

Fee Guide

This document is a summary of all fees and charges for the Penny Pension Plan. Our fees are simple and transparent.

Annual Management Charge

The Annual Management Charge (AMC) is a fixed percentage charge on the value of your Penny Pension Plan.

The Annual Management Charge is 0.58% per year. It is calculated based on the daily value of your Penny Pension Plan and the amount is automatically deducted from your Penny Pension Plan each month.

Fund Provider Charge

The fund provider charge is a fixed percentage charge on the value of your Penny Pension Plan charged by the fund provider, HSBC or Vanguard, rather than Penny.

For information about the amount of the fund provider charge, please see the Funds page in your Penny app, or the Key Investor Information Document (KIID) of your chosen fund.

The fund provider charge is automatically deducted from the value of your investment when the fund provider calculates the value of your investment. It is subject to change at the discretion of the fund provider, HSBC or Vanguard.

Withdrawal Fees

When you reach the normal minimum pension age (NMPA), you can withdraw money from your Penny Pension Plan into your chosen bank account.

The withdrawal fee, which you are charged, is different, depending on how you access your benefits. This is detailed below.

Flexi-access Drawdown

If you choose this option, you will be charged a Withdrawal Fee of £100 + VAT when you first choose to access your pension through this option. You will be charged £100 + VAT each year that you hold money in your pension through this option. The Withdrawal Fee is automatically deducted from your Penny Pension on the anniversary date when you choose this option. Any further withdrawal via this option will not incur any additional charges.

Uncrystallised Funds Pension Lump Sum (UFPLS)

If you choose this option, you will be charged a Withdrawal Fee of £100 + VAT each time you take money out of your pension.

Small Pot Lump Sum

If you choose this option, you will be charged a Withdrawal Fee of £100 + VAT each time you take money out of your pension.

Note:

The Withdrawal Fee is not charged if you transfer your pension to another provider, or if the value of your Penny Pension is zero.

Other Costs That May Become Relevant

Post – All documentation in relation to your Penny Pension Plan will be available via the Penny app. If there are circumstances whereby you want to send us paper documents through the post, additional postal fees may be applied.

Transaction costs – All investments include transaction costs charged by the money manager when they buy and sell investments within your Plan. These costs can include taxes such as stamp duty or levies charged by the regulatory or tax authorities. These fees have the effect of slightly reducing the growth of your investments, up to a maximum of 0.06% per year, although usually much less than this. The money manager separately discloses these costs.

In-specie Transfer Costs – £100.00 + VAT per in-specie transfer. Plus £25.00 + VAT per line of stock.

Fee reviews

The fees described in the Penny Fee Guide might be altered occasionally in response to inflation, regulatory changes or other good reasons. We will give you advance notice of any changes to these fees.

Non-payment of Annual Fee

The Penny Pension Plan is designed to invest your money as quickly as possible. Consequently, there is usually no cash available in your Penny Pension Plan from which to take above charges. These charges (including money manager fee) are therefore deducted from your investments directly. If we are unable to collect our fees by selling down investments because there is insufficient value in the investments within your Penny Pension Plan, we may sell whatever investments are in your Penny Pension Plan to partially settle your fees and then close your account.