

NUCLEUS

MAKING WITHDRAWALS

We want you to have a good experience of working with your Nucleus account, so it is important that you understand the procedure for making withdrawals when you request them. We hope that when you understand the process you will realise that your request must be provided with plenty of notice and we suggest that you allow two weeks from your request to your desired receipt of funds into your bank account.

Bank Account

First, it is important that your correct bank account is registered against your account. Registering your bank account is currently a paper process where you must complete and sign the appropriate form, return that signed form to us, and then we forward it to Nucleus electronically for them to complete the administration. This process typically takes about 3 days to complete. You may like to review which account is set up so that it is in place in case you wish to make a withdrawal in the future. If you wish to add a new bank account or make changes to your existing bank accounts please use the form 'Nucleus Change to Client Bank Details' which you will find the [Personal Finance Portal \(PFP\)](#) document area.

You can register more than one bank account and you can remove old accounts if you wish. Please let us know in plenty of time so that your accounts are set up in anticipation of a future withdrawal request. If you have set up more than one account, it is important that you specify which account that you want the money deposited to when you request a withdrawal.

Notification Method

For your security we can only accept your authorisation to withdraw funds when you use our secure messaging facility via your [PFP](#) online account. Our administration team can act on your instruction and they do not need additional authorisation to act. If you attempt to notify us by any other means this will cause delay and will require additional authorisation to proceed.

Regular Withdrawals

Many of you have a regular withdrawal set up on your account (typically monthly). If you want to increase or decrease your regular amount this can be done on receipt of your secure message. If you want to suspend monthly payments, we recommend that you do not stop your regular withdrawal entirely but reduce it to a minimal amount of say £10 a year. This means that your withdrawal can be re-started again easily by sending us a secure message and the exchange of paperwork will not be necessary.

Comparison with Faster Payments from your bank account

Many of you will be used to receiving payments immediately when you make transfers from your bank accounts, however, Nucleus cannot operate a Faster Payments Service (FPS) system because making withdrawals from your investments is very different to a transfer from your bank accounts. When you request a withdrawal from your investments, funds must be sold into cash and only when the cash becomes available can this be transferred to your bank account. The sell down of funds normally takes about five working days and then cash transfers can take a further three working days.

Sell down of Funds

When we instruct a sell down of funds, we aim to choose the appropriate fund for your withdrawal and minimise the funds that we sell. If we were to choose a 'pro-rata' sale of funds you would have to wait for every fund in your portfolio to realise cash before your cash could be transferred to your bank account. If we choose one fund for the sell down the cash transfer can take place as soon as that fund has realised the cash. This does not normally affect your asset allocation significantly and adjustments will occur automatically, at the next quarterly rebalance.

Nucleus System Requirements

We can instruct withdrawals from your ISA or GIA in one request 'cash and sell assets'. Pension drawdown withdrawals currently require two stages: first sell down funds, and then raise a Jira for Nucleus to action the payment to your account.

For Pension drawdown please note that after your 25% PCCL (tax free cash) has been withdrawn any further withdrawals are taxable so that for example if you ask for £800 you must drawdown £1000 to allow for the £200 tax (20%) that must be paid to HMRC by Nucleus.

If you specify an amount for your withdrawal you are limited to a withdrawal of 80% of the full value of your account to allow for variations in your fund values during the withdrawal process. However if you specify a number of units for each fund the full value of these units will be sold which may allow you to draw more than 80%.

Trade on Trade

Two transactions cannot be in progress at the same time and this could cause a delay in your request for a withdrawal. This is known as 'Trade on Trade' which means that if there is a sale in progress a further sell down cannot be instructed until the transaction in progress has been completed. Such transactions could include an already requested one-off withdrawal, a sell down for your regular (monthly) withdrawals, rebalancing of your portfolio (quarterly), or any other transaction such as the occasional portfolio switch. This area is under development and Nucleus expect that this 'trade on trade' restriction will be removed during Q4 2019.

Recommendation

If you need a one-off cash withdrawal you need to plan, and we recommend a minimum of 14 days' notice sent by secure message. Your request should specify the account where you want the funds deposited and your desired date of receipt.