

# DIVE INTO THE DETAIL

Your Octopus Money Direct Pension

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# Help

## Making pensions less puzzling

### Answering your questions

There's a lot to take in with pensions. If you're unsure about anything or have a question, you can find plenty of useful information in the Help section of Online Service and on our website.

Free and impartial help with money and pensions is available from government-backed MoneyHelper. Its aim is to make your choices clearer and put you in control. Check it out at **[moneyhelper.org.uk](https://moneyhelper.org.uk)**

If you'd rather talk to us, you can. We're happy to take a bit more time to explain things if that would help.

### Getting in touch

- Sign in at **[octopusmoneydirect.com/pensions/sign-in](https://octopusmoneydirect.com/pensions/sign-in)** and start a web chat or send us a secure message.
- Call us on **03455 28 88 88**.

We're here 8am to 9pm Monday to Friday, and 9am to 6pm on Saturdays, and we'll do everything we can to help.

Calls to 03 numbers cost the same as calls to 01 and 02 numbers, and they're included in inclusive minutes and discount schemes in the same way. Calls may be recorded.

### How we use your information

To find out how we collect, use and protect your personal data, please read our Privacy Policy at **[octopusmoneydirect.com/privacy](https://octopusmoneydirect.com/privacy)**.

# First things first...

## The basics

We want to help you enjoy a brighter retirement, so it's good to understand a few basic things about the Octopus Money Direct Pension.

Our pension is a personal pension, that helps you save money for your retirement. We pool together your and other customers' money and invest it in the funds you select. The funds either invest directly in assets, such as shares and bonds, or in other funds selected by our fund manager (you can learn more at [octopusmoneydirect.com](https://octopusmoneydirect.com)). Our funds offer different levels of risk and potential for growth to suit your needs.

Funds are made up of units, which are priced each business day. If you'd like to see the up-to-date unit price of the funds you're invested in, just sign in to Online Service.

If you're all clear so far, then that's a good start for understanding the rest of the document. If you're unsure of anything though, check out the Help section at the start of this document.

## Who can have an account



### **You can have our pension if you are:**

- Living in the UK (or are a British Forces employee working overseas).
- A UK resident as far as HM Revenue & Customs is concerned.
- At least 18 years old.



### **You won't be able to have our pension if you:**

- Want a joint or trust account.
- Are a citizen of the US.
- Want to manage pension benefits with us that you've already started taking an income from.

So far, so good? Let's get going

# Key features

**keyfacts**®

The Financial Conduct Authority is a financial services regulator. It requires us, Octopus Money Direct, to give you this important information to help you to decide whether our pension is right for you. You should read this document carefully so that you understand what you are buying, and then keep it safe for future reference.

Although this is a personal pension scheme, other providers offer stakeholder pension schemes that might also meet your needs.

## Its aim

The aim of our pension is to help you save tax-efficiently for your retirement.

## Your commitment

- To open a pension with us, you need to do one of the following:
  - Transfer a pension to us.
  - Pay in a lump sum of at least £100.
  - Set up a regular monthly payment of at least £25.

### Also, you need to:

- Keep a positive balance in your Pension, otherwise we'll close it.
- Pay the Account Charge and all charges relating to your funds.
- Keep your sign-in details for Online Service safe from other people.
- Tell us if you move abroad, as you may not be able to pay into your Pension.

### You can:

- Change the amount you pay in, or stop making payments, whenever you want.
- Have other people pay into your Pension.
- Transfer most other pensions into this one.

## Risks (Product)

- It's up to you to check that our pension suits your needs. If you have any doubts about this, you should talk to a Financial Adviser.
- The government may change how they tax pensions in the future, and this could affect your Pension.
- How you're treated in terms of tax will depend on your individual circumstances.
- You have the right to cancel your Pension in the first 30 days, but if you do, the value you get back might be less than your original investment.
- If you transfer another pension into this one, the other pension provider might charge you, and you may have to give up other benefits. You should check what these are with your current provider before you transfer your pension.

## Risks (Investments' performance)

- The value of the investments in your Pension is not guaranteed and can go down as well as up. Also, there are no guarantees you'll get back the full amount you pay in.
- Past performance of our funds is not an indication or guarantee of future performance.
- The value of your Pension savings will depend on how much you save, the charges you pay and the rate your investments grow at over the years.
- The illustration we give you each year provides an estimate of how much your Pension pot could be worth at retirement. It could be worth less if you stop paying money in, you pay in less or retire earlier than expected. Our funds have their own risks and it's important to consider these before choosing the investment. You can find information on fund-specific risks in the Key Investor Information Document for each fund.

## Risks (Taking your Pension savings)

- Although there are various ways to take a pension pot when you retire, our pension only allows you to take it as a single lump sum payment.
- If you want to take the money you've saved in another way, you'll need to transfer your Pension to a pension scheme that allows this, before you take it.
- If you use your right to flexibly access your Pension savings you must tell your other pension providers. If you don't do this within 91 days, HM Revenue & Customs (HMRC) might fine you.
- If you ask to transfer your Octopus Money Direct Pension somewhere else, we'll sell your units and transfer the money to your new provider.

# Questions and answers

## What is the Octopus Money Direct Pension?

Our pension is a tax-efficient way to hold investments.

It helps you save for your retirement and lets you take a cash lump sum when you retire.

## How can I manage my Octopus Money Direct Pension?

The easiest way to manage your Pension, at any time, is with Online Service.

If you held a pension with us before 1 January 2023, you might also be able to manage it by phone and post.

## How can I keep up to date with my Pension?

We'll give you all the information you need in Online Service. You can also check your account using the Octopus Money Direct app.

If you had a pension with us before 1 January 2023, we'll also send you any important information in the post, unless you've chosen to go paperless.

## Can I change my mind?

Yes, you're free to cancel your Pension with us within 30 days of opening it. Just send us a secure message, call, or write to **Octopus Money Direct, PO Box 24204, Edinburgh EH3 1JP** and we'll sort it.

If you do cancel your Pension, we'll sell all your units and convert them to cash. We'll even pay back any Account Charges we may have collected. You'll get back whatever your savings are worth, which could be more or less than you put in. Otherwise, it'll be as if you never opened the account.

Where you paid money into your Pension with a lump sum or regular payments, we'll pay the value back to your nominated bank account.

Where you transferred a pension to us from another provider, we'll check whether we can return the cash to them. If they refuse to accept it, you'll need to find another provider that will.

You can also cancel a transfer from another provider within 30 days of instructing it. Your cancellation rights only apply to the transfer and not to the other savings in your Pension. We'll return whatever the transferred amount is worth, which could be more or less than we received.

## What about tax?

To encourage you to save for your retirement, the government offers you a tax break called **tax relief**. Here's how it works.

When you put money into your pension, HMRC give you tax relief on the amount you pay in (excluding transfers). Each time you pay money in, we claim back the basic rate tax from HMRC, and we add it to your Pension pot (we can do this until you turn 75).

There's a limit to the amount you can pay in that receives tax relief. The maximum is £60,000 each tax year (including the tax relief). You may have a lower limit based on your earnings and personal circumstances.

Even if you don't pay income tax, you'll still get tax relief on the first £2,880 you pay in each year.

If you pay tax above the basic rate, you can claim extra tax relief on your tax return or by contacting HMRC. If you get tax relief you're not entitled to, you'll need to pay this back.

Tax relief also applies to money paid into your pension by other people, excluding your employer. Where your employer puts in money for you, HMRC will not provide any tax relief.

If you live in Scotland or Wales you may be entitled to different rates of tax relief on money paid into your pension. See [gov.uk](https://www.gov.uk) for more details.

## How much can I save?

Once your Pension is up and running, you can pay in however much you want – from as little as £1.

You only get tax relief on the money you and other people pay in, up to the HMRC limits (see **What about tax?**, above). You don't get tax relief on payments from your employer. The money other people put into your Pension is included in the HMRC limits shown.

## Can I stop paying into my Pension?

Yes, you can stop, start and change how much you're paying in at any time. You're in control.

## How do I pay in?

You can pay money in by Direct Debit or debit card.



## Can someone else pay into my Pension?

Yes, another person or your employer can pay into your Pension. They can pay the money in by Direct Debit, debit card or cheque. They'll need to call us and we'll explain how to do it. Any money received will be invested in line with your latest investment choice.

## Can I transfer my other pensions into this one?

Yes, you can transfer most pensions you hold elsewhere into your Octopus Money Direct Pension. We'll only accept the cash value though. This means your current investments will be cashed in by your provider before transferring the money to us.

There are certain types of pension we don't accept. These include:

- Any pension with a guaranteed annuity rate.
- Any pension with safeguarded benefits or guarantees.
- Any pension from which you've already taken benefits.
- Defined benefit, or final salary, pensions.

If you're unsure which type of pension you have, you should talk to your current provider.

## Can I keep my lifetime allowance protection with an Octopus Money Direct Pension?

No, if you open a new Octopus Money Direct Pension, we can't administer it with any form of lifetime allowance protection. If you have this protection, then our pension is not for you.

## Do I have to choose which funds to invest in?

No, you don't have to. If you opt for our Navigator pension, we choose your investments for you.

When you're younger, Navigator puts your Pension savings in the Octopus Growth Fund 3 – our Adventurous Growth approach. This gives it a good chance to grow over the long term.

From age 51 to 65, Navigator automatically moves some of your money to the Octopus Defensive Fund – our Careful Defensive approach, each year. The aim is to provide more stability as you approach your retirement.

Any money paid in will be invested based on the Navigator mix, in line with your age on your last birthday. Details of how this works are in your Terms.

If you'd prefer to select your own funds, you can do this by switching to our Self-Drive pension.

## Can I choose the funds I invest in?

Yes, you can choose from our range of funds with our Self-Drive pension. You can also switch between funds at any time – there's no charge for this.

You can find out which funds are available on our website.

## What happens if I switch between funds?

If you're in Self-Drive and switch between funds, we'll move the value of your selected funds to your new fund choices.

We won't change the funds that any regular payments are investing into, so you can leave them buying your original fund choice, or update them. You can change where your money is invested at any time by using Online Service.

Any payments made before the switch that aren't yet invested, will be invested in the original funds. This includes any tax relief on the payment. If that happens, you can then choose to switch the money to your more recently selected funds.

## Can I switch between choosing my own funds and letting you choose?

Yes, you can switch between our Self-Drive pension and the Navigator pension. You can also go the other way, but it's not possible to hold both types of pension at the same time.

If you switch from Self-Drive to Navigator, we'll move all of your money across to the Navigator funds based on your age. We'll also change any regular payments you, another person or an employer might be making, to Navigator. Any payments made before the switch, that aren't yet invested, will be invested based on Navigator. This includes any tax relief on the payment.

If you switch from Navigator to Self-Drive, we'll move all of your money to the funds you choose. We'll also change any regular payments you, another person or an employer might be making, to invest in your chosen funds. Any payments made before the switch, that aren't yet invested, will be invested in the Self-Drive fund(s) you switched to from Navigator. This includes any tax relief on the payment.

When you're moving between the Navigator and Self-Drive pensions, we'll sell only those investments that we need to when we switch to your new fund choice.

Switching between funds works differently in Self-Drive (see **What happens if I switch between funds?**).

## What do I pay in charges?

We'll collect an Account Charge from your Pension each month. This is for managing your Pension account. It comes from the sale of units in your funds which turns them into cash.\* It's not charged on any cash you hold with us.

There's also an Annual Management Charge for managing the funds held in your Pension. The charge amount depends on the fund you're invested in, and is reflected in your daily unit price. You'll find the charges listed in **Our funds and charges** document, and the details of how they're worked out and charged in your Terms.

\* If you have any cash in your account, we'll use that to pay the charge and only sell units if there isn't enough to cover the full amount.

## How much will I get when I retire?

No one can say for certain, but we'll send you an estimate when you open your Pension (called an 'illustration') and then every year with your annual pension statement. If you need one at any other time, just let us know.

The final value of your Pension will depend on a number of things, including how much has been paid in and for how long, and the performance of your funds after charges.

## Is there any limit on how much I can take at retirement?

No, there's no limit.

## When and how can I take my money?

You can take your Pension at any time from your 55th birthday. This will rise to 57 from April 2028, unless you opened your Pension with us before January 2023. Or you transferred money from a pension that kept the right to take benefits from age 55.

You might be able to take it earlier if you can't work because of ill health, or you're seriously ill and have less than a year to live.

With our pension, you can only take it as a single, lump sum cash payment. You normally get 25% of this tax-free, with the rest taxed as income.

If you want to take your Pension savings any other way, you'll need to transfer your Pension to another provider first.

## What tax do I pay when I take my Pension money?

When you take your pension as a single lump sum cash payment, 25% will normally be tax-free. This is provided you don't exceed the combined £268,275 tax-free limit across all your pensions.

The rest of your payment will be taxed as income. Adding it to your other income could move you into higher rate tax bands for that tax year. For the amount that's taxed as income, we'll deduct tax before we give it to you.

If you're under 75 and you take your pension because of a serious illness (with a life expectancy of less than one year), it's normally all tax-free. That's providing the amount you receive is within your remaining Lump Sum and Death Benefit Allowance. This allowance is set at £1,073,100 across all your pensions.

## What happens if I die before I take my money out?

If you've told us who you'd like to leave your Pension to (your beneficiaries) - we'll always consider them when deciding who to pay your money to.

Normally, the money paid out is tax-free, if you die before you reach 75. If you die on or after your 75th birthday and you haven't already taken your Pension, HMRC will tax the money as income when it's paid to your beneficiaries.

When we receive confirmation of your death, we'll stop deducting the Account Charge.

Your money will remain invested until we pay the money out or we're told to sell your investments by your executor or administrator. We'll pay the money out after we've received all the information we need, and have completed our checks.

While your money is still invested, we'll continue to deduct the Annual Management Charge.

If you have a Navigator pension, we'll stop any further automatic switches.

## How can I find out how much my Pension is worth?

You can use Online Service to check the value of your Pension at any time.

We'll also give you a statement every six months, which shows how much it's worth.

## Can I transfer my Pension to another provider?

Yes, you can, and we don't charge for this, but we'll be sorry to see you go.

If you want to transfer your Pension to another provider, they'll tell you what you need to do – and they'll get in touch with us to arrange it. Once we've received the information we need, we'll arrange for the transfer to your new provider.

If you're asking to transfer part of your Pension, you'll need to specify the cash amount. It will be this amount which is transferred.

We can only complete transactions after we've received all the information we need, and have completed our checks.

## What happens if I move abroad?

You must be living in the UK to open a pension with us.

After opening it, you must let us know immediately if you move abroad or stop being a UK resident as far as HMRC is concerned. Or you become a US person.

If you move abroad or your tax residency changes there will be restrictions on how much you pay in and whether you can hold a pension.

## When will my account be closed?

We'll close your Pension if you:

- Cancel your Pension application.
- Take out all your Pension savings.
- Transfer your Pension to another provider.

Once it's closed, we'll cancel any regular payments you might have set up.

## How do I make a complaint?

We always try to do our best, but sometimes we don't get it right. If you have a complaint, please get in touch so we can try to sort it out. We'll get back to you as quickly as we can, but it might take us up to eight weeks to give you our final response.

If you're not satisfied with how we deal with your complaint, you can talk to the Pensions Ombudsman service. Speaking to them won't affect your right to take legal action.

## Am I covered by the Financial Services Compensation Scheme?

Yes, Octopus Money Direct is covered by the Financial Services Compensation Scheme (FSCS). In the unlikely event we can't meet our financial obligations, you may be entitled to compensation from the FSCS up to a maximum value of £85,000.

# Terms

## Your Pension

Funding a brighter future

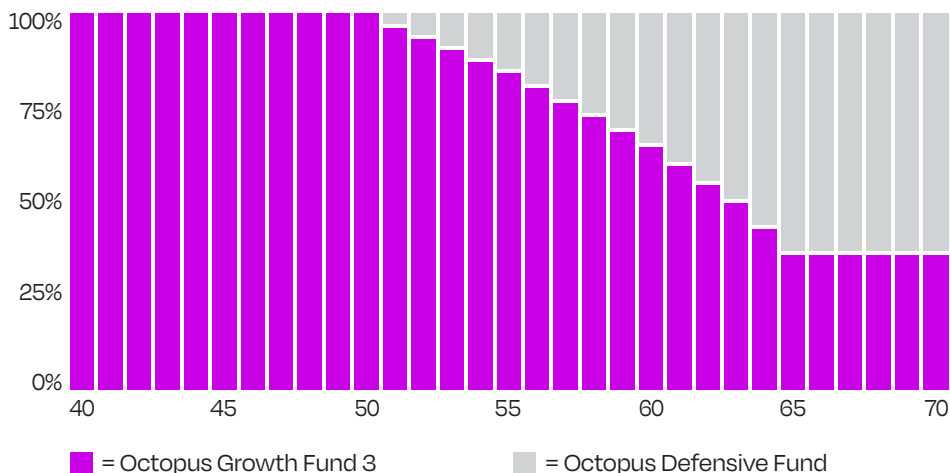
### Your choice of Navigator or Self-Drive

You can invest your Pension pot in one of two ways:

With **Navigator**, we choose where your money is invested. It aims to grow your Pension when you're younger, before gradually moving some of your money into lower risk investments. We do this using two of our specially made funds.

When you're younger, Navigator places your Pension pot in the Octopus Growth Fund 3 – our Adventurous Growth approach, giving it a good chance to grow over the long term.

From age 51, Navigator starts to move some of your money into the Octopus Defensive Fund – our Careful Defensive approach. It aims to provide a mix of stability and growth, although this may mean less growth during these years. Here's a graph showing how it moves your money, based on your age.



This table shows how your Pension savings are invested at any particular age.

|              | Octopus Growth Fund 3 | Octopus Defensive Fund |
|--------------|-----------------------|------------------------|
| Up to age 50 | 100%                  | 0%                     |
| 51           | 97%                   | 3%                     |
| 52           | 94%                   | 6%                     |
| 53           | 91%                   | 9%                     |
| 54           | 88%                   | 12%                    |
| 55           | 85%                   | 15%                    |
| 56           | 81%                   | 19%                    |
| 57           | 77%                   | 23%                    |
| 58           | 73%                   | 27%                    |
| 59           | 69%                   | 31%                    |
| 60           | 65%                   | 35%                    |
| 61           | 60%                   | 40%                    |
| 62           | 55%                   | 45%                    |
| 63           | 50%                   | 50%                    |
| 64           | 43%                   | 57%                    |
| From age 65  | 36%                   | 64%                    |

From your 65th birthday, 36% of your Pension pot will be in our in Growth Fund 3, and 64% in our Defensive Fund. We'll adjust the amount of your pot in each of these funds once a year, around your birthday, in order to keep this mix.

Or

You can opt for **Self-Drive**, where you choose your own funds from the Octopus Money Direct range. This lets you pick from our range of funds and puts you in control.

You can move from Navigator to Self-Drive, or Self-Drive to Navigator, using Online Service.

All the information you need to know about each fund, such as its risk level, charges and where it invests, is in each fund's Key Investor Information Document. You can get a copy of the document for your fund(s) on our website at any time.

Every now and then, we might change the funds used in Navigator. If we plan to do that, we'll tell you beforehand and you can opt out of the change if you want to, but you'll need to move to Self-Drive.

**Don't forget, the value of your investments can go down as well as up and you may get back less than you invest.**

# Your account

Managing your money

## 1. Managing your account

How you manage your Octopus Money Direct Pension depends on when it was opened:

### After 1 January 2023

You signed up for a digital account. This means you manage your account online, using our Online Service or the Octopus Money Direct app. All your documents are kept securely online, and you can access them whenever you want. We also email you if there's something new you need to read.

After signing in, you can start a web chat with us or send us a secure message. Give us a call if you get stuck.

### Before 1 January 2023\*

You can continue to manage your account online, over the phone and by post. You can:

1. Keep track and manage your account with our Online Service, Octopus Money Direct app, web chat, and secure messaging.
2. Give us instructions by post or over the phone, for example to set up a Direct Debit. Write to us at **Octopus Money Direct, PO Box 24204, Edinburgh EH3 1JP**.
3. Use our automated valuation line on **03455 28 52 85**, with your original account number starting 'VIR' to find out the current value of your Pension.
4. Make payments by cheque if you need to.

We'll send your six-monthly statements and other information by post. You can view copies of these online too.

If you'd prefer to manage your account digitally instead – like the customers who opened their account after 1 January 2023 – you can. It's simple to do, just choose **Go paperless** in our Online Service.

If you opened this pension for a child, you'll manage their account until they turn 18, when they'll take over.

\*You originally had an account number starting 'VIR' and received our regular statements by post.



## 2. Keeping track

To check how your Octopus Money Direct Pension is doing, just sign in to our Online Service or take a look at our Investments and Pensions app.

We'll also give you a statement every six months. This tells you everything you need to know about your Octopus Money Direct Pension – money in, money out, tax relief, values, charges and performance. Once a year, you'll get a summary of your payments and an estimate of how much your Pension might be worth when you come to take it.

## 3. Staying safe online

For our Online Service, you'll need to set up a password and keep it safe.

This means:

- Never tell it to anyone.
- Never write it down in a way that's obvious for others.
- Don't make it easy to guess.
- Change it regularly.

If you ever forget your password, just head to Online Service to reset it.

Every time you sign in to Online Service, we'll ask you to prove it's you. We'll either send a security code to your phone or send a notification to you using the Octopus Money Direct app. It's an extra level of protection – because keeping you safe online is really important to us.

## 4. Paying money in

There are three ways to pay in:

- Monthly Direct Debit (a minimum of £25 to start).
- Debit card (a minimum first payment of £100).
- Transferring another pension to us.

### What happens and when

There are cut-off times for when we need to receive your money, depending on the kind of pension you have. They're 3.45pm for Navigator, and 4pm for Self-Drive.

If you pay the money to us **before the cut-off** on a working day, we'll buy units for you the same working day.

If you pay the money to us after the cut-off on a working day, on a weekend or Bank Holiday, we'll buy units for you the next working day.

Our working days are Monday to Friday, but not Bank Holidays.

We can only make a transaction after we've received all the information we need, and have completed our checks.

If you opened an account before 1 January 2023 and a payment is made by cheque, we'll buy units for you once the cheque has cleared. (It normally takes two business days for cheques to clear, or three business days if received late in the day.)

## Changing your monthly payments

You can change the amount of your monthly Direct Debit at any time.

If you opened your account before 1 January 2023, you have the option to automatically increase your payments by 10% each year. If you've got this option turned on, we'll increase the amount of your Direct Debit on the anniversary of the last time it changed. Also, we'll write to you each year to confirm what your new payments will be. You can turn the automatic increase off at any time. This option only applies to your payments, not payments from your employer or third parties.

## Transferring other pensions to us

If you've got money in another pension somewhere else, you might be able to transfer it to us – even if it's just a small amount. Check first though that you're not giving up any valuable benefits that you might be entitled to from that pension. Also, find out whether your current pension provider will charge you to transfer. If you're not sure, talk to a Financial Adviser.

Heads up – there are some kinds of pension you can't transfer to this one, including:

- Any pension with a guaranteed annuity rate.
- Any pension with safeguarded benefits or guarantees.
- Any pensions that you've already taken money from.
- Defined benefit pensions (e.g. final salary schemes).

If you transfer another pension to this one, it'll be the cash value that's transferred, not any shares or units.

A service called MoneyHelper makes your money and pension choices clearer. Its aim is to put you in control with impartial help that's on your side. It's backed by the government and free to use. Visit [moneyhelper.org.uk](https://moneyhelper.org.uk)

## 5. Getting tax relief

When you or a third party pay money in, we claim basic rate tax relief from HM Revenue & Customs (HMRC) and add it to your Pension pot.

We'll claim it on all money paid into your Pension, except payments that are:

- From your employer.
- Transfers in from another pension, or from a pension sharing order.
- After your 75th birthday.

It can take up to 12 weeks to get the tax relief from HMRC. When we get it, we'll use it to buy investments in your chosen funds. If you've changed your Self-Drive fund choices during this time, the tax relief will be invested in the original funds.

If you pay tax above the basic rate, you can claim extra tax relief by getting in touch with HMRC.

There are limits to how much tax relief you can get. The rules can be complicated and may change, and what you can get depends on your circumstances. See [gov.uk](https://www.gov.uk) for the details.

If you live in Scotland or Wales you may be entitled to different rates of tax relief on money paid into your pension. See [gov.uk](https://www.gov.uk) for more details.

## 6. Switching between funds

If you switch from our Self-Drive pension to the Navigator pension, we'll automatically adjust your investments to bring them in line with the graph on page 14. Also, any payments received after the switch will be invested in line with this graph.

Then, each year from the age of 51, we'll update your investments and future payments in line with the graph.

If you want to switch from Navigator to Self-Drive, just tell us what funds you'd like to invest in, and we'll make the change by the next working day. From that point on you're in control – we won't make any more automatic changes to where your payments are invested. Any payments made before the switch that haven't been invested, as well as all future payments, will be invested in the Self-Drive funds you've chosen.

When you're moving between funds, we'll sell only those investments that we need to when we switch to your new fund choice.

With a Self-Drive pension, you can switch from one fund to another without charge. You can also shift all or just part of your money, but it has to be at least £50. If you

have less than that in a fund, you'll need to switch the entire amount. Any payments made or requested before the switch, that aren't yet invested, will be invested in the original Self-Drive funds you had.

If you want to move more than 90% of your money from one fund to another, you'll need to switch the whole lot. We set the limit at 90% in case the value of your investment drops to less than the amount you asked for before the switch goes through.

## How long it takes

There are cut-off times for when we need to receive your instruction, depending on the kind of pension you have. They're 3.45pm for switching from Navigator to Self-Drive, and 4pm for any other switches.

We can only make a transaction after we've received all the information we need, and have completed our checks. We'll then follow these rules.

## Switching all your money between funds

If you tell us to switch **before the cut-off** on a working day, we'll sell your units the same working day. We'll buy units the next working day.

If it's after the cut-off on a working day, over the weekend or on a Bank Holiday – we'll sell your units the next working day. We'll buy your units the working day after that.

## Switching some of your money between funds

If you tell us to switch **before the cut-off** on a working day, we'll sell and buy units on that same working day.

If it's after the cut-off on a working day, over the weekend or on a Bank Holiday – we'll sell and buy units the next working day.

Our working days are Monday to Friday, but not Bank Holidays.

## 7. Taking your Pension

You can normally access your Pension from the age of 55. This will rise to 57 from April 2028, unless you opened your Pension with us before January 2023. Or you transferred money from a pension that kept the right to take benefits from age 55.

With Octopus Money Direct, you can only take your Pension as a single lump sum. (Other providers offer different options for taking it, but you'd need to transfer your Pension to use those options.)

When you want to take your Octopus Money Direct Pension, just get in touch. We'll tell you what we need from you. Once we've got everything we need, we'll sell your units by the end of the next working day and send you the money.

Normally, you'll get 25% of the lump sum tax-free, with the other 75% taxed as income. We deduct tax before sending you the rest. If you owe HMRC any extra tax, or they owe you any, you'll need to talk to them. We can't advise you on this.

You might be able to take your Pension earlier if you can't work because of ill health or you're seriously ill with less than a year to live. We'll need proof if you want to take your Pension early.

If you are seriously ill, you can normally take all your Pension money as a tax-free lump sum if it's before you reach 75. If you're 75 or over, it isn't tax-free.

You can let us know who you'd like to leave your Octopus Money Direct Pension to (your beneficiaries) if you were to die before taking your money. We'll always consider your named beneficiaries when deciding who to pay your money to. We'll pay the money out when we receive all the information we need, and it will normally be tax-free, if you die before you reach 75. If you die on or after your 75th birthday and you haven't already taken your Pension, HMRC will tax the money as income when it's paid out.

If a beneficiary is under 18 when you die, we'll pay the money to the person who has legal responsibility for them. They'll hold on to the money until the beneficiary turns 18.

## 8. Closing your account

This agreement applies until your account is closed.

Your account will be closed by:

- Taking your Pension.
- Transferring your Pension to another pension scheme.
- Cancelling your application (see **Changing your mind**).

## 9. Charges

The annual cost of your Octopus Money Direct Pension is made up of two separate charges:

### • Our Account Charge

This covers the cost of running your account. To work it out, we look at the value of your Pension each day to calculate how much you need to pay and add it up once a month. We then sell some of your units to cover the charge.\*

The charge is spread across your funds in proportion to how much you have in each on the day we collect the charge. So, if you have 70% of your money in one fund and 30% in another – 70% of the charge will come from selling units in the first fund. It's not charged on any cash you hold with us.

When we collect the charge depends on when your account was opened:

– **After 1 January 2023**

It's based on the date you opened your first investment or pension with us. So, if that was 1 January, we'll collect the charge on the first of each month, or the next working day. (Or the next working day after any pending transactions have gone through.)

– **Before 1 January 2023**

It's based on your birthday, so if your birthday's on 14 January, we'll collect the charge the fourteenth of each month, or the next working day. (Or the next working day after any pending transactions have gone through.)

If you take all your money out, or transfer your Pension elsewhere, we'll work out the Account Charge for the part of the month you were invested with us. We'll take it from your investments when we complete the withdrawal or transfer.

\*If you have any cash in your account, we'll use that to pay the charge instead of selling some of your units. The cash isn't included when we calculate the Account Charge.

▪ **Our Annual Management Charge**

This is for managing your investments. Each fund has its own charge so the amount varies depending on which funds you're invested in. Unlike the Account Charge, you won't see this charge come out of your account each month. Instead, it's reflected in the daily unit price of each fund.

You'll find the charges listed in **Our funds and charges** document. Please read it together with your Terms. Keep both of them somewhere safe in case you need to refer to them again. If you need another copy of either, just visit our website.

## 10. Transaction costs

There's a cost to buying and selling the investments that each fund is made up of. Those transaction costs are reflected in the fund's unit price. The actual costs will vary each year and you can see the totals for each fund in their annual Report and Financial Statements.

On rare occasions, we might charge transaction costs to you directly.

For instance:

- If your transaction is over £500,000 or £1,000,000 (depending on the fund).
- The fund's overall value keeps getting smaller.
- A large chunk of the fund's units are being bought or sold.

This is called a dilution levy, and the idea is to ensure that all the investors in a fund are treated fairly in these kinds of situations. The costs are different for each fund but shouldn't be more than the amounts shown in **Our funds and charges** document. You'll see the amount of the dilution levy as a separate charge on your statement.

You can get more detailed info in our Prospectus – it's available on our website if you want to take a look.

## The finer details

Buying and selling, ups and downs, nuts and bolts

## 11. Keeping track of your units

Your units are pooled together with the units of our other customers. They're all recorded in one big account and registered in the name of Octopus Money Trustee Limited, a company that we fully own and are fully responsible for.

We keep a separate record of how many units every customer has individually. Also, we check the customer list against the total number of units in the big, pooled account every day to make sure the numbers match up.

## 12. Buying and selling in bulk

When we buy, sell or manage units for you, we do it in bulk. In other words, your units are pooled together with those of other customers. This could mean the price you get might not be as good as if your units had been bought or sold separately.

It also means that we may have part of a unit or some money that we can't split equally between all the customers involved in that bulk transaction. If that happens, we apply a standard method to give the part of a unit or money to one of the customers involved.

## 13. Ups and downs

The value of your investment will rise or fall in line with the ups and downs of the underlying assets that your fund is invested in (like shares and bonds). So you may get back less than you invest.

If the value of those assets goes up, the value of your investment will tend to go up too. If their value goes down though, the value of your investment will likely go down. Any increase or decrease in the value of your units is reflected in the daily unit price.

## 14. Investment income

Every six months we work out the total amount of income received by each fund.

Depending on the fund you're invested in, this income will either be used to buy more units, or it will be reflected in the unit price. If the income is used to buy more units, you'll see it as a transaction on your six-monthly statement.

We'll add the investment income to your account within ten working days of receiving it, or sooner if we can.

## 15. Keeping your money safe

Between you paying money in and us investing it (or between selling units and the money reaching its destination) we'll hold the money as cash. We may also hold it as cash if you haven't told us where to invest it yet.

We make sure this money is safe by keeping it in a separate account – the Octopus Money Trustee Limited account with Lloyds Bank Plc. This account doesn't earn any interest. Just so you know, we won't be responsible for anything that Lloyds Bank Plc does or doesn't do.

If we or Lloyds Bank Plc ever got into financial trouble, the money would still be held by the pension trustee and should be safe.



In the unlikely event we can't meet our financial obligations, you may be entitled to compensation from the Financial Service Compensation Scheme up to a maximum value of £85,000. To find out more, visit [fscs.org.uk](https://fscs.org.uk)

## 16. Living in the UK

You must let us know immediately if you move abroad or stop being a UK resident as far as HMRC is concerned. Or you become a US person.

If you move abroad or your tax residency changes there will be restrictions on how much you pay in and whether you can hold a pension.

## If things don't go to plan

Second thoughts? Something not right? Here's what to do

## 17. Changing your mind

We hope you don't change your mind, but if you do, you can cancel your account within 30 days of opening it. You'll get back whatever your Pension is worth, which could be more or less than you put in. Otherwise, it'll be as if you never opened the account.

If you've asked to transfer a pension to us and then cancel this account, we'll check whether we can return the cash to them. If we can't do that, we'll get in touch with you to discuss what to do next.

You can also cancel a transfer from another provider within 30 days of instructing it. Your cancellation rights only apply to the transfer and not to the other savings in your Pension. We'll return whatever the transferred amount is worth, which could be more or less than we received.

## 18. If you're not happy, we're not happy

If you think we've got something wrong, just let us know and we'll do everything we can to fix it.

To find out more about how we handle complaints, visit [octopusmoneydirect.com/complaints](https://octopusmoneydirect.com/complaints).

After we've looked into things and got back to you, you can complain to the Pensions Ombudsman if you're still not happy. You'll need to try to resolve things with us first before they'll consider your complaint. If you decide to contact them, you have to do that within a certain time (normally three years after the problem you're complaining about happened). Otherwise, they'll need our permission to consider your complaint. If they don't think we've handled it properly, they'll recommend a solution. You can find out how to get in touch with them by visiting their website at [www.pensions-ombudsman.org.uk](http://www.pensions-ombudsman.org.uk)

We hope it never gets to this, but if you want to take us to court, what you need to do depends on where you live:

| If you live...      | You'll have to sue us (and we'll have to sue you) in these courts, unless you've got a good reason to go elsewhere... | The decision will always be made using the laws of... |
|---------------------|-----------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------|
| In Scotland         | Scotland                                                                                                              | Scotland                                              |
| In Northern Ireland | Northern Ireland                                                                                                      | Northern Ireland                                      |
| Anywhere else       | England                                                                                                               | England                                               |

## Making changes

What we can change, when we can change it, and how we let you know

### 19. When we can change this agreement

Every now and then, we'll need to change this agreement between us. These are the only reasons we can change it:

- If we think we could say something more clearly, or to correct something.
- If we add a new service, or improve or change an existing one.
- If there's a change to the systems or technology we use. For example, this could happen if we upgrade the IT systems your account runs on.
- If our legal duties or your legal rights change. For example, this could happen if:
  - There's a change in the law or regulations.
  - We have to follow new guidance.
  - There's a decision made by an Ombudsman.
  - There's a new industry code of practice.

- If it becomes more expensive to maintain your account, or we've got a good reason to think it will. For example, this could happen if our partners charge us more for running the investment funds or the systems we use.

Here's when we'll tell you about changes.

#### When it's good news

Like reducing a charge or making a term clearer

We'll tell you as soon as we can after the change

#### When it's bad news

Like increasing a charge or getting rid of a service

We'll tell you at least 30 days before we make the change

We always try to be fair, so if we make a change you don't like, you can close your account by:

- Asking us to do so.
- Transferring to another provider.

## 20. When we can close your account

We can close your account for any reason, as long as we let you know at least two months before.

If you have less than £50 in your account we may donate the money to a charity of our choice. We'll only do that if you haven't paid any money in or taken any out in the last 24 months. We'll always give the money back to you if you ask.

We can also close your account without telling you first. We'll only do this if we think that:

- Keeping your account open means we're likely to break a law, regulation or another duty that we have. For example, you haven't provided us with any documents that we need from you.
- You weren't entitled to open the account.
- You're using the account in a way that's not allowed. For example, you're holding the money for someone else.
- You've acted fraudulently or illegally. That includes telling us incorrect information on purpose.

- You've been abusive or threatening to any of our team.
- You've let another person use your account when you shouldn't have.

If we ever planned to close your account for one of these reasons, we'd either pay the money to you or send it to another registered pension scheme. Whether we close your account and, if we do, who we pay the money to, will also depend on what the law and regulations allow us to do.

If your account is closed, you'll get back whatever your Pension is worth, which could be more or less than you put in.

## More legal bits

Important things about us, you, and the law

### 21. Who we are

The Octopus Money Personal Pension Scheme is a registered pension scheme (Pension Scheme Tax Ref 20003060RB). Most customers (and all new customers) are in this scheme.

The Octopus Money Ex-Workplace Personal Pension Scheme is a registered pension scheme (Pension Scheme Tax Ref 20003969RZ). This scheme is for customers who originally had their pension with us through their employer.

We're Octopus Money Unit Trust Managers Limited (trading as Octopus Money Direct), the administrator of both pension schemes.

We're authorised and regulated by the Financial Conduct Authority. Our Financial Services Register number is 171748.

Our registered address is 33 Holborn, London EC1N 2HT.

Octopus Money Trustee Limited is the trustee of both pension schemes.

### 22. Law and language

English and Welsh law applies to this agreement between us, and we'll always talk to you in English.

## 23. Conflicts of interest

If what you want and what we want don't match, we'll always try to sort things out in the fairest way we can.

We've got a Conflicts of Interest Policy. It explains how we make sure we treat customers fairly if there's a conflict. Get in touch if you'd like a copy.

## 24. Keeping to these terms

Sometimes we might not be able to stick to everything we promise in this agreement. We can't be held responsible when we have to do certain things by law. The same goes for when something unusual or unexpected happens that we can't control or avoid – like power failures or extreme weather.

If you don't keep to these terms we won't always do something about it. Just because we don't do anything once though, it doesn't mean we won't or can't the next time.

These terms give us rights. For example, we can refuse to buy or sell units for you sometimes. We can give all or some of those rights to another company but only if that won't change the protection you have. Sorry, but it doesn't work both ways. You can't give your rights to anyone else.

## 25. If we transfer your Pension to another pension scheme

We have the right to transfer your Pension to another registered pension scheme governed by HMRC where we believe you would receive a better pension product or service.

If we do this, we'll give you at least 30 days' notice before the transfer is due to take place. The value of your Pension would be protected throughout any transfer, and we would try to make sure you aren't disadvantaged as a result of the transfer.

You're free to transfer your Pension savings to another pension provider at any time and we won't charge you for this.

## Getting this document in a different format

This document is available  
in braille, large print or audio.  
Get in touch if you'd like a copy:

**By phone:**

**03455 28 88 88**

**By text phone:**

**18001** followed by  
**03455 28 88 88**

Octopus Money Direct is the trading name of Octopus Money Unit Trust Managers Limited which is authorised and regulated by the Financial Conduct Authority.

Registered Office: 33 Holborn, London EC1N 2HT. Registered in England and Wales no 3000482.

The information contained in this booklet is correct as at 1 December 2025.

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