Target Market Statement – Minerva SIPP

What is the Minerva SIPP?

This is a self-invested personal pension scheme, a type of registered pension scheme with a wider range of investment options. The average Minerva SIPP customer has a plan value in excess of £350,000.

What type of customers is the product aimed at?

The Minerva SIPP is aimed at retail investors, who are advised or non-advised. They are likely to be mass affluent to high net worth, with existing substantial retirement savings or the ability to make large pension contributions.

The product will suit those who wish to have a wide range of decumulation options, with the ability to take pension commencement lump sums in stages from age 55 (under current rules) and a range of income options including flexi-access drawdown and uncrystallised funds pension lump sums. Funds can also be used to purchase a secure income from annuity providers on the open market. Note that Minerva SIPP is not an annuity provider.

The product allows a range of death benefit options, such as beneficiary / survivor / successor drawdown pension options and/or lump sums.

A wider range of investments means that the Minerva SIPP benefits those who are looking for specific investments which might not be available via other channels.

In addition to mainstream investments, Minerva SIPP can be used to invest in UK commercial property and land, which will often be leased back to the customer's own business. The SIPP may also invest in stockbroker accounts, DFM portfolios, structured deposits, structured products, trustee investment plans, general investment accounts and a wide range of cash deposits including notice accounts and fixed term deposits.

Over what time horizon is Minerva SIPP designed to be appropriate?

Although the product has no minimum time period, it is most likely that it will benefit those with at least 5 years to invest. Many customers will be looking to have their Minerva SIPP for 20 or more years.

In some circumstances, periods of less than 5 years may be appropriate where the investments are held in cash deposits or similar.

What type of customers would be unlikely to benefit (negative target market)?

Those with smaller funds (for instance below £40,000) are unlikely to benefit, partly due to the fee structure which is fixed in nature and will have more of an impact on smaller funds.

Those who can meet their investment needs elsewhere, via simpler or less expensive products.

Those who are looking to invest in unregulated collective investment schemes (UCIS), overseas property or other types of investments which we do not permit.

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28 April 2024