. You should seek HMRC approval in advance of any request to take money out of a Junior ISA in these circumstances.

We will write to the child in advance of them reaching age 18 to inform them of the options available to them.

ISA on death

If an ISA account holder dies, the investments remain sheltered from tax as a 'continuing account of a deceased investor', until the earlier of:

- the completion of the administration of the deceased's estate
- the closure of the ISA account, or
- the third anniversary of the ISA account holder's death.

During this period, no new subscriptions can be made to the account, and it normally cannot be transferred to another ISA manager.

On receiving appropriate proof of title, such as probate, we will pay in accordance with the instructions of your personal representatives the balance together with any interest earned up to the date we close the ISA.

The proceeds from your ISA will form part of your estate for inheritance tax purposes. If on your death you have a surviving spouse or civil partner, they will be able to invest an amount into their ISA in addition to their usual allowance, referred to as Additional Permitted Subscriptions (APS).

The APS can be funded from ISA assets, cash that they inherit or cash from their own resources.

The APS limit is the value of the ISA investments either:

- at the date of death of the ISA account holder, or
- at the point when the account ceases to be a continuing deceased's account (i.e. when the ISA is closed after investments are distributed to the estate, or the third anniversary of the ISA account holder's death - whichever is earlier).

The surviving spouse or civil partner can choose which value to use, but once they have done so, they cannot change their mind.

General Investment Account (GIA)

Paying money in and investing

There are no minimum or maximum limits to your GIA, so you can pay in as much as you wish at any time.

Payments can be made by bank transfer or Direct Debit. Bank details for your GIA, including your payment reference, can be found within your online portal account or obtained from us on request.

Your GIA can hold most types of assets, including platform funds, such as unit trusts and OEICs, stocks and shares via an integrated stockbroking account, model portfolios, fixed term deposits and notice accounts, and some off-platform investments.

A detailed description of all the permitted investments is available in the **Permitted Investments List** for your GIA, which is available from our website.

Overseas investment risk

Please note that if you hold investments outside of the UK, due to local laws a third party nominee may not hold your investments in a way which is separately identifiable from investments of that third party or of us. In the event of their insolvency, if there is a shortfall in investments available to settle all claims, all of your investments may not be recovered, and you may share proportionately in accordance with all investors' entitlements.

Charges

If you wish, you may choose to pay some charges from your GIA that apply to your other Nucleus products.

For example, you can use your GIA cash balance to pay adviser charges, or charges related to model portfolios, for your SIPP, or ISA. You can also use your GIA to pay our platform charges on behalf of your ISA, though this is not possible for your SIPP.

Tax

The GIA is not a tax privileged product. The tax you pay will depend on the type of investments that you hold and your personal circumstances. At the end of each tax year, we will provide you with all the relevant information that you will need to include in your self-assessment tax return. For further information, please speak to your adviser.

GIA withdrawals

You can withdraw any amount at any time from your GIA, as single lump sums or on a regular basis.

Single lump sums can be requested by contacting us through our online portal. To set up a regular withdrawal from your GIA, please complete and submit the **Regular Withdrawal Request Form** available from our website.

Withdrawals will be paid by electronic transfer to a bank account in your name.

Monitoring your GIA

You can log on to our secure online portal at any time to see a current valuation of your GIA and the underlying assets.

We'll also send you a regular statement showing the value of your GIA and the transactions carried out over the past three months.

GIA on death

If you die, your GIA will form part of your estate. Once we receive proof of title, we will follow the instructions of your personal representatives.

We will pay any remaining cash balance together with interest earned up to the date we close the GIA, or if requested, we will transfer the investments held in the GIA, in accordance with their instructions.

Joint GIA

All assets held in a Nucleus Joint GIA product are registered in the name of the nominee company who will record which Assets are held on behalf of two individuals.

The practicalities and tax implications of a jointly-held product can be complex, and sufficient advice should be sought on an ongoing basis.

In certain circumstances, we require instructions to be given in writing by both account holders, for example where there is a change of ownership from joint to sole. In most other circumstances, we require the signature of the primary holder in order to act on instructions relating to a joint account. Your adviser will give you the choice of who the primary holder should be when setting up the product.

Any correspondence issued in relation to joint accounts will be issued to both of the product holders. Both parties must have the same adviser appointed to the product.

Offshore Bond

General information

The Offshore Bond is a policy of insurance provided by RL360 Insurance Company Limited (RL360).

The bond is set up as a whole of life assurance policy, with up to 10 lives assured and a death benefit payable on the last death. There is no minimum age, but the youngest life to be assured must not be older than 75 at the date of application.

Investing offshore through a bond allows your investment returns to accumulate in a tax-efficient way over the medium to long term.

Under current UK law, you can withdraw up to 5% per year of the amount you have invested in your Offshore Bond without incurring any liability to tax at the time.

Structure of the Offshore Bond

RL360 Insurance Company Limited is regulated by the Isle of Man Financial Services Authority. You will be able to make investments at any time for as long as the bond provider continues to offer products of this type. The provider must be able to hold any selected asset in the name of its nominee.

Holders of policies issued by RL360 Insurance Company Limited will not be protected by the Financial Services Compensation Scheme established under the UK Financial Services and Markets Act 2000 if it is unable to meet its liabilities to them.

Offshore Bond holders instead receive the protection of the Isle of Man Compensation of Policyholders protection scheme, which covers an amount equal to 90% (subject to the provisions of the scheme) of RL360's liability where it is unable to meet its financial obligations.

Eligibility for an Offshore Bond

Individuals can apply for an Offshore Bond if they are over 18 years old and:

- resident in the UK
- under the age of 75 if they are to be a life assured under the Bond, and
- are not a US citizen (US means the United States of America, its territories and possessions, any state of the United States and the District of Columbia).

You can also apply as a trustee representing a Trust where:

- the majority of the trustees are resident in the UK
- no trustee is a US citizen, and
- you have the appropriate powers of investment under the Trust deed.

You can also apply if you are a director representing a corporate entity that:

- is incorporated in the UK, and
- whose memorandum and articles of association give appropriate investment powers.

Please note that you will not be able to apply if you are subject to any legislation that prohibits you from making this type of investment. You are advised to check your eligibility with your adviser before proceeding.

Investing in the Offshore Bond

The minimum investment in an Offshore Bond is £100,000. There is no maximum limit.

For a full list of the permissible assets, please refer to the **Offshore Bond Guidelines for Permitted Assets** available from our website or on request.

Your investment can be made by transferring in cash from a personal account direct to RL360. You cannot transfer investments into the Offshore Bond in-specie.

The documents that your adviser will help you to complete include the **Offshore Bond Application Form**, which captures details of the owner, the lives assured (where applicable) and your chosen number of sub-policies, as well as the amount of your investment and your initial asset selection.

You will also be required to provide acceptable proof of identity, verification of address, and information regarding the source of funds and the source of your wealth. This is so that RL360 can comply with the Isle of Man Government Insurance and Pensions Authority Anti-Money Laundering Standards for Insurance Business. RL360 will also need to verify the source of the funds that you wish to invest.

It's important that this information accompanies your application, as without it the opening of your bond may be delayed.

After a thorough assessment of the information you have provided, RL360 will issue a letter setting out the terms upon which they are able to accept your application, and confirming the commencement of your Offshore Bond.

You can continue to make payments in at any time for as long as RL360 continues to offer products of this type. The assets in which you choose to invest must be permitted by RL360, and we must be able to hold any selected asset in the name of our nominee. Any money received will be divided equally between the number of sub-policies within your Offshore Bond.

For further details on how your assets are held and how to buy, sell and switch them, please refer to the Nucleus product's **Terms and Conditions** and the **Offshore Bond Terms and Conditions** at literature.nucleusfinancial.com.

Withdrawals from the Offshore Bond

You can make withdrawals from your bond at any time without paying a policy charge.

To minimise the tax consequences of a withdrawal, you can choose to take your cash in several ways:

- By surrendering one or more individual sub-policies.
- By withdrawing an equal amount from each sub-policy.
- Through a combination of both options.

If you are withdrawing equal amounts from each sub-policy, you will only need to complete a withdrawal request and state which assets, if any, are to be sold.

However, if you want to surrender individual sub-policies then you will be asked to return your Policy Schedule, so that RL360 can cancel the relevant number of sub-policies and issue a replacement Schedule for those remaining.

You will also need to provide instructions setting out which assets are to be sold to fund the withdrawal. Without these instructions, and if there is insufficient cash in your product's bank account, RL360 will be unable to action your request. Any withdrawals will be paid directly to your nominated bank account, which must be held in your name.

Please note that if any holding to be sold is in a fund that deals at a frequency other than daily, there is likely to be a delay in forwarding the sale proceeds to you.

To provide us with disinvestment instructions, please complete and submit an **Offshore Bond Withdrawal Form**, which is available from our website.

Please note that if you set up your Offshore Bond after 31 December 2012, any adviser charges paid from your bond to your adviser will count as withdrawals and so may have tax consequences.

If your Offshore Bond was set up before 31 December 2012, such trail payments to your adviser are classified as a product charge and so do not count as withdrawals, unless you top up an additional amount into your bond. In this scenario, such adviser payments do count as withdrawals.

Regular withdrawals

You can choose to take regular withdrawals from your Offshore Bond to provide you with a regular income without the need to surrender any sub-policies.

You can currently opt to receive withdrawals on a monthly, quarterly, half-yearly or annual basis.

Tax position on withdrawals

The tax treatment of any withdrawals you take from your Offshore Bond will depend on your country of residence, citizenship domicile and personal circumstances at the time. The tax treatment of withdrawals can change at any time, which could affect what you will get back.

If you become a US taxpayer, the Offshore Bond does not qualify as a life assurance contract for US tax purposes. As a result, increases in the proceeds paid could be subject to current federal income taxation. In these circumstances we would strongly advise you to consult your adviser to discuss your tax position, as neither RL360 nor Nucleus can provide tax, legal or investment advice.

Your bond can be surrendered at any time for the value of the investments that it holds. What you get back will therefore be affected by the charges of any investment providers and any withdrawals that may have been taken.

You should be aware that when you create a chargeable event, RL360 is required to provide details of the chargeable event to HMRC if the value of the gain is in excess of half the basic rate threshold.

Please note that there are separate tax provisions governing Trusts and corporate entities, and professional advice should be sought.

Borrowing against the Offshore Bond

There's no facility to borrow from your Offshore Bond but your adviser may be able to find a lender who is prepared to make a loan against the value of your Offshore Bond.

However, you should be aware that such a loan may be treated by HMRC as if it were a withdrawal and tax it accordingly, so you should ask your adviser to check this before you proceed.

Please also note that you must obtain RL360's written consent prior to granting an interest in your Offshore Bond as collateral for a loan, even though they will not be party to a loan arrangement and as such will not accept liability for the arrangement with the lender.

The Offshore Bond following a death

Although a death benefit under a whole of life assurance policy is only payable on the death of the last life assured, RL360 needs to be notified of the death of any life assured as soon after the event as is possible.

The amount of death benefit to be paid on the death of the last remaining life assured will depend on the value of your bond's underlying assets. They can only be valued following the receipt of written notification of death.

- If you are the sole life assured and policy owner, your personal representative will need to provide us with appropriate proof of title, which will usually need to be a grant of probate.
- If you are the sole life assured and the Offshore Bond is a corporate investment, ownership will not change but the death benefit will be paid to the company.
- If you are the sole life assured and the Offshore Bond is a trustee investment, ownership will not change but the death benefit will be paid to the trustees.

The amount of death benefit payable depends on the age of the last remaining life assured on the date of their death, as follows:

- If the life assured was aged under 75, RL360 will pay a cash sum equal to 101% of the surrender value.
- If the life assured was aged 75 or over, the death benefit will be 100.1% of the surrender value.

The surrender value will be based upon the next available price of the underlying assets following receipt of the notification of death. If notification of death is delayed more than six months, RL360 reserves the right to adjust the amount of benefit.

For simplicity, RL360 will aggregate the benefits payable under all the sub-policies and make one payment. After this payment is made, your Offshore Bond will come to an end.

Taxation on death

If you're a UK resident and the death benefit does not become payable on your death but ownership of the Offshore Bond passes to your heirs, the surrender value will be included in your estate for inheritance tax purposes.

Normally, this tax liability will have to be met before a grant of probate is issued and ownership changed. If delay in the transfer of ownership is likely to cause financial hardship or inconvenience, you should talk to your adviser about the benefits of a Trust.

Whatever the jurisdiction, tax considerations will be dependent on individual circumstances that should be discussed with your adviser.

Closure following death

When the last life assured dies, your Offshore Bond will end. RL360 (via Nucleus) will then require written notification of death along with satisfactory documentation before the death benefit can be paid out. The amount will be paid out to your personal representatives upon receipt of Probate by RL360, or it will be paid to the Trustees if the bond is held in trust.

Subsequent ownership will depend upon the provisions of your will or the intestacy law of the jurisdiction in which you are resident or domiciled at the date of your death. Your successors will also need to return the Policy Schedule for amendment.

If you want to be specific about who you want to benefit on your death, you should ask your adviser to ensure you have a current, valid will, or that suitable arrangements such as a Trust are put in place.

If the Offshore Bond is owned by a company or trustees, ownership will not change.

If the Offshore Bond is to continue but we are unable to provide the Offshore Bond service following the change of ownership, then the terms and conditions of the Offshore Bond will change.

If you are no longer resident in the UK

If you cease to be resident in the UK, you must inform RL360 (via Nucleus) immediately. It may become necessary to restrict or amend some of the Policy Terms and Conditions to ensure that RL360 does not infringe any local laws or regulations in your new country of residence. For example, if you move to the United States you will not be able to switch assets and will not be able to make additional investments.

You should therefore consult your adviser to determine how your Offshore Bond will be viewed from an investment, insurance and tax perspective in the jurisdiction in which you have taken up residence.

If your change of residence means that we are unable to continue to service your Offshore Bond for any reason, you may be able to keep your Offshore Bond provided its value is above RL360's permitted minimum at the time. We will re-register the assets in your Offshore Bond to RL360 and you will deal directly with them going forward.

Please also be aware that:

- RL360 will need to meet the cost of operating your Offshore Bond by taking a different range of charges.
- the charges applicable will be those for the equivalent investment bond that RL360 is offering to the public outside of the Nucleus service at the time.
- your future point of contact will be RL360's Customer Services Team at the registered office in the Isle of Man.

If the value of your Offshore Bond is below RL360's permitted minimum at the time, RL360 reserves the right to pay you the surrender value and end the policy.

Investing

You can invest your money in a number of different ways through Nucleus products, depending on how much you invest, how long you want to invest it for, and the level of risk you want to take with your capital.

For more information on the types of risks associated with different types of investments, please read our **Guide to Investment Risk** available on our website [literature.nucleusfinancial.com](https://www.nucleusfinancial.com/literature).

For full details of the range of investments permitted under each Nucleus product, please refer to the relevant **Permitted Investments List** from our website.

Product bank accounts

Some investors choose to maintain a cash balance in their product for the payment of charges or withdrawals. Whilst we would suggest your cash balance is regularly reviewed and maintained, the product bank accounts are not designed for long term investment purposes.

Platform funds

Our platform allows you to invest in a variety of collective investment schemes that we refer to as 'funds'. You can invest in a range of different funds from leading fund managers on favourable terms. We have negotiated competitive discounts on the initial management charges made by the fund managers in their fund prices, reducing the cost of each investment.

The funds available for investment via the platform are listed on our website, and you can buy, sell and switch funds via our online portal; just log on to your account and follow the instructions.

If you or your adviser submits an online instruction to buy, sell or switch a fund before the cut-off time detailed on our online portal, we will normally carry out your instruction on the same day.

If an instruction is submitted by post, then provided it is received by 4pm, we will normally be able to carry out your instruction on the next business day. For more information, please see our **Order Execution Policy**, which is available on our website.

We will update your online portal account with details of all transactions once we have received a contract note from the fund manager. A confirmation will also be sent to your adviser.

Regular trades are not confirmed individually but are included in a quarterly statement sent to you or your adviser.

You can find more information about the funds available through the platform on our website.

Cancelling your investment

If you have received advice from an adviser in respect of your platform fund purchases (including the buy element of a switch), you can cancel your investment within 14 days of you receiving a cancellation notice. We will send you a cancellation notice for each investment you make, except for regular investments where you will only receive a cancellation notice when you set up the regular investment, or if you make any changes to it.

If you cancel a trade, you may not get back your full investment, as the value of any units or shares bought may have fallen.

If you have not received advice from a financial adviser, you won't be able to cancel your investment.

Suspension of a fund

If a fund manager suspends dealing in a fund for any reason for any period of time, we won't be able to accept instructions on that fund until it is reinstated. If this happens, we will let your adviser know.

Tax

Dividend distributions are paid without deduction of tax at source. Interest distributions may be paid gross or net of tax. If paid net of tax, we are able to reclaim the tax for SIPP and ISA products.

For SIPPs, as a registered pension scheme, any gains made on investments within it are not subject to capital gains tax. Please note that this is based on current tax legislation which may change in the future.

Fund manager charges

The fund manager will take a charge to cover the cost of setting up your investment and running the fund. These are normally referred to as initial and annual management charges. The charges you pay will vary depending on which funds you invest in. Please refer to the funds information on our website for more details about the costs of investing in a particular fund.

Our charges

To help cover the costs of operating investments through our platform, we apply a platform charge that is paid from your cash balance.

Please refer to the product's **Charges Schedule** on our website for further details.

Model portfolios

A model portfolio is a defined collection of funds set up by an investment manager to achieve a predetermined investment strategy and reflect a certain risk profile.

If you wish to leave the day-to-day monitoring of your assets to an investment professional, we provide access to a range of model portfolios with varying risk profiles via the platform.

Each model portfolio is set up and managed by an adviser and/or investment manager who is responsible for selecting, monitoring, reviewing and rebalancing the investments that comprise the portfolio, and for ensuring the funds contained in it reflect the design of that model.

We will provide you with a quarterly report, based on the investments connected to your chosen model portfolio. These reports provide you with information such as asset values, transactions and the performance of your model portfolio during this period.

To set up a model portfolio with a discretionary investment manager, your adviser will need to agree to the terms of business of the investment manager whose portfolio they wish to use, and they will then be able to appoint the investment manager on your behalf using our online portal.

Exchange Traded Investments (ETI)

You can use the services of an execution-only stockbroker to trade in stocks and shares directly. Our integrated stockbroking service gives you access to this option through our online portal.

Trades are placed directly with the stockbroker via the platform, and instructions for these assets should not be sent to us.

Cash deposit accounts (SIPP and GIA only)

If you wish to invest in cash without the risks posed by market fluctuations, you can hold cash deposits within your SIPP and GIA. We offer fixed term deposit accounts and notice accounts with a variety of leading banks via our deposit aggregator.

To apply for a cash deposit account, you should read the deposit provider's terms and conditions prior to completing the application form, which is available on our website. You will be deemed to have accepted both of these summary documents and FSCS protection sheet when you place an instruction to invest with them. Acceptance of your instruction is at their discretion.

The rate of interest you receive for the term will be the prevailing rate on the date the money is received by the bank.

Once your deposit account has been opened, you will be sent confirmation of the interest rate and maturity date for your deposit.

Please note that typically you will not be able to access your cash during the set term.

Cash invested in deposit accounts via our deposit aggregator will be held in its name or the name of its nominee.

Should a fixed term deposit provider's business fail and they are unable to return some or all of your money, you will be covered under the Financial Services Compensation Scheme (FSCS) up to the relevant compensation limit. This is currently £120,000. This limit does include any money you may hold with the deposit provider outside of your Nucleus products as well.

Off-platform assets (where permitted by product)

Investment managers

Depending on your product, you may use the services of an investment manager to buy and sell (trade) investments on your behalf.

An investment manager will typically manage your investments on a discretionary basis, meaning their actions are based on a strategy agreed with you, without having to consult you on each individual trade.

The investment manager you wish to use must be based in the UK, be regulated by the Financial Conduct Authority (FCA) and agree to our operational requirements.

To set up an investment manager account, please read the investment manager's own terms and conditions and complete their application form alongside our **Investment Manager Appointment Form**, available at literature.nucleusfinancial.com. Upon receipt of these documents, we will set up the account on your behalf.

We will confirm to you once the account has been set up, and you or your adviser can then place trades directly with them.

An investment manager will apply charges for trading investments and for holding cash on your behalf. If they hold cash on your behalf, they will take their charges from this cash, or alternatively we may pay their charges from your product's cash balance. Please read the investment manager's literature to check you are happy with the level of their charges before applying for an account.

Please note: Should an investment manager business fail and be unable to return some or all of your money to you, you may be covered under the Financial Services Compensation Scheme (FSCS) up to the relevant compensation limit, which is currently £85,000 for money and investments held by them. Please ask your chosen investment manager for further information regarding how the FSCS covers them.

Other whole of market investments

Where permitted by your product, you may be able to trade in some other investment types, including:

- Collective investment funds not available on our platform
- Investment trusts and trustee investment plans
- Structured products
- Insurance company managed funds
- National Savings and Investments (NS&I) products

To buy or sell these types of funds directly, you can complete the **Instruction to Trade Form** available on our website, and send this to us along with any additional documentation that the fund provider requires.

For full details of the range of investments permitted within your product, please refer to the relevant **Permitted Investments List** from our website.

Tax

Any taxation information contained in this document is based on our interpretation of legislation and HMRC practice, which may change from time to time. Any information relating to how tax may be applied to you may change, and depends on your individual circumstances.

Banking

In respect of the product bank accounts, please note that we may place money in notice or unbreakable term deposit accounts in accordance with the FCA's Client Money Rules.

In the event of our insolvency or default of a bank or deposit taker, the investor's money may not be immediately available for distribution.

Compensation

The SIPP scheme administrator, the ISA Manager and GIA provider, Nucleus Financial Services Limited, is covered by the Financial Services Compensation Scheme (FSCS). If we cannot meet our obligations, you may be entitled to compensation under the FSCS. The FSCS is independent of the government and financial services industry. We will send you details of the cover provided by the FSCS on request.

The individual product providers for the assets you hold may themselves offer protection under the FSCS. Please ask your adviser or the investment provider for further information.

The product bank accounts and cash deposit accounts are covered separately by the FSCS. The FSCS can pay compensation to depositors if a bank is unable to meet its financial obligations, up to a combined maximum of £120,000 for all accounts you hold with them (including those held through a Nucleus product and any you may hold personally outside of Nucleus).

For further information about the FSCS, including the amounts covered and eligibility to claim, please call us on **03455 212 414** or refer to the FSCS website at [fscs.org.uk](https://www.fscs.org.uk)

For the Offshore Bond, FSCS protection does not apply. Owners of RL360 policies instead receive the protection of the Isle of Man Compensation of Policyholders protection scheme, which covers an amount equal to 90% (subject to the provisions of the scheme) of RL360's liability where it is unable to meet its financial obligations. RL360 reserves the right to adjust the returns to cater for any levy or charge made on it under the regulations or similar legislation.

Useful contacts

We can't provide you with financial advice. Your adviser will normally be your first point of contact.

However, if after reading this guide you have any technical or administrative questions regarding your Nucleus products, you can send us a secure message via the online portal, or contact us using the following information:

Nucleus

Suite 202 Warner House
123 Castle Street
Salisbury
SP1 3TB

Website: nucleusfinancial.com
Telephone: **03455 212 414**

Lines are open from 8:30am to 5:30pm Monday to Friday. To help improve our service, we may record or monitor calls.



MoneyHelper

MoneyHelper offers free, impartial money guidance across a broad range of matters, including guidance on how to find a financial adviser if you do not have one.

Please visit the MoneyHelper website or call the number below if you wish to use this service:

Website: moneyhelper.org.uk
Telephone: **0800 011 3797**



Pension Wise

Deciding what benefits to take from your pension is an important decision. You are entitled to receive free and impartial guidance through **Pension Wise**, a Government-backed service provided by **MoneyHelper**. The objective of the service is to empower you to make informed and confident decisions on how you use your pension savings in retirement. The guidance does not replace advice given by regulated financial advisers.

You can receive this guidance online, by telephone or face-to-face. Please visit the MoneyHelper website or call the number below if you wish to use this service.

Website: moneyhelper.org.uk/en/pensions-and-retirement/pension-wise

Telephone: **0800 280 8880** or **0300 330 1003**
(from outside the UK **+44 20 3733 3495**)



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For literature in alternative formats, such as Braille, large print, audio or E-text, please call us on 03455 212 414, or via the Typetalk service on 18001 03455 212 414.

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