

This communication is intended for qualified advisers only and must not be relied upon by anyone else.

# Discover the benefits of the active money personal pension

*part of the active money lifeplan*



Today's generation is much more flexible about how they live, work and play. They want to enjoy the most of what today has to offer, while also preparing for an active, fulfilling retirement. So the challenge for us is to develop financial products flexible enough to accommodate how people are now planning for their futures. That's where the active money lifeplan from Standard Life comes in.

It's a versatile retirement plan, designed to adapt to your clients' changing needs over time. So your clients only pay for the features they need right now, with the option to switch on more sophisticated pension features later.

With such flexibility, the active money lifeplan is able to meet the needs of many more of your clients, and it paves the way for you to build longer, ongoing relationships with them.

*The active money personal pension is an entry-level product within the active money lifeplan and this guide goes on to talk about how it can work for your clients.*

# The key features and benefits of the active money personal pension

The active money personal pension (AMPP) is an entry-level product within the active money lifeplan. It is designed for clients who are eager to start investing for their retirement needs now but want the freedom and flexibility to easily upgrade to our active money SIPP if they need more investment choices or income options.

## AMPP is designed for clients who:

- are looking for a simple, competitively priced pension plan to fund their retirement
- do not have access to a company pension scheme, or wish to supplement their company scheme
- want the freedom to invest on a regular or occasional basis
- are attracted by the tax benefits pensions enjoy
- want control over managing their investment choices
- want the flexibility to upgrade to our active money SIPP, providing more investment choices or income options – both products are provided under the same registered pension scheme so there's no need to transfer and your clients keep the same plan number
- want online facilities to conveniently manage their pension and keep paperwork to a minimum
- want to engage with an experienced and trusted pensions provider like Standard Life who they can rely on to provide excellent service

## AMPP is designed for advisers who:

- wish to build a mutually beneficial and efficient lifetime relationship with their pension clients
- value the option to upgrade their clients to active money SIPP while avoiding most of the usual paperwork
- want the facility to place and administer business online
- want a flexible remuneration menu to suit themselves and their clients
- want to deal with an experienced pension provider like Standard Life with a proven track record of customer service and technical expertise

# Technical details of the active money personal pension plan

## Who is AMPP for?

Anyone aged 0-74 years provided they are:

- resident in the UK for tax purposes
- working overseas as a crown servant, or
- the spouse/civil partner of a crown servant working overseas

## What are the minimum payments?

- The minimum monthly regular payment is £150 gross
- The minimum yearly regular payment is £1500 gross
- The minimum single payment is £1000 gross (there is no minimum occasional payment for clients who are making regular payments)
- The minimum transfer value is £1000

## What are the maximum payments?

- Up to 100% of relevant UK earnings for each tax year (including basic-rate tax relief)
- Up to £3600 a year for each tax year (including basic rate tax relief) if the client has no relevant earnings, or their earnings are lower
- There is no maximum limit for transfer values
- There is no maximum on employer payments (but payments above the annual allowance will normally be subject to a 40% tax charge)

*We have made AMPP very flexible for clients. They can stop, re-start, increase, decrease or suspend payments without penalty or charge. Our research shows that this flexibility is not always understood by clients and it is worth highlighting to them.*

## Investment choices

- A wide range of over 160 insured funds available from Standard Life and a selection of leading external funds managers, including:
  - lower cost tracker and managed funds
  - lifestyle profiles.
- The facility to hold money on deposit in the Trustee Cash Account.

Fund Management Charges start at a very attractive 0.5% a year.

Clients can invest in up to 12 funds at any one time, or 11 if they have any money in the Trustee Cash Account. Interest on money held in that account is accrued daily and applied on a monthly basis. Interest paid is normally 1% below the Bank of England base rate. Please call us for the latest rate. For full details of the AMPP fund choices and charges, please ask for our 'Fund choices and charges guide' – AMPP5a.

## Switching (online dealing)

You and your clients can make an instruction to switch all or part of the current investment selection online or by phone. All transactions can be viewed online at [adviserzone.com](http://adviserzone.com) and [customerzone.com](http://customerzone.com).

### You can transact in a way that suits you best

adviserzone provides the following functionality:

- E -quotes (available on the Exchange and Assureweb too)
- Efficient online application process
- New business tracking
- E-commission statements
- Valuations, transaction history and client reports

You have full access to our investment planning tools:

- Risk Assessment Questionnaire
- Portfolio Planning Tool
- Portfolio Analyser and Charting tool
- Client Manager

## What are the charges?

The allocation rate for all payments is 100%.

Fund Management Charge	From 0.5% to around 2.0% a year depending on the funds chosen
Additional expenses	May apply depending on the funds chosen
Switch charge	Currently free but we reserve the right to make a charge in the future

## Large Fund Discounts

Your client may receive a discount to reduce the effect of the fund management charge (FMC). It depends on the value of their plan and the funds in which they're invested.

Each month we'll use the value of your client's plan, less any cash they've got in the Trustee Cash Account, to work out which discount percentage, if any, applies to them. The thresholds for the different percentages are set out in the table below.

In any month where your client is eligible for a discount, we'll apply that discount to any fund they're invested in which has a standard FMC of 1% a year or more by adding extra units to that fund. The table below shows the yearly rate. We won't apply any discount to a fund with a standard FMC that's less than 1%. But any investment your client has in these funds will still count towards their plan value when we work out the discount percentage that applies to them.

Plan value less cash on deposit	Discount %
Less than £50,000	None
£50,000 to £249,999	0.3% a year
£250,000 to £499,999	0.4% a year
£500,000 or more	0.5% a year

Please see our 'Fund choices and charges guide' – AMPP5a for more details.

## Upgrading clients to additional features and benefits

AMPP customers can upgrade to our active money SIPP (AMSIPP) quickly and easily by phone and gain access to:

- mutual funds
- direct investments (stocks and shares)
- discretionary fund managers
- commercial property
- income drawdown options.

How AMPP is set up:

- Clients who take out an AMPP join the Standard Life Self Invested Personal Pension Scheme
- Standard Life Assurance Limited is the Scheme Administrator
- Standard Life Trustee Company Limited is the trustee

AMPP and AMSIPP are both provided under the same registered pension scheme. That's why it's easy for your client to upgrade from one product to another – they don't need to transfer to a new scheme and they can keep the same plan number. This arrangement helps you keep your paperwork to a minimum.

## What other benefits are there?

We offer a separate contract, Pension Contribution Insurance (PCI), which can protect client payments in the future. Please contact your Standard Life Account Manager for details.

## Flexible remuneration choices

The active money personal pension gives you and your client the freedom to agree remuneration in the form that best suits you both.

	Level Commission	Fund Based Renewal Commission	Regular Payment Initial Commission	Initial Commission	Funded Initial Commission	Adviser Fee
<b>Regular Payment/ Occasional Payments</b>	✓ 0-5% of each payment made	✓ 0-1.5% of fund	✓ 0-25% of the expected first year's regular payments	✗	✗	✓
<b>Single Payments/ Transfer Payments</b>	✗	✓ 0-1.5% of fund	✗	✓ 0-8% of each single payment/ transfer payment	✓ 0-5%. Only available on single payments/ transfer payments. Not available if client is 69 +	✓

Please note: Commission is not currently available for increases to regular payments. The fee option can be used if further remuneration is required.

## You can choose to mix your remuneration options:

### Remuneration options for regular payments

The maximum amount of commission you can take in relation to a client's regular payments is 25% of their first year's expected payments, plus 2.5% Level Commission on each payment made, plus 1.5% Fund Based Renewal Commission. In addition you can also take an Adviser Fee of up to 25% of their first year's expected payments.

Note – Initial Commission and Level Commission are available in steps of 0.1%. The Initial Commission % (divided by 10) plus the Level Commission % can't be greater than 5%. For example, if you choose 18% Initial Commission that means the maximum available Level Commission would be 3.2%. Fund Based Renewal Commission is available in steps of 0.01%.

Initial Remuneration			Ongoing Remuneration	
Initial Commission (Max 25% of first year's payments)	Level Commission (Max 5% of each payment)	Adviser Fee (Max 25% of first year's payments)	Fund Based Renewal Commission (Max 1.5%)	Adviser Fee
0 %	5 %	0-25%	0-1%	Available
10%	4 %	0-25%	0-1%	Available
15%	3.5%	0-25%	0-1%	Available
20%	3 %	0-25%	0-1%	Available
25%	2.5%	0-25%	0-1%	Available

## active money personal pension

### Remuneration options for single & transfer payments

The maximum remuneration you can take in relation to a single or transfer payment is 8% of that payment plus 1.5% Fund Based Renewal Commission.

Note – Initial Commission and Funded Initial Commission are available in steps of 0.1%. The total percentage for both commission types can't be greater than 8%. Fund Based Renewal Commission is available in steps of 0.01%.

Initial Remuneration			Ongoing Remuneration	
Initial Commission (IC) (Max 8% of payment)	Funded Initial Commission (Max 5% of payment)	Adviser Fee (Max 8% of payment)	Fund Based Renewal Commission (Max 1.5%)	Adviser Fee
0-3%	5%	3% minus IC%	0-1.5%	Available
0-4%	4%	4% minus IC%	0-1.5%	Available
0-5%	3%	5% minus IC%	0-1.5%	Available
0-6%	2%	6% minus IC%	0-1.5%	Available
0-7%	1%	7% minus IC%	0-1.5%	Available
0-8%	0%	8% minus IC%	0-1.5%	Available

#### Adviser Fees

- We'll pay a fee from the AMPP on the written instructions of your client. We can pay the fee by cancelling units proportionately from your client's funds, taking it from the Trustee Cash Account or a combination of both.
- The fee can be a one-off (initial) payment and/or a regular (ongoing) payment that is made monthly, quarterly, half-yearly or yearly.
- We will only pay a fee if there are sufficient funds available in your client's AMPP. This means that we will delay payment until there's enough money in the AMPP to support the payment of the fee.
- Fees can be expressed as a percentage or a set monetary amount.

#### Take an active approach with your pension clients

Our active money lifeplan can make a significant difference to your clients' pension choices and also enhance your relationship with them. The active money lifeplan achieves this by providing a series of options that match clients' present needs and by allowing them to upgrade and access additional features and benefits as their lives progress and prosper.

By introducing your clients to AMPP, you are embarking on a lifetime journey with them. AMPP is designed to make the journey flexible and efficient for both client and adviser – the way it should be.

#### Find out more

If you would like to find out more about AMPP and the active money lifeplan range, please speak to your Standard Life Account Manager or visit [adviserzone.com/lifeplan](http://adviserzone.com/lifeplan)

Call us for a quote on 0845 279 8899. Call charges may vary and may be recorded and/or monitored to help improve customer service.

#### Important Notes

- Charges are regularly reviewed and may be increased to reflect increases in overall costs and/or changes in the assumptions made. Any increases in charges will not increase Standard Life's profit margins above reasonable levels.
- The value of tax relief may change and will depend on individual financial circumstances. The information we have given is based on our understanding of law and HM Revenue & Customs practice as at December 2009.

**Pensions**  
**Savings**  
**Investments**  
**Insurance**

## **Find out more.**

Your Standard Life Account Manager can help you with any questions you may have.

### **Any questions on New Business or Servicing?**

If you have any questions about new business or servicing call:

**0845 278 5626**

(Mon-Fri, 9am to 5pm). Call charges may vary and calls may be recorded and/or monitored to help improve customer service.

**[www.adviserzone.com/lifeplan](http://www.adviserzone.com/lifeplan)**

Standard Life Assurance Limited\*, registered in Scotland (SC286833), Standard Life House, 30 Lothian Road, Edinburgh EH1 2DH is the Provider and Scheme Administrator of the Standard Life Self Invested Personal Pension Scheme. Standard Life Trustee Company Limited, registered in Scotland (SC076046), also Standard Life House, is the Trustee. Telephone (0131) 225 2552. *Calls may be recorded/monitored.*

\*Authorised and regulated by the Financial Services Authority

[www.standardlife.co.uk](http://www.standardlife.co.uk)

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