

Pension Find and Combine

Initial Disclosure Document

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What's this document for?

- If you're considering Nutmeg's Pension Find & Combine service, we think you should read this document because there's a lot of important information in it.
- It explains the service you are being offered.
- Please also read our [terms and conditions](#) to get a greater understanding of our products and services

The Service

- The Find & Combine service is designed to trace your pensions, even those you've lost track of, and consolidate them by switching them to your Nutmeg pension.
- The service is provided by Nutmeg and MyFutureNow. MyFutureNow offer a pension tracing service and the ability to arrange for your pensions to be consolidated. The Personal Pension offered by Nutmeg is managed by Nutmeg with Embark acting as the scheme administrators.
- Pensions can be found and combined. However, we will not transfer defined benefit (also known as final salary) pensions

or pensions in drawdown. This service is designed to transfer pensions provided by former employers or other personal pensions to your Nutmeg pension. If you choose to opt out of your workplace pension, you may lose the benefits of any employer contributions.

- We will only find and combine UK pensions.

Who is eligible?

- Individuals holding a pension in the UK.
- As a UK-based investment manager, we are primarily intended for UK residents. Non UK residents should contact our customer service team.

Costs and charges

- No additional costs or charges will be levied for the Find & Combine service.
- Nutmeg's fee is between 0.35% and 0.75% inclusive of VAT. There is also an average investment fund cost of 0.21% and the average effect of market spread, which is 0.09%. Our lower-fee fixed allocation portfolios are not available in pension funds.
- For more on how much our portfolio

services cost and how these are charged,
[take a look at the costs page of our website](#)

Performance reports

- If you invest using our portfolio services we will send you an electronic statement and valuation report every quarter.

Contacting us

- Nutmeg Saving & Investment Limited, 25 Bank Street, Canary Wharf, London, E14 5JP
- 020 3598 1515
- support@nutmeg.com
- Our normal method of communication with customers is by secure email. We call it Nutmail. You must sign in to your account to read any Nutmail messages we send you.
- We will correspond with you only in English.
- We do not accept investment or withdrawal instructions using the above methods of correspondence. You are required to initiate investments or withdrawals online via your account.

Are we covered by the Financial Services Compensation Scheme (FSCS)?

- The overall management of your investments by Nutmeg is protected by

the Financial Services Compensation Scheme (FSCS) to a limit of £50,000. More information about the FSCS can be found on the FSCS website. Please keep in mind that while you are protected under the FSCS scheme as above, your investment might fall as well as rise due to market performance and any such fall wouldn't be covered by the FSCS.

Who regulates us?

- Nutmeg Saving and Investment Limited is authorised and regulated by the Financial Conduct Authority, no. 552016, 12 Endeavour Square, London, E20 1JN. Nutmeg Saving and Investment Limited is registered in England and Wales, no. 07503666, with a registered office at 5 New Street Square, London, EC4A 3TW

Custody and client money

- We ensure the safe custody of your investments and cash. We have appointed State Street Bank and Trust as our sub-custodian, and all client assets are passed to the sub custodian. In addition, any client money is held in a designated client bank account by Barclays Bank plc to keep them separate from our own funds. For more information please see our [terms and conditions](#).
- For information on our Stocks and Shares ISA, Lifetime ISA, personal pension and general investment accounts, please see

www.nutmeg.com and also www.nutmeg.com/legal/terms-and-conditions.

Conflicts of interest

- We have a Conflict of Interest Policy, which is reviewed at least once a year. We are committed to taking measures to recognise, supervise, examine and resolve conflicts of interest. We recognise that it's not possible to eliminate all sources of conflict of interest; however, safeguarding clients' welfare remains our primary objective. This policy encompasses the relationships with clients and third-party contacts. For more information please see our [terms and conditions](#).

Your data

- Your data will be stored in accordance with the European Union General Data Protection Regulation 2016/679.

Summary of key information

Points of contact

- Day-to-day account management should be undertaken through your account or through the [Nutmeg customer support desk](#).

Method and frequency of valuation of financial instruments in your portfolio

- Portfolio values are updated on a daily basis using closing prices from the London Stock Exchange.
- Portfolio values are available 24/7, when logged in to your Nutmeg account.

Delegation of the discretionary management of all or part of the financial instruments in your portfolio

- Nutmeg is the discretionary manager of the financial instruments in your portfolio. We are responsible for asset allocation, fund selection, trade execution, settlement and custody of your assets. All aspects of the management service are undertaken in-house.
- Within Nutmeg's Fully Managed portfolio

service, Nutmeg's investment team are responsible for day-to-day management of the asset mix within your portfolio.

- Within Nutmeg's Fixed Allocation portfolio service, where active decisions are not taken by the investment team, the investment team is responsible for portfolio design, periodic review and portfolio balancing. The Fixed Allocation portfolios are not available within a pension.
- The financial instruments in your portfolio are administered by some of the world's leading fund providers. For more information on the investments in your portfolio: <https://www.nutmeg.com/how-we-invest/our-investments>

Types of financial instrument that may be included in your portfolio and types of transaction that may be carried out

- The building blocks that make up your portfolio will be, but not limited to, UK and non-UK Exchange Traded Funds (or ETFs), Fixed Interest Securities, e.g. Bonds and Gilts, Collective Investment Schemes, and UK and Non-UK equities.

- For more information on why we prefer ETFs: <https://www.nutmeg.com/how-we-invest/etf-guide>
- Before our dedicated trading team execute trades, they analyse which clients are buying and which are selling the same stock. In an internal procedure facilitated by Nutmeg's proprietary trading technologies, we match buyers with sellers which saves trading in the open market, thus saving on market maker spread costs.
- The remaining client "market" trades are grouped together and Nutmeg executes directly with market makers (to avoid intermediary commissions), trading either on-exchange or OTC ("over-the-counter") and settling securities in a delivery-vs-payment procedure.

Specification of any benchmark against which the performance of your portfolio will be compared

- Nutmeg Managed Portfolios are designed to track similar levels of global equity risk to a peer group of private client investment managers, over the long term.
- An independent performance reporting and investment consultancy firm, Asset Risk Consultants (ARC) has constructed a peer group of discretionary investment managers through their Private Client Index (PCI). For more information register with the ARC PCI website: [https://www.](https://www.suggestus.com/accounts/register)

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- Nutmeg is a full contributing member of ARC's PCI with a five-year track record. We compare Nutmeg's monthly client performance against the average monthly returns generated by ARC, based on risk profile, after fees.
- The ARC PCI includes results from firms such as Barclays Wealth & Investment Management, Coutts & Co, JP Morgan Private Bank, UBS, Rathbones, Rothschild Wealth Management plus others.
- For Nutmeg risk levels 3-4, the Sterling Cautious index (0-40% Equity Risk) is used for comparison, for 5-6 the Sterling Balanced Asset index (40%-60% Equity Risk), for 7-8 the Sterling Steady Growth index (60%-80% Equity Risk), and for 9-10 the Sterling Equity Risk Index (80%-120% Equity Risk).
- ARC do not provide data for portfolios equivalent to Nutmeg risk levels 1-2. Nutmeg Fixed Allocation Portfolios are designed to perform without human intervention. With 5 levels of portfolio risk, these portfolios have been designed for UK domiciled, Sterling retail investors. Nutmeg back-tested 26 years of data and optimised the outcomes to minimise tail risk. For more information: <https://www.nutmeg.com/fixed-allocation-portfolios>

Management objectives, level of risk within the manager's discretion and constraints

Portfolio rebalancing by investment style:

Fully Managed Portfolios:

- Investment Committee meets at least monthly, portfolio asset mix changed when the committee agree a change.

Fixed Allocation Portfolios:

- Portfolios tested weekly to pre-defined thresholds. Market movements mean that

the weight in each ETF will drift from its original allocation.

- Each ETF % holding is tested versus its original % holding weight, to give the % deviation.
- If the absolute sum of each of these deviations exceeds 6%, the portfolio will be rebalanced.

Portfolio asset class thresholds for fully managed portfolios listed in below table (source: Nutmeg). The investment team may move beyond the below bounds subject to formal board approval.

Fully managed portfolio: Expected Asset Class Range

		1	2	3	4	5	6	7	8	9	10
Equity-type risk: Equities, Commodities, Property	Minimum	0%	0%	0%	10%	15%	25%	35%	50%	50%	100%
	Neutral	0%	18%	27%	36%	46%	57%	68%	79%	90%	100%
	Maximum	0%	30%	40%	50%	65%	75%	90%	100%	100%	100%
Fixed Income-type risk: Bonds, Money Market, Cash	Minimum	100%	70%	60%	50%	35%	25%	10%	0%	0%	0%
	Neutral	100%	82%	73%	64%	54%	43%	32%	21%	10%	0%
	Maximum	100%	100%	100%	90%	85%	75%	65%	50%	50%	50%
Expected volatility compared to Global Equities*		20%	30%	35%	45%	50%	60%	70%	80%	90%	100%

* Global equities as defined by MSCI World equity, priced in Sterling

Nutmeg.

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Nutmeg is an online investment management service, providing diversified investments, ISAs and pensions in the UK.

To learn more go to nutmeg.com

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