

JUNIOR SIPP

FAQs

What is a Junior SIPP?

A Junior SIPP is a great way to help a child start saving for retirement. Just as with any pension, you can contribute to the greater of the member's UK relevant earnings or £2,880, which then receives 20% tax relief from the Government. Crucially, the money cannot be accessed until the child reaches age 55 (57 from 6 April 2028), a limit which is set to rise as the state pension age increases.

Who can open a Junior SIPP?

A Junior SIPP is largely the same as a regular SIPP, however it can only be opened and managed by a parent or legal guardian. The account is held in the child's name and the child must be under the age of 18. Once the parent or legal guardian has opened the Junior SIPP, they become what is known as the 'registered contact'. This involves managing the account until the child reaches 18.

Can anyone pay money into a Junior SIPP?

Anyone can pay money into a Junior SIPP, as long as it is within the £3,600 annual contribution limit, which includes tax relief. In short, you can put up to £2,880 a year into the Junior SIPP, and the Government will add tax relief at 20% to make this up to £3,600.

What are the charges?

Please read the 'charges and rates' section on our website (investcentre.co.uk).

Adviser charging

Your adviser will discuss their charges and agree them with you. For advice relating to your child's Junior SIPP, you can either pay these charges directly to your adviser, or we can arrange for them to be deducted from your child's Junior SIPP. If you decide to go for the latter option, you will need to complete either the adviser charging section within the application form, or the adviser charging variation and additional payment form. If your adviser charges are paid from your Junior SIPP, the value of the Junior SIPP will reduce accordingly.

What other terms and conditions apply to this SIPP?

The AJ Bell Investcentre SIPP terms and conditions set out the full terms and conditions for your Junior SIPP. Your adviser will provide you with a copy, or you can get one from the AJ Bell Investcentre website (investcentre.co.uk).

Can you change the registered contact, i.e. the parent/legal guardian?

It is possible to apply for a change of registered contact at any time, but there can only be one person performing this role at any given time.

What happens when the child reaches 18?

Once funds are in a Junior SIPP, they are tied up until the child reaches retirement age. This is set to increase from the current age of 55 to 57 on 6 April 2028, and may increase further in the future. This means any money invested will be accessible any time soon. Upon the child's 18th birthday, the management of the account passes to them, and the Junior SIPP becomes a standard [AJ Bell Investcentre SIPP](https://investcentre.co.uk).

What are the investment options?

Our SIPP has been designed to allow considerable flexibility over the choice of investments.

We offer various options through which you can invest all, or part, of the Junior SIPP funds with our panel of investment partners. We also offer the flexibility to invest SIPP funds either through other investment managers, who are not on our panel of investment partners, or in a wide range of other permitted investments, e.g. commercial property. Investments that are not made through our panel of investment partners are referred to as 'off-panel investments', and attract additional costs.

You can invest in our panel of investment partners through the following options.

Funds & Shares Service

Our Funds & Shares Service allows you to invest using our in-house investment option. This allows us to keep costs down and ensures that you benefit from a consistently high level of service across every aspect of your investment portfolio. This option provides access to more than 4,000 collectives (of which over 3,000 are clean shares classes), shares in investment trusts, exchange-traded funds (ETFs), exchange-traded commodities (ETCs), UK equities and gilts, corporate bonds, REITs and PIBS.

Your adviser places orders on your behalf, either online or over the telephone.

If you are considering investing in unit trusts or OEICs, you must also read the key features for collective investments documents

Funds & Shares Service XO (F&SS XO)

F&SS XO is our execution-only option, and is part of our Funds & Shares Service. It allows you to manage your own investments, and to place orders either online or over the telephone. Funds within F&SS XO are held separately from those managed by your adviser/investment manager. You are responsible for managing your account and we will contact you directly on any actions you need to take.

Investment partners and discretionary fund managers option

Instead of using our Funds & Shares Service, you can appoint one of our investment partners to manage funds held under your SIPP, either on an advisory or discretionary basis. The range of investments available and charges vary by investment partner. You will need to sign a separate agreement with your chosen investment partner.

The investment range is, in all cases, subject to the AJ Bell Investcentre terms and conditions, and HMRC regulations.



Please note that the value of investments, and any income from them, can go down as well as up, and you may not get back your original investment. Tax rules can change in the future and the tax treatment depends on your personal circumstances. We do not offer advice about the suitability of our products or any investments held within them.

Can I make regular investments?

Yes, you can. Our regular investment service allows you to invest every month without incurring dealing charges in our regular investment funds universe, any FTSE 350 share, selected ETFs, ETCs and investment trusts. Setting up a regular investment is simple and once we have received your instruction, we will automatically make your deals on the 10th calendar day of each month (or the next working day).

Obviously, for us to make your deals, there must be sufficient money in the customer cash account to pay for them. If there is not, we will not make the regular investments on that given month and will try again the next month.

Your adviser is able to amend your regular investment instructions up until midnight on the ninth calendar day of each month (or midnight on the day before the regular investment dealing day).

What off-panel investment options are available?

You can use all, or part, of your SIPP to purchase stocks, shares and unit trust investments with one or more off-panel investment managers of your choice. It is not possible for your SIPP to hold these investments directly. You must hold them through an investment manager (whether panel or off-panel). Your adviser will be able to assist in opening an account.

You can also use your SIPP to invest in a wide range of other investments, including:

- commercial property
- insurance company trustee investment plans
- bank and building society accounts
- other fund supermarkets or investment platforms

Your adviser will be able to inform you of the costs applicable to specific investments.

If you make use of the off-panel investment options, you are still able to invest part of your SIPP fund with one (or more) of our investment partners, if you wish.

What are the rules that govern my SIPP?

The scheme is governed by a trust deed and rules (scheme rules), as amended from time to time. Our SIPP key features document summarises the main provisions of the rules and of the legislation that applies to registered pension scheme.

However, in the event of any discrepancy between the key features and the trust deed and rules, the trust deed and rules will prevail. A copy of our scheme rules is available from your adviser on request.

How secure is my money?

AJ Bell Management Limited is the scheme administrator of the AJ Bell Investcentre SIPP and is responsible for the day-to-day administration and management of the scheme.

Sippdeal Trustees Limited (STL), a wholly-owned subsidiary of AJ Bell Management Limited, is the trustee of the scheme.

AJ Bell Management Limited is part of AJ Bell, one of the UK's largest investment platforms, with £108 billion of assets under administration and 673,000 customers.

AJ Bell Management Limited is authorised and regulated by the Financial Conduct Authority. Sippdeal Trustees Limited (STL) does not conduct any regulated activities and is, therefore, not regulated.

The Funds & Shares Service is provided by AJ Bell Securities Limited, which is also part of AJ Bell. AJ Bell Securities is a member of the London Stock Exchange and is authorised and regulated by the Financial Conduct Authority.

Bank of Scotland is the provider/establisher of the AJ Bell Investcentre SIPP. The bank will satisfy any statutory obligations that it may have from time to time, as provider/establisher of the AJ Bell Investcentre SIPP.

What if I change my mind?

You have a legal right to cancel your SIPP if you change your mind. If you wish to cancel, you must do so within 30 days of the date you receive our letter confirming the establishment of your SIPP.

Cancellation rights also apply to the receipt of transfer payments, you will have 30 days from the date that you receive our letter acknowledging the transfer to exercise your right to cancel.

You may exercise your right to cancel by writing to us, quoting your name and SIPP reference number, at:

AJ Bell Investcentre
AJ Bell Management Limited
4 Exchange Quay
Salford Quays
Manchester
M5 3EE

Fax: 0345 83 99 061

Email: enquiry@investcentre.co.uk

You must state whether you wish to cancel your SIPP or a specific transfer.

If you wish to make an investment during the 30 day cancellation period you can do so, but this will lapse your cancellation rights. Lapsing your rights will mean that you cannot cancel your SIPP, contributions or transfers.

Further information about your cancellation rights is included in the AJ Bell Investcentre SIPP terms and conditions. Your adviser can provide you with a copy.

Are there any compensation arrangements covering my SIPP?

Yes. The Financial Services Compensation Scheme (FSCS) has been set up to deal with compensation if firms are unable to meet claims made against them. The FSCS operates separate sub-schemes, including ones for deposits and for investment business.

Any cash that you hold in your SIPP cash account is protected up to £120,000 in the event of the bank failing. If you also hold cash in a separate deposit account, this will also be protected up to £120,000 provided the deposit-taker operates under a different banking license. Please note that the £120,000 limit applies to all cash that you hold with that deposit-taker, including any non-SIPP cash such as that held in personal accounts or savings accounts.

Individual investments held in a SIPP are protected up to £120,000 per investment per individual. This is on the proviso that the investment itself is authorised by the FCA. Shares and equities are not authorised by the FCA, so they are not covered by the FSCS. Most funds and collectives, however, are authorised by the FCA, so those that are authorised will be covered.

In the event of default by AJ Bell itself, following which you incur a loss, you can make a claim via the FSCS. Under current rules, the FSCS will pay compensation of up to £120,000 in the event of the failure of any party in relation to the SIPP.

Further information about the compensation arrangements is available from the Financial Services Compensation Scheme ([fscs.org.uk](https://www.fscs.org.uk)).

Can AJ Bell Investcentre give me advice?

No. AJ Bell Investcentre, AJ Bell Management Limited, AJ Bell Securities Limited and Sippdeal Trustees Limited are not authorised to provide any advice on tax or financial-services-related matters.

If you need advice, you must consult your adviser.

What if I have any further questions?

You must contact your adviser, although more detailed information on the SIPP and the various investment options is available at investcentre.co.uk.

What if I have a complaint?

Customer satisfaction is very important to us and if you do have any cause to complain about the services provided, either by your financial adviser or by AJ Bell Investcentre, there are clear procedures laid down by the Financial Conduct Authority to ensure that your complaint is dealt with fairly.

If your complaint relates to the advice you have been given, you should write to your adviser. If your complaint concerns the service you have received from AJ Bell Investcentre, please contact us in the first instance at:

AJ Bell Investcentre
AJ Bell Management Limited
4 Exchange Quay
Salford Quays
Manchester
M5 3EE

Tel: 0345 83 99 060
Fax: 0345 83 99 061

Email: enquiry@investcentre.co.uk

If you are not satisfied with our response, you may refer your complaint to the Pensions Ombudsman, if it concerns the administration of your SIPP.

10 South Colonnade
Canary Wharf
London
E14 4PU

Pensions Ombudsman – Tel. 0207 630 2200
Web: pensions-ombudsman.org.uk

Help is also available from The Pensions Advisory Service (TPAS), which can advise you on how to complain and may be able to sort the matter out without the need for the Ombudsman to get involved. The address for TPAS is as follows:

Money and Pensions Service
120 Holborn
London
EC1N 2TD

TPAS – Tel: 0300 123 1047
Web: pensionsadvisoryservice.org.uk

All other complaints may be referred to the Financial Ombudsman Service free of charge at:

The Financial Ombudsman Service
Exchange Tower
London
E14 9SR

Tel: 0800 023 4567 or 0300 123 9123
Web: financial-ombudsman.org.uk

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