

PENSION SWITCHING REPORT



Prepared For
Mrs Example Client

Prepared By
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Report Date
26 July 2018

This report compares the benefits of keeping your current pension plan with the option of switching your pension fund to a new pension plan.

INTRODUCTION

This report compares the benefits of keeping your current pension plan with the option of switching your pension fund to a new pension plan.

Based on 01 March 1980 as your date of birth you are currently age 38.

Your Current Pension Plan

The following summarises details of your current pension plan as at 18 July 2018. The values shown are not guaranteed and may increase or decrease in value.

Pension Plan Name	Current Plan
Provider	Not Selected
Type	Personal Pension
Retirement Age	65
Current Value	£118,963.00
Transfer Value	£118,963.00
Transfer Penalty	£0.00
Penalty as a Percentage of Current Value	N/A

Ongoing Contributions to Your Current Pension Plan

The comparison assumes that you are not paying ongoing contributions to your current pension plan.

Projected Fund Values at Retirement Age

The comparisons in this report are based on projected fund values at retirement age supplied by your pension plan provider.

The growth rates and projected fund values shown are in real terms which means that they have been adjusted to take into account the effects of inflation in order to show their worth in today's terms.

Growth Rates	-0.50%	2.50%	5.50%
Fund Value at Retirement Age	£64,400	£147,000	£345,000

Your Current Pension Plan Investments

The table below displays the investments held in your current pension plans.

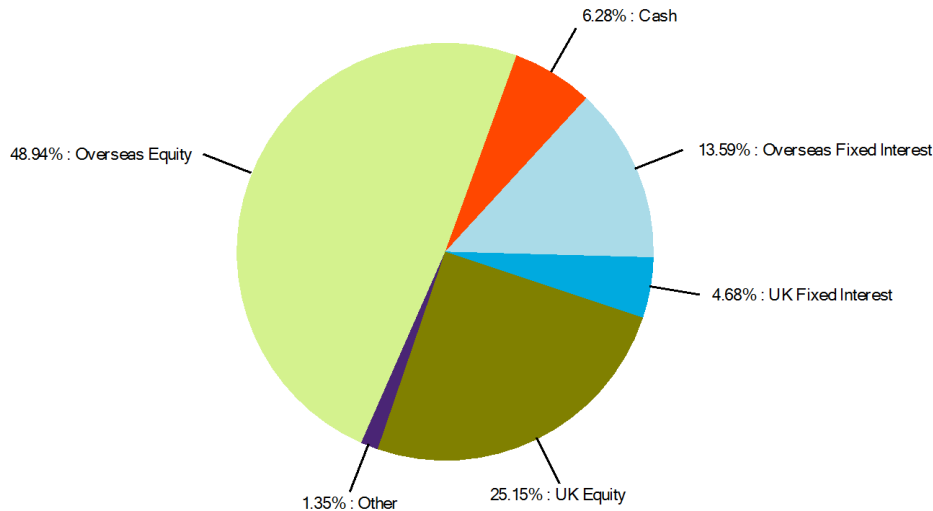
Fund Name	Investment Type	Weight	Amount Invested
Marks & Spencer Worldwide Mgd Acc	OEICs and Unit Trusts	23.00%	£27,361.49
Scottish Widows Progressive A	OEICs and Unit Trusts	37.00%	£44,016.31
SLI Global Advantage Plat 1 Acc	OEICs and Unit Trusts	40.00%	£47,585.20

ASSET MIX - CURRENT PENSION PLAN

Different asset classes have different levels of risk. Ranked in order of increasing capital risk, the traditional asset classes generally come out like this: cash (lowest risk), fixed-interest, property and shares (highest risk). The asset allocation can have a great effect on how the value of your pension plan will grow.

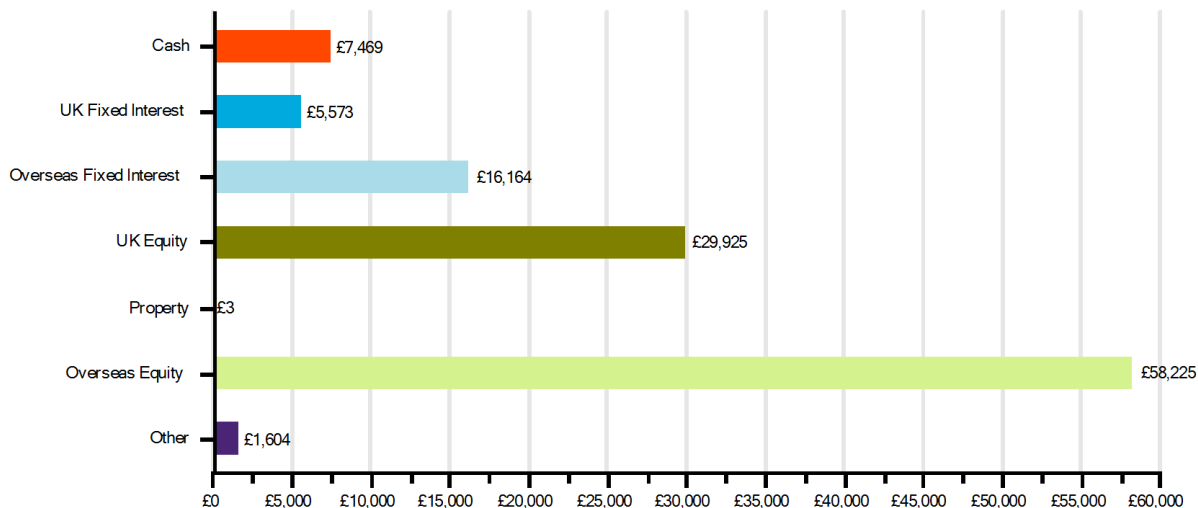
Asset Allocation in Percentage Terms

The chart below shows the mix of asset classes held in your current pension plan.



Asset Allocation in Monetary Terms

The chart below shows the mix of asset classes held in your current pension plan. This is shown in monetary terms based on the total current value of £118,963.00.



NEW PENSION PLAN

The following summarises details of the new pension plan with which your current pension plan is being compared.

Pension Name	New Pension Plan (CP)
Retirement Age	65

Adviser Charges Applying to the New Pension Plan

The following details the adviser charges and payment basis for the new pension plan.

Initial Adviser Charge	3.00% of Fund. As this amount is to be taken from within the new pension plan this will reduce the initial amount available for investment following a switch by £3,568.89.
On-going Adviser Charge	0.50% of Fund Value paid monthly

Amount Available to be Invested in the New Pension Plan

The comparison assumes that the amount invested in the new pension plan is your current pension plan transfer value less the initial adviser charge.

Current Pension Plan Total Transfer Value	£118,963.00
Initial Adviser Charge	£3,568.89
Amount Invested in the New Pension Plan	£115,394.11

Ongoing Contributions to the New Pension Plan

The comparison assumes that you will not be paying any ongoing contributions into the new pension plan.

Policy Administration and Fund Charges Applying to the New Pension Plan

The following details the charges applying to the new pension plan.

Title	Premium Type	Note
Product Charge	Single	0.25%
Fund Charge	Single	0.66%
Initial Adviser Charge	Single	Initial charge of 3%
On-going Adviser Charge	Single	Annual On-going charge of 0.5% of the total fund value paid monthly

New Pension Plan Investments

The table below displays the investments to be held in the new pension plan.

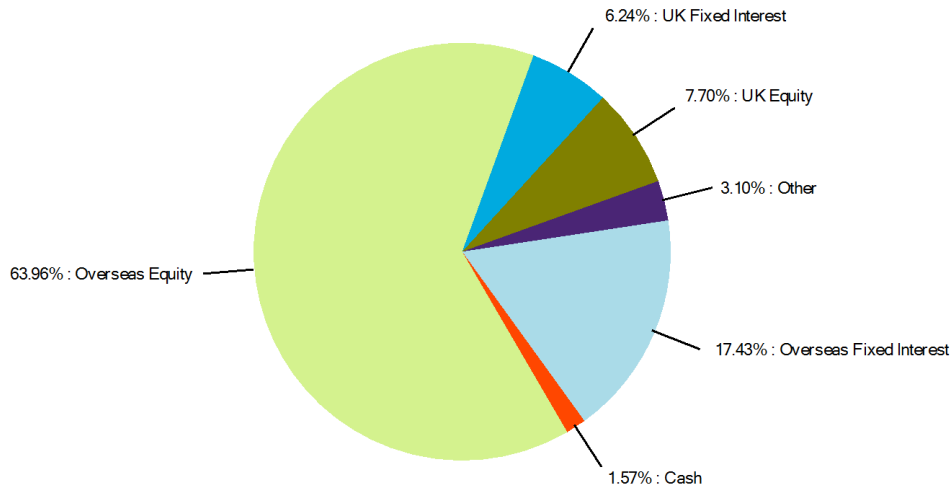
Fund Name	Investment Type	Weight	Amount Invested
IP European High Income Z Acc	OEICs and Unit Trusts	20.00%	£23,079
Jupiter European Special Sits I Acc	OEICs and Unit Trusts	40.00%	£46,158
Vanguard LifeStrategy 60% Equity A Acc	OEICs and Unit Trusts	40.00%	£46,158

ASSET MIX - NEW PENSION PLAN

Different asset classes have different levels of risk. Ranked in order of increasing capital risk, the traditional asset classes generally come out like this: cash (lowest risk), fixed-interest, property and shares (highest risk). The asset allocation can have a great effect on how the value of your pension plan will grow.

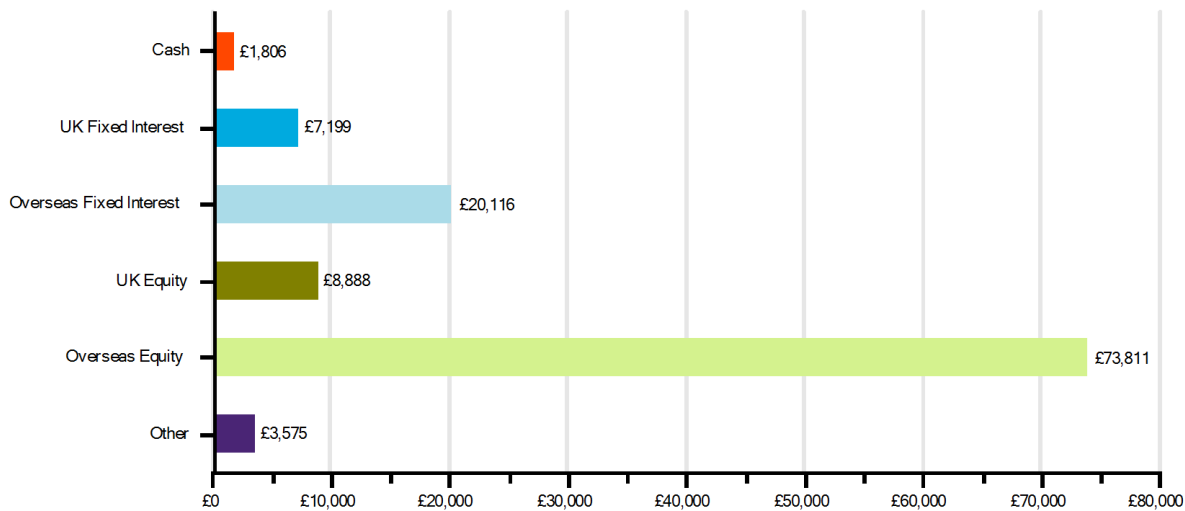
Asset Allocation in Percentage Terms

The chart below shows the mix of asset classes that would be held in the New Pension Plan (CP).



Asset Allocation in Monetary Terms

The chart below shows the mix of asset classes that would be held in the New Pension Plan (CP). This is shown in monetary terms based on the value of **£115,394.11**.



COMPARISON RESULTS

The figures below compare the projected fund values of your current pension plan at retirement age with the fund that could be provided if you switch your pension funds into a New Pension Plan (CP).

The values shown below are in real terms which means that they have been adjusted to take into account the effects of inflation in order to show their worth in today's terms. The inflation assumption used is 2.5% per year.

The pension fund available to be invested in the new pension plan takes account of any penalties and charges that would be payable as a result of switching pension plans.

The comparison is based purely on charges and does not take account of investment performance.

Projected Pension Fund Values at Age 65

Assumed Growth Rates	-0.50%	2.50%	5.50%
Current Pension Plan			
Current Plan	£64,400	£147,000	£345,000
Equates to an ongoing annual charge of	1.8%	1.7%	1.5%
New Pension Plan			
New Pension Plan (CP)	£69,300	£152,000	£330,000
Compared with your current pension plan, the new pension plan would change your fund by	7.6%	3.4%	-4.3%

Critical Yields

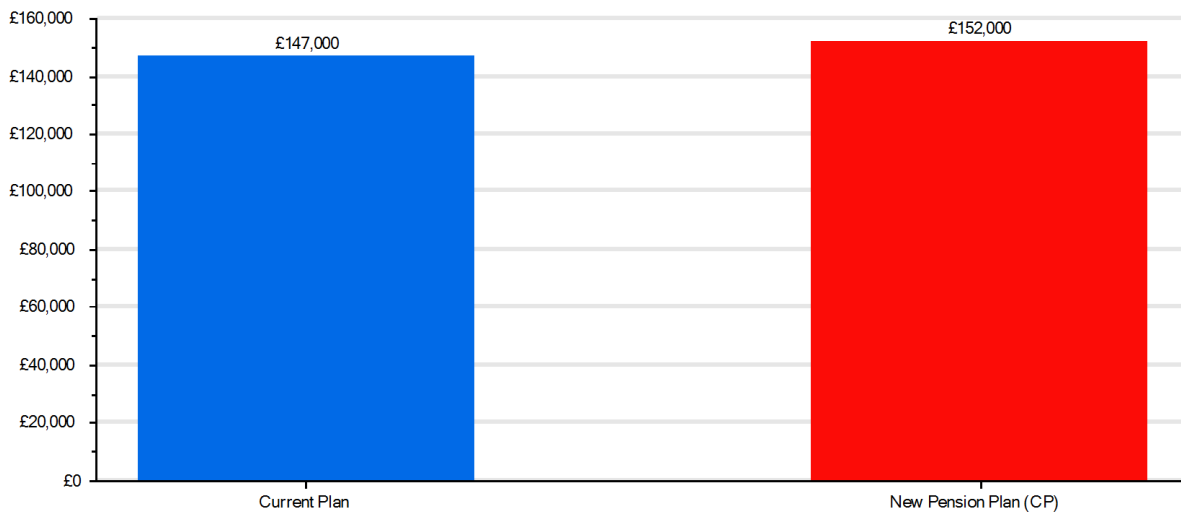
The table below shows the annual rate of growth (Critical Yield) required to provide an identical fund to your current pension plan, assuming you switch your current pension plan to New Pension Plan (CP).

Assumed Real Terms Growth Rates	-0.50%	2.50%	5.50%
New Pension Plan (CP)	-0.8%	2.4%	5.7%
Difference in Growth Rate and Critical Yield	-0.3%	-0.1%	0.2%

COMPARISON RESULTS

Pension Fund Value Comparison

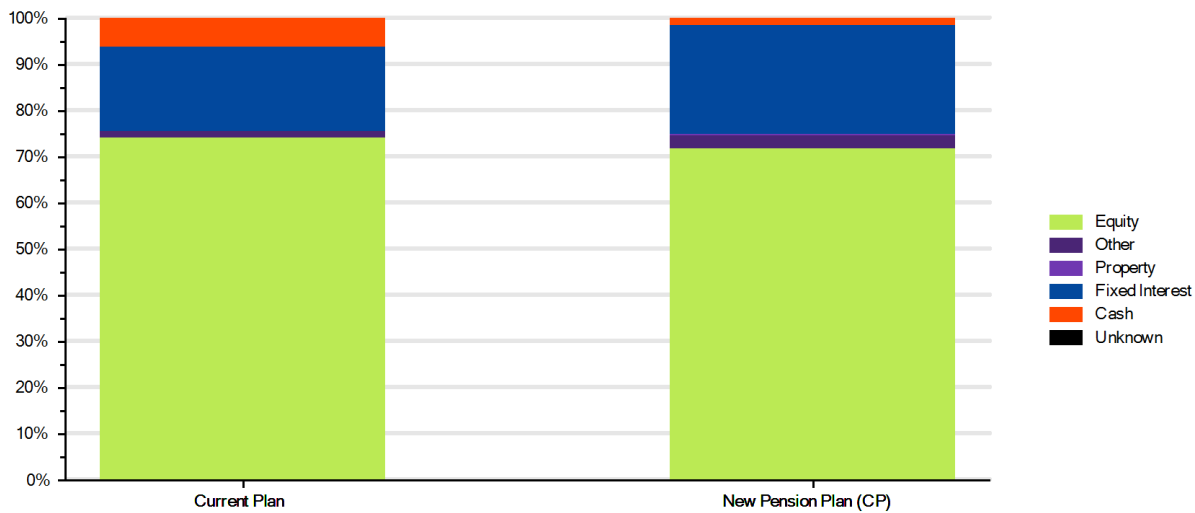
The following chart shows how the projected fund value of a new pension plan would compare to your current pension plan at the retirement age of 65. This assumes an investment growth rate of 2.50% per year.



Please note the Projected Fund Values above are not guaranteed. The above is provided as an estimate of the final fund value based on the assumptions and information provided in this report as well as the charges that will be applied to each plan.

Asset Allocation Comparison

The following chart shows how the asset allocation of your current pension plan investments compare to the new pension plan investments.



INVESTMENT PAST PERFORMANCE

Past Performance Data

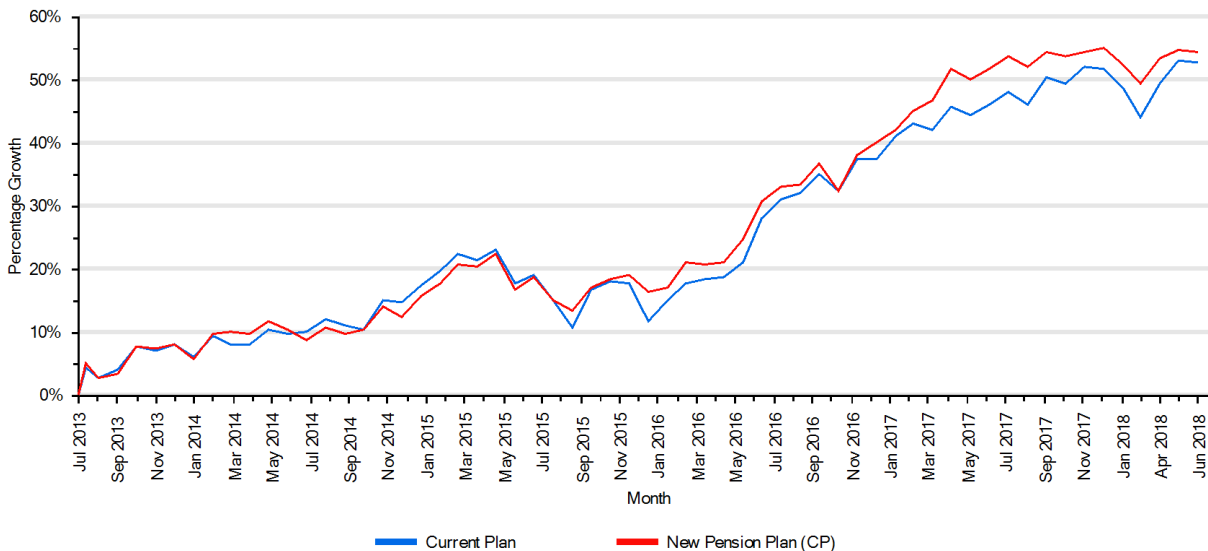
The table below shows the past performance of the funds in your current pension plan and the funds that the new pension plan would be invested in.

Fund Name	5 Year CAR	1 Year to 30 June 2018	1 Year to 30 June 2017	1 Year to 30 June 2016	1 Year to 30 June 2015	1 Year to 30 June 2014
Europe Excluding UK Sector Average	10.7%	3.3%	29.2%	5.2%	4.0%	13.9%
IP European High Income Z Acc	8.1% (1)	1.6%	20.5%	5.9%	1.0%	12.8%
Jupiter European Special Sits I Acc	9.6% (4)	0.5%	28.5%	3.5%	6.3%	11.3%
Marks & Spencer Worldwide Mgd Acc	8.6% (2)	4.2%	18.7%	5.8%	7.1%	8.1%
Mixed Investment 20-60% Shares Sector Average	5.7%	2.5%	11.9%	2.3%	4.9%	7.3%
Mixed Investment 40-85% Shares Sector Average	7.6%	5.0%	16.3%	2.4%	6.8%	8.3%
Scottish Widows Progressive A	8.8% (1)	5.7%	18.9%	2.3%	8.1%	9.6%
SLI Global Advantage Plat 1 Acc	8.9% (1)	6.6%	20.4%	1.0%	7.4%	10.3%
Vanguard LifeStrategy 60% Equity A Acc	8.8% (1)	5.7%	12.5%	10.6%	7.4%	8.1%

CAR = Compound Annual Return, this is the average year on year growth rate of the investment. Figures in brackets are quartile rankings compared to the fund's investment sector.

Cumulative Returns

The graph below shows the past performance of the portfolio of funds held in your current pension plan with the portfolio of funds that would be held in the new pension plan.



01/07/2013 - 30/06/2018. ©O&M Systems

Past Performance is no guarantee of future performance; and the value and income derived from investments can go down as well as up.

PERSONAL PENSION & SWITCHING

Key Features

The key features of personal pensions include:

- Contributions you make to your pension plan immediately receive basic rate tax relief.
- Higher and additional rate tax payers can also claim further tax relief in their annual tax return.
- Any investment returns on your pension investments will be tax free (apart from tax credit on dividends).
- A wide range of investment options or funds are available via pensions. These can invest in many kinds of underlying assets including stocks and shares, gilts, corporate bonds and property.
- You will not normally be able to access any savings you make into a personal pension until you reach age 55.
- From age 55, it is normally possible to take up to a quarter (25%) of your fund tax free. Although this is commonly referred to as tax free cash, its official title is pension commencement lump sum (PCLS).
- The remainder of the fund can be taken as income and will be taxed through PAYE.

Personal Pension Advantages and Disadvantages

The table compares some of the advantages and disadvantages of personal pensions

Advantages	Disadvantages
<ul style="list-style-type: none">• Tax relief is available on contributions you make to your personal pension.• Many different investment options are available allowing the potential for long term growth above inflation.• For the most part any investment returns on your pension fund will be tax free.• Up to 25% (one quarter) of your pension savings can be taken as a tax free lump sum when you retire.• If you die before taking benefits from your pension then your savings will fall outside the value of your estate for inheritance tax purposes.	<ul style="list-style-type: none">• You cannot access savings in your pension until age 55 at the earliest.• Charges on the pension plan can reduce the value of your savings.• The returns on your pension investments may not be guaranteed and you could get back less than you invest.• The amount you can save each tax year is limited by your earnings and the annual allowance.• When you retire any income you receive from the savings in your personal pension will be subject to income tax.

Pension Switching Advantages and Disadvantages

The table compares some of the advantages and disadvantages of pension switching

Advantages	Disadvantages
<ul style="list-style-type: none">• A new pension plan may be cheaper to run than your current pension plan.• Switching pensions may offer investment options more suited to your needs than those available in your current plan.• You may have more flexibility in how to take your money out of your pension fund if you switch it to a new plan.• Additional features may be available in a new plan that your current plan does not offer, for example, viewing and managing your pension on-line.• If you have a number of current pension plans switching them into one new plan may reduce administration and enable you to see more easily what money you have in your pension and how it is performing.	<ul style="list-style-type: none">• Switching your current plan to a new plan does not guarantee a greater pension fund at retirement.• There is no guarantee that the investment performance of the funds in a new plan will outperform the funds held in your current plan.• Due to the time taken to arrange a switch of pensions there may be a period where your funds are not invested.• The death benefits immediately following a switch may be lower if a transfer penalty, new set up or adviser charge, is taken out of your pension fund as part of the switching process.• There is administration involved in arranging the movement of pension funds from your current plan to a new plan.• If the new plan is more expensive to run than your current plan additional investment returns will be required to make up for the additional costs.

NEW BUSINESS ILLUSTRATIONS

It is important that a meaningful comparison is made between your current pension plans and New Pension Plan (CP).

To ensure that the comparisons are both fair and accurate this report assumes the same growth rates for your current and the new pension plan and that the new pension plan is set up on 18 July 2018, the date that the current and transfer values for your current pension plan were provided.

When making an application you will receive an illustration for the New Pension Plan (CP), this will be based on the date the application is received and growth rates specific to the product and funds selected. The results below assume that the new plan is set up today 26 July 2018 and should be more aligned to the figures shown in the illustration.

In reality, these figures will differ due to any charges applied and any growth in your funds over the period to today.

Assumed Real Terms Growth Rates	-0.5%	2.4%	5.4%
New Pension Plan (CP)	£69,500	£150,000	£319,000

NOTES AND ASSUMPTIONS

Asset Allocation Data

The data used for asset allocation and equity region is provided as at 30 June 2018 with the exception of the following holdings. If the data is unavailable then it will be displayed as unknown within the charts.

Fund Name	Investment Type	As At
IP European High Income Z Acc	OEICs and Unit Trusts	31 March 2018
Jupiter European Special Sits I Acc	OEICs and Unit Trusts	31 March 2018
Marks & Spencer Worldwide Mgd Acc	OEICs and Unit Trusts	31 March 2018
SLI Global Advantage Plat 1 Acc	OEICs and Unit Trusts	31 May 2018