

For financial advisers only

Suitability and features of the Aegon SIPP

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Introduction

Your clients may already enjoy using the Aegon Platform to help manage their ISAs and investments. Here's good news – the Aegon Self-invested Personal Pension (SIPP) can also help support a gradual transition from working life into retirement.

Experts behind the product

Aegon is an international provider of pensions, savings and investment solutions. In the UK we look after over £186 billion assets on behalf of over 4 million customers (as at December 2022).

What is the Aegon SIPP?

The Aegon SIPP provides access to a wide range of investments, such as collectives, within a tax-efficient pension product, which aren't usually available through a standard pension.

This isn't a stakeholder plan, but you should consider if a stakeholder plan may be suitable for your individual client's needs.

The Aegon SIPP offers your clients the following benefits:

- **A savings and income solution** – your clients can accumulate savings and take an income from age 55 (increasing to age 57 from 6 April 2028).
- **Pre-funded tax relief** – your clients won't need to wait for basic rate tax relief to be paid by HMRC. Where applicable, we'll automatically pay this tax relief directly to their Aegon SIPP.
- **A wide range of investments** – access to growth and income-focused funds through open-architecture investments.
- **Flexi-access drawdown** – providing income for your clients in a tax-efficient savings environment with ongoing potential for growth.
- **Ability to nominate beneficiaries** – your client can tell us who they'd like to benefit from their funds after they've passed away.

You can easily complete quotes and accumulation new business applications (including cash transfers, single and regular contributions) online. And, as a partner with Origo Options, we can process your clients' transfers faster, smarter and smoother.

Product features

- Cash and re-registration transfers from other pensions, including drawdown to drawdown transfers.
- Retirement saving and income solutions in one place, including flexi-access and uncrystallised funds pension lump sum (UFPLS).
- Minimum contribution of £1.
- Pre-funded tax relief.
- Designated drawdown product – allowing you to manage crystallised and uncrystallised funds separately.
- Initial and ongoing adviser charges available online without the need for client signature.
- Clients pay the Aegon Platform service charges, there are no additional product establishment or administration charges (unless in drawdown).
- Choose a regular contribution collection date (day 1 to 28).

Product overview

Investment funds	We offer a range of around 4,000 investment options (as at December 2022).
Contributions	Transfers, single contributions, regular contributions.
Regular contribution collection date	Day 1 to 28.
Minimum contribution amount	£1 for all transfers and contributions.
Maximum contribution amount	No maximum, but there are limits on the amount of contributions to pension savings each tax year for tax relief purposes.
Contribution tax relief	Pre-funded at basic rate on personal contributions up to age 75, subject to the annual allowance or money purchase annual allowance. Tapered annual allowance could also apply.

Income

Drawdown income frequency	Monthly, quarterly, half yearly, yearly and ad hoc.
Drawdown income payment date	9th, 18th or 27th of the month. This is the day the payment will leave the product and will arrive in your client's bank account around three days later.

Adviser charges

We'll normally pay adviser charges from your client's Aegon SIPP. You can direct regular charges due from your client's Aegon SIPP to the cash facility of the Aegon General Investment Account (GIA). The GIA is automatically opened when your client sets up their Aegon SIPP. If selected, we'll then direct all relevant regular charges to the cash facility of the GIA, providing there's enough cash in the cash facility and/or investment in the Aegon GIA to pay the charges when they're due. Alternatively, you can set up a regular direct debit for your client to fund the cash facility to cover the charges when they're due.

Product charges (not subject to VAT)

Set-up charge	None
Transfer in/out charge	None
Flexi-access drawdown	<p>We'll charge £75 each year if your client takes drawdown income, but this doesn't apply if they only access a pension commencement lump sum (PCLS). We'll start taking this charge after we make the first payment and it will apply yearly after that to cover ongoing administration. If 12 months pass and your client doesn't take income, we won't apply the charge for that period. The charge will become payable if your client starts taking drawdown income again.</p> <p>Where a client has more than one drawdown account (for example, as a result of more than one drawdown-to-drawdown transfer), they'll only pay a single £75 yearly charge. We'll deduct this equally across all of the drawdown accounts from which they are taking an income.</p>

About a client's cash facility

Each product a client holds on the Aegon Platform has its own cash facility within the product. There's no requirement to hold a minimum amount of cash within a product. Each client will have more than one cash facility if they have pension savings and pension drawdown.

It's up to you and your client to make sure there's always enough money in the relevant cash facility to meet any charges when due and, if applicable, any regular drawdown income when due.

On or around the first business day of each month, or for regular income payments, approximately five business days before the selected payment date, we'll check for available cash in the client's relevant

cash facility. If the amount held in the cash facility is below the amount required to cover the amount due, we'll automatically sell the required amount from the client's largest available investment, or nominated investment if selected, in the product the charge is being deducted from.

If charges have been directed to the client's Aegon GIA and we sell investments to cover the charge(s) due, this may result in a capital gains tax liability. If a charge isn't able to be paid from your client's Aegon GIA we'll take the charge from their Aegon SIPP following the process above.

The value of investments can go down as well as up, so the value of your client's pension fund isn't guaranteed. Your client can't access any money invested in their pension pot until they take their benefits, which they can usually do at any time from age 55 (increasing to age 57 on 6 April 2028).

This information is based on our understanding of current taxation law and HMRC practice, which may change.

The value of any tax relief depends on the individual circumstances of your client.

How to contact us

Visit: aegon.co.uk/adviser/our-solutions/savings-for-individuals/aegon-platform

Call: 0345 604 4001

Telephone lines are open Monday to Friday 8.30am to 5.30pm. Calls may be recorded for training and quality purposes. Calls charges will vary.

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