your journey. reimagined.

voyager

voyager ssas

IMPORTANT

This document contains important information to help you decide whether an Voyager SSAS is right for you. It is a summary and does not cover everything in the formal trust deed and rules. You can see these by contacting the Administration Office – details are on page 9.

You should read this document carefully so that you understand the type of pension scheme you are a Member of and then keep it safe for future reference.

contents

The Voyager SSAS is the name given to a type of registered pension scheme. The pension scheme is set up by a Sponsoring Employer and will have less than twelve members. It is a pension scheme that allows you to take control of your retirement planning. It is a Small Self-Administered Scheme (SSAS), which means that you, as a Member of the Scheme, are able to make decisions concerning the type of investments you wish to make and when you wish to draw benefits from the Scheme.

its aims – a voyager ssas is designed to provide the following:

1. A tax-efficient means to save for your retirement;
2. A wide range of investment options;
3. To allow you the ability you make your own investment decisions usually with the assistance of a financial adviser and in conjunction with other Members of the Scheme;
4. The ability to transfer in your other existing registered pension scheme benefits and to make contributions via an employer;
5. Flexibility as to when and how you draw your pension benefits;
6. To provide benefits to your dependants and beneficiaries in the event of your death.

your commitment – as a member of a voyager ssas you will need to:

1. Make a contribution via your employer, and/or transfer other pension benefits into the Scheme;
2. Inform Voyager Pensions Limited if your contributions exceed HM Revenue & Customs limits or if you are no longer eligible to receive tax relief;
3. Only draw your pension benefits in accordance with the Rules of the Scheme and not to draw monies from the Scheme which would be considered an Unauthorised Payment;
4. To apply the assets comprising your share of the Scheme's funds to pay fees, costs and charges as they fall due, including tax that might be payable on pension benefits;

risks

1. The value of the Scheme may go up or down, and this may affect the level of pension benefit that you take in the future;
2. There may not be any guarantees relating to any of the investments that are held in the Scheme and investment performance may not be in line with your expectations;
3. Legislation, inflation and taxation are subject to change, and this might affect the amount of pension benefit that you could receive in the future.
4. Commercial property can be more difficult to value and sell than other investments. This could affect the timing, and level, of your pension benefits.
5. Drawing high levels of income from the Scheme can reduce funds you have left to purchase an annuity or provide benefits for your dependants or beneficiaries.
6. You, together with the other Members, will be responsible for investment decisions. We strongly recommend that you appoint a financial adviser to assist you with this;
7. Transferring benefits from an employer's occupational scheme may lead to giving up other rights and benefits;
8. Charges may increase throughout the lifetime of the Scheme and these may affect the amount of benefits that you are able to take.

what is a ssas?

A Small Self-Administered Scheme (SSAS) is a type of registered pension scheme that offers a wide range of investment flexibility. Typically, this investment flexibility is greater than that typically offered through traditional personal pension plans and occupational pension schemes.

As it is a pension scheme, a SSAS is designed to provide you with a pension when you retire. You can usually also opt to take some of the monies in the form of a tax-free lump sum. The amount of pension or lump sum you will have will depend on the value of your pension scheme when you wish to take your pension benefits.

A SSAS is normally established for a small number of individuals by a company (called the 'Sponsoring Employer'). The individuals are usually employees or Directors. Each of the Members of the Scheme will also be Trustees and are responsible for decision-making and safeguarding Scheme assets. A professional trustee is appointed to assist in this process and will own Scheme assets together with the Members who are also trustees in order to help protect them for the Members and their beneficiaries.

Membership is by invitation from the Sponsoring Employer.

what are the tax advantages?

Registered pension schemes, including SSASs, have a number of tax advantages which are there in order to encourage individuals to save for their retirement. These include:

- Contributions that you pay into your scheme will normally attract income tax relief at the highest rate that you pay.
- Contributions paid by an employer will normally qualify for tax relief in the year they are made, provided they are wholly and exclusively for the purposes of the employer's trade.
- Investments will grow free from income tax and capital gains tax (although tax on dividend income will still apply).
- A tax-free lump sum of 25% can be paid from age 55 (although any income paid is subject to income tax through the PAYE system).
- Death benefits where an individual dies before the age of 75 can be paid tax free, and death benefits will normally be outside of your estate for inheritance tax purposes.

how much can I contribute to a pension scheme?

Contributions are normally paid by your employer. The Sponsoring Employer will inform you in writing should you have to pay contributions and how much they will be. Where you make personal contributions, this is normally arranged via your employer's payroll arrangements. In some instances, it may be possible for you to make contributions directly to the Scheme, or they may be made by a third party on your behalf.

The maximum amount that can be paid each tax year is £40,000. This is known as the Annual Allowance.

In some circumstances, it is also possible to Carry Forward unused Annual Allowance from three previous tax years in addition to the Annual Allowance payable in the current tax year.

Where you pay contributions personally, tax relief is capped to 100% of your Relevant UK Earnings in the tax year of the contribution. This means that even if you can pay a contribution to your pension that satisfies the Annual Allowance and/or Carry Forward rules, tax relief may be restricted if your Relevant UK Earnings are below this level.

Where an employer makes contributions, tax relief is not restricted by earnings. Instead, these must be paid on the basis that they are wholly and exclusively for the purposes of the employer's trade.

There are instances where the Annual Allowance of an individual can be reduced:

- Where an individual earns over £240,000 they are likely to be subject to 'tapering', where the Annual Allowance reduces on a sliding scale to a minimum of £4,000;

- Where an individual has flexibly accessed their pension and drawn taxable income. In this case, they will have an Annual Allowance of £4,000 (known as the Money Purchase Annual Allowance) and will not be entitled to use Carry Forward.

can I transfer my pension benefits?

It is usually possible to transfer benefits from another registered pension scheme into the Scheme. Normally, benefits are transferred in the form of cash and will be placed initially into the Scheme Bank Account from which investments can then be made.

It is important to take financial advice relating to transfers, especially where you are considering transferring pension benefits from an occupational pension scheme. This is because other pension arrangements might have valuable rights or guarantees that you would be giving up on transfer. Taking financial advice is compulsory where you are transferring pension benefits worth more than £30,000 from a defined benefit scheme (also known as a final salary scheme).

It can also be possible to transfer assets from other registered pension schemes to the Scheme. This is subject to the agreement of the old and new providers and may depend on the type of asset.

You are also able to transfer some or all of your pension benefits from the Scheme to another Registered Pension Scheme. Full details are available on request including the circumstances in which you may transfer accrued rights to flexible benefits.

what can I invest in?

The Scheme allows for investment in a range of assets, broadly including:

- Commercial Property and Land
- Secured Loans to a Sponsoring Employer or a Third Party
- Unit Trusts, Investment Trusts and OEICs
- Insurance Company funds
- Deposit Accounts
- Stocks and shares listed on recognised stock exchanges
- In some instances, unlisted shares
- Gilts and other corporate bonds
- Gold

You, together with the other Members of the Scheme, will be responsible for the investment decisions of the Scheme and how the money is invested. It is important that you think carefully about the choice of investments and you are strongly recommended to appoint a financial adviser to assist you with this process.

what is the maximum investment fund?

The maximum amount that you can have in your pension fund that qualifies for the tax advantages is normally £1,073,100. This is known as the Lifetime Allowance. When you take your benefits, or trigger a 'Benefit Crystallisation Event', the amount that you use is 'tested' against the Lifetime Allowance. If the amount of money being used exceeds the Lifetime Allowance, either on its own or when added to other Benefit Crystallisation Events that have happened, tax will be payable on the excess.

Where the excess amount is taken as a lump sum, the tax charge is 55% and when drawn as income, the tax charge is 25% plus any tax generated through the PAYE system when the income is drawn.

Some individuals have been able to 'protect' their Lifetime Allowance at higher amounts than the level currently in place (known as Enhanced, Primary, Fixed or Individual Protection). This can be a complex area and further advice should be sought if it applies to you.

what pension benefits am I entitled to?

You can normally take up to 25% of your fund as a tax-free lump sum (known as a pension commencement lump sum). You can use the remainder of your fund to provide you with an income, normally known as 'Flexi-Access Drawdown'.

Income drawn from a pension scheme will be subject to income tax through the PAYE system. When you take income in this manner, further contributions that you pay into your pension scheme may be restricted.

You also have other options that might be available to you when you come to draw your benefits:

- Uncrystallised Funds Pension Lump Sum (UFPLS)
  Provided you have not 'crystallised' part of your fund, it can be used to make a one-off payment of UFPLS. In these circumstances, normally 25% of the amount is payable tax free, while the balance is payable as taxed income.

- Annuity Purchase
  Instead of receiving a drawdown pension, you can instruct the Trustees to use your fund to purchase an annuity from an insurance company. The annuity will be payable up to your death, or the end of a guarantee period should you choose it. The amount of income payable will depend on the annuity rate offered by the provider. You may also choose to use it to provide a spouse's/partner's income on your death.

- Scheme Pension
  You have the option of drawing your benefits in the form of a Scheme Pension. This can be a complicated process, as it involves an Actuary calculating a level of income that you can draw from the Scheme for the rest of your life. It may also include other features such as spouse's pension and guarantees. This will result in a different level of income than that available in Flexi-Access Drawdown (where you can take as much or as little as you wish). The income under a Scheme Pension must be paid, and you cannot change your mind at a later date.

Where pension benefits were drawn prior to 6 April 2015, they may be subject to the 'Capped Drawdown' method of calculation and payment. This method restricts the amount of income you can take each year up to a maximum amount, calculated in accordance with legislation. It is possible to move from Capped Drawdown to Flexi-Access Drawdown (where there is no restriction), or to purchase an annuity, but this can affect the amount of future contributions you pay to your pension scheme. You can also change from Capped Drawdown to a Scheme Pension.

what happens if I die?

Death benefits payable from the Scheme will depend on your age when you die.

If you die before reaching age 75 the benefits in the Scheme can normally be paid tax free to your beneficiaries. These benefits can be paid as a lump sum or as an income.

If the value of your pension fund exceeds any remaining Lifetime Allowance, then any excess will be subject to a tax charge as detailed above.

If you die after reaching age 75 then any payment to beneficiaries will be subject to income tax at their marginal rate. Income can be paid to any beneficiary and not just to a financial dependant. If payment is made to an entity other than an individual, then a tax rate of 45% will apply.

If a beneficiary dies while receiving income from your pension scheme, the same death benefits will be available to their nominated beneficiaries, and tax treatment will again depend on the age the beneficiary was when they died.

These rules can be different if you are drawing benefits as a Scheme Pension and further advice should be sought as it is a complex area.

general terms

The Scheme is governed by the laws of England and Wales. All parties shall submit to the exclusive jurisdiction of the courts of England and Wales. All communications between you and us will be in English.

Further details of the features of the Voyager SSAS can be found in the Terms and Conditions.

The information contained in this document is based on our understanding of current law and HM Revenue & Customs practice, which is subject to change.

what if I have a complaint?

If you are not satisfied with any aspect of our service and wish to make a complaint, please contact us in writing using the contact information detailed below. Details of our complaint handling procedures are available on request.

If you are not happy with the way in which your complaint is handled, or are unable to obtain a satisfactory resolution, you can contact the Pensions Ombudsman at:

The Pensions Ombudsman
11 Belgrave Road
London
SW1V 1RB Tel: 020 7630 2200

You can also refer your complaint to The Pensions Advisory Service, who can help revolve an issue or dispute:

The Pensions Advisory Service
11 Belgrave Road
London
SW1V 1RB Tel: 0300 123 1047

The Pensions Regulator (the overseer of UK work-based pensions) may intervene in the running of an occupational pension scheme (such as this Scheme) where trustees, managers, employers or professional advisers have failed in their duties.

contact information

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