

Helping you grow your retirement income

Our
Pension



Plant the seed for a fuller retirement

Whether it seems like a long way off or if it's not too far down the line, retirement is something to look forward to. However, to make the most of your autumn years you need to plan ahead.

People today are living longer in retirement than ever before and, for most individuals, the State Pension isn't enough to sustain the lifestyle they would like to enjoy. Saving for your retirement is therefore more important than ever and you need to give your money every opportunity to grow.

As your adviser will have told you, pensions are one of the best ways to save for your retirement. They offer tax benefits both while saving for the years ahead and when you eventually retire. What's more, you now have much more flexibility and choice on how you can use your pension savings once you reach the normal minimum pension age, this is usually age 55 (57 from 6 April 2028).

Achieving your goals with our Pension

To make the most of your savings, you need a pension that offers simplicity, choice and great value for money. Our Pension offers you all these things and we are delighted that your adviser has chosen to recommend it to you.

This guide will help you learn more about why our Pension is a great way to save for your later life. It tells you about how much you can invest, the tax breaks you'll receive and the range of investment options available to you.

The value of investments and the income from them can go down as well as up so you may get back less than you invest.





The benefits you'll enjoy with our Pension

- ✓ **A full range of tax benefits**
Receive tax relief on contributions, tax-efficient growth for your investments and tax advantages when you retire.
- ✓ **Investment choice**
We offer over 7,000 investment options, including a number of different types of Funds, Shares, Exchange-Traded Funds and Investment Trusts.
- ✓ **Value for money**
No set up or administration fees – just a Service Fee of 0.25% and an Investor Fee of £45 per year together with the investment's ongoing charges and any adviser fees agreed between you and your adviser or intermediary.
- ✓ **Flexibility while saving**
Start, stop, increase or decrease your payments whenever you wish and you can transfer other pensions across as well.
- ✓ **Flexibility at retirement**
Once you reach the normal minimum pension age, you'll have the freedom to use your pension savings as you wish – including the option to generate an income through drawdown.
- ✓ **Control**
A secure online account allows you to track the progress of your retirement savings.

A pension offering ease and simplicity

There are many compelling reasons why your adviser has chosen to recommend our Pension for your retirement savings. It's a personal pension that gives you more control over the investments you make within your plan. It can be held alongside any other pensions you have – such as a company scheme – and there are lots of different ways to contribute.

A vast array of choice

Unlike many traditional schemes, our Pension allows you to spread your savings across a wide variety of different investment options, including a number of different types of Funds, Shares, Exchange-Traded Funds and Investment Trusts. There's also the option of a smoothed return pension fund, which is designed to help grow your pension investment while providing some shelter from the daily uncertainty of investing. In total, we offer over 7,000 investment options and so there are plenty to choose from. This choice enables you and your adviser to put together an investment strategy suitable for your personal goals and circumstances, whether you are saving for retirement or looking to generate an income once you finally give up work. Your adviser can change your investments at any time.





Contributing is easy

You can start, stop, increase and decrease your contributions at any time without penalty. Payments can be made by yourself or, if you are employed, we can receive them directly from your employer. Your spouse or partner can make contributions as well. You can even contribute to a pension on behalf of a child.

You can invest from just £50 per month or make single lump sum contributions from £1,000 (there are some rules on contributing to a pension and receiving tax relief and the main ones are highlighted on page 8). You can also transfer other pensions you hold to us – you can learn more about this on page 10.

Payments into your Pension can be invested into any of the available investments, including cash, on our platform. Holding cash within your Pension account can be useful if you want to avoid investments from being sold to pay fees and charges as well as protecting your savings from stock market volatility at any point in time. Further information on cash, including any interest that is paid is available from your adviser or intermediary.

Please remember that the value of investments and the income from them can go down as well as up and you may get back less than you invested.

Value for money to make your savings go further

High charges can be a big drag on your pension's growth prospects, so we have designed our Pension so that it offers great value for money.

Charges and fees

Set up charge	£0
Annual administration charge	£0
Initial charges on funds¹	£0
Switching charges¹	£0
Annual Service Fee	0.25%
Annual Investor Fee²	£45

¹ There may be an additional bid-offer spread for dual priced funds, fund managers may levy buy and sell charges, a dealing charge is applicable when buying or selling exchange-traded investments, and other charges can apply to certain exchange traded investments.

² A single Investor Fee will be taken from your Pension if you don't have sufficient value to pay the fee in any other sole account held with us. The Investor Fee is typically taken from cash within your account where available, or else by selling some of your investments as above.

If you choose to take an income from your pension through drawdown once you retire, we make no additional charges for this.

An annual ongoing charge for the management and administration of your investment options will also be applied by the fund managers. Your adviser may also agree fees with you for their services through a range of adviser charging options. If this is the case you will be asked to sign a Client Authority form.

All fees and adviser charges are taken from cash within your account, where possible. If needed to make up the difference, we will sell some of your investments. You can choose which investments are sold first and we will follow your choice wherever possible. After that other investments may be sold, starting with normally the largest investment in your account. We will try not to sell investments that carry dealing charges like exchange-traded instruments or funds that levy a sell charge, unless they are the only investments you hold. Investment management ongoing charges are paid for directly within the investments you hold and reflected in the unit prices.





Pension contributions and tax relief

The government encourages you to save for your retirement by giving you tax relief on pension contributions. However, there's a limit on how much tax relief you get.

UK residents under the age of 75 can get tax relief on contributions of up to 100% of their annual UK earnings. This is subject to an 'annual allowance' limit, which for most people is £60,000 for the 2024/25 tax year. If your pension savings are more than the annual allowance you may have to pay a tax charge on the excess.

For most people the annual allowance is £60,000 but for those earning £260,000 or more this could reduce to as low as £10,000, known as the tapered annual allowance. The allowance may also reduce if you have already taken benefits from your pension, known as the Money Purchase Annual Allowance.

If your total pension savings for the tax year are more than the annual allowance you may be able to carry forward any unused allowance from the previous three tax years to the current tax year, unless the Money Purchase Annual Allowance applies to you.

The Money Purchase Annual Allowance, which is currently £10,000, is only applicable in certain circumstances, for example, if an individual takes a taxable income from a flexi-access drawdown account. Your adviser will be able to help you understand this in more detail, including whether this applies to you now or potentially in the future.

Individuals under 75, including anyone aged under 18, with no earnings or earning less than £3,600 can still get basic rate tax relief on contributions up to £3,600 (including tax relief).

Employers making contributions in respect of their employees may be able to deduct these as expenses for Corporation Tax purposes.

The lump sum allowance (LSA) is the maximum amount of tax-free cash you can take from your pension savings in your lifetime. You can take 25% of your pot tax-free, as long as this amount is not higher than the LSA. The standard LSA is £268,275.

What happens if you die?

Under current rules, your beneficiaries can usually receive your pension pot free of any tax, subject to the Lump Sum and Death Benefit Allowance, as a lump sum or an income, if you die before age 75. If you die after the age of 75, your beneficiaries will usually be taxed at their marginal rate if they take an income or lump sum from your pension pot.

Tax treatment depends on individual circumstances and tax rules and limits may change in the future. It should be noted that tax rates and bands can differ between England, Scotland and Wales. For more on the rules relating to pension contributions, please speak to your adviser.



Transferring existing pensions to us

Moving other pensions you own into our Pension could be a great way to make your retirement savings easier to manage. You'll have one pension administrator, which means you will receive less paperwork and you'll be able to track and monitor all your investments in one secure online account.

Two ways to consolidate your pensions

Pension transfers

If you choose to transfer your pension to us, the assets in your old pension can be sold and the proceeds transferred to us as cash (minimum £10,000). We will then invest this into the investment options chosen by you and your adviser. This means you will be 'out of the market' while your money is being invested and you will miss out on any market rises or falls during this time.

Pension transfers can take a number of weeks to complete, dependent on what type of pension is being transferred and who the pension administrator is. We use an administration service called Origo Options Transfers, along with the majority of pension providers, which allows us to complete cash transfers usually within eight to ten days. Therefore, this means your money will be invested for you as quickly as possible in order to minimise the impact to potential growth.

Re-registration

Another way to move your pension is through a process called re-registration (minimum £50,000). The benefit of this approach is that your money will not be 'out of the market' while the move is being completed. This can be achieved if we offer the investment options you are invested in with your old provider. Your adviser will be able to inform you if your investment can be transferred in this way.

Our only requirement for moving your pensions to us is that the combined value of your transfers should either exceed £10,000 for a cash transfer or £50,000 for a re-registration. We don't make any charges for transferring pensions to us, but your current pension provider may charge exit fees.

Providers who do not transfer or re-register funds electronically can take two-three months to complete a movement of assets to us.



Things to consider before consolidating your pensions

While consolidating your pensions into one account provides many benefits, there are other factors to consider before you make a decision. These include:

- How do the charges on your current plan compare with those of our Pension?
- Will your current plan impose an exit fee or a deduction, such as a market value adjustment, if you go ahead with the transfer?
- Does your current plan offer any benefits that are not available with our Pension, such as life assurance or guarantees?
- How do the investment options offered by your current plan compare with the range available through our Pension?
- If your employer is paying into your current plan, would they be willing to make payments into our Pension instead?

Currently you can start withdrawing money from most personal pensions when you are 55, but the Government is changing the minimum age from which pension benefits can be taken from 55 to 57. This change will come into force from 6th April 2028. In some cases the right to take benefits from a pension before the age of 57 may be protected after April 2028.

Whether this applies to a particular pension depends upon how the rules of that pension scheme were written. You will need to confirm with the pension scheme you are transferring from whether you retain the right to take benefits at an age between 55 and 57. If you do have a protected pension age it is possible that this can be preserved if you transfer to another provider, although these funds may need to be kept separate from other pension funds and you may not be able to take all your benefits at the same time.

Of course, your adviser will be able to recommend whether transferring is right for you or not. They can consider the advantages and disadvantages in relation to your own personal circumstances and advise you on your best course of action.

Following the progress of your pension

It's always a good idea to keep track of how your retirement savings are performing. You and your adviser can then make any changes that are necessary to achieve your long-term goals.

Your secure online account

You can review your pension investments at any time through your online account. Your secure account allows you to take advantage of a number of functions:

- You can check the very latest valuation of your pension and the various investment options within it whenever you wish
- If you hold other investments with us, such as ISAs, you can see all your holdings together in one place
- You can quickly update your personal details if and when they change
- You can view all documentation related to your pension online. This reduces the volume of confidential documents sent to you by post, resulting in more security and less paperwork
- You will need to register to use your online account. When we have set up your plan, we will send you your pension Account Number and a Customer Reference Number which will give you access to the service.

Your annual pension statement

Each year we will send you an annual statement which includes a valuation and an indication of the level of benefits this might provide at retirement.





Your choices at retirement

At some point you will want to start taking benefits from your pension to fund your retirement. You now have more choices than ever before as to how you can use your pension savings and some of these options are detailed below. Please note that making choices about your retirement income is one of the most important decisions you are likely to make. Therefore, it is a very good idea to consult with your adviser at this time.

The choices you'll need to think about

■ When do you want to retire?

Pension benefits can normally be taken at any time from the normal minimum pension age, whether you have stopped working or not. Withdrawals from a pension product will not normally be possible until you reach age 55 (57 from 2028). You may be able to take your pension earlier if you're retiring due to ill-health.

■ Do you want to take out lump sum cash withdrawals?

You can withdraw your whole pension pot if you wish to (or any proportion you require) – typically 25% will be tax free while the remainder will be taxed as earned income in the year in which you withdraw it. You can also set up a regular withdrawal plan to receive both tax free and taxable income.

■ How do you want to produce your retirement income?

You can also use your pension pot to generate an income in a number of ways. You can receive an income through income drawdown or by purchasing an annuity. You can even choose to generate an income by taking a combination of these options. Your adviser can recommend which route is most appropriate for your circumstances.

Please note the Government offers a free and impartial guidance service to help you understand your options at retirement. This is available via the web, telephone or face-to-face through the Pension Wise service which is now part of MoneyHelper; the easy way to get free help for all your pension and money choices. You can find out more by going to moneyhelper.org.uk/pensionwise or call them on 0800 011 3797.





Income drawdown

This is a flexible option which allows you to take withdrawals in most cases directly from your pension pot. Your pension remains invested in your choice of investment options and in most cases you can take as much or as little income as you require at any given time. It's an option that allows you and your adviser to actively manage your pension pot while benefiting from any investment growth. There is no limit on how long you can maintain your income drawdown plan. Any income taken from your drawdown account will be subject to income tax at your marginal rate.

One of the big attractions of income drawdown is, unlike most annuities, your pension pot can be passed on to your beneficiaries on death. If you die before age 75, there is usually no tax to pay, subject to your funds being below the Lump Sum and Death Benefits Allowance (please see page 8 for more details).

Please note that the value of your pension pot will reduce over time if investment growth is less than the value of withdrawals. Income drawdown could provide you with less over the longer-term than would have been available if you had purchased an annuity.

Annuities explained

If you want more certainty on how your income in retirement is generated, you can choose to purchase an annuity with the proceeds from your pension. It will pay you a secure and guaranteed income for the rest of your life. There are a wide range of annuities available in the UK with lots of different options. For example, some make the same level of payments to you for the rest of your life while others will make increasing inflation-linked payments. You can also choose to have an income paid to your partner, or another dependant, in the event of your death. There are also options which potentially allow you to pass on any remaining capital on your death, provide guaranteed income payments for an agreed period of time or a continued income to a dependant. Your adviser can help you decide whether an annuity is right for you and, if so, which option is most appropriate for your circumstances. If you have any questions or simply want more information, please speak to your adviser.

Do you need further assistance?

If you have any questions or simply want more information, please speak to your adviser.

