Important Investment Information

General

The information on this website is not advice. If you are unsure of the suitability of any investment, you should contact your Financial Adviser for advice.

Unlike cash, stock market based investments are not guaranteed and fall in value as well as rise. Ultimately you could get back less than you invest.

Any yields will vary over time so income is variable and not guaranteed.

Cancellation rights may not be available.

The investments featured do not provide capital guarantees like a deposit account and are not readily accessible.

Past performance should not be seen as an indication of future performance.

Exchange rate fluctuations may have an adverse effect on the value of non-UK shares.

Tax rules referred to are those that currently apply, they can change over time and any benefit to you will depend on your circumstances.

Before transferring a pension you should find out if exit or initial charges will be levied, and then carefully consider whether you believe it will be beneficial for you to proceed, and whether the new benefits will be at least as good (ensure you will not be sacrificing guaranteed annuity rates or investment returns). You will be out of the market for a period of the transfer so you will not be affected by market rises or falls during this time.

If you are on a low income and may rely on state benefits in retirement a pension scheme may not be appropriate.

Pension contribution checklist

Please read carefully. Particularly important if you have made, or plan to make, large pension contributions.

Most UK residents under 75 can contribute to a personal pension and benefit from tax relief. However there are restrictions of which you need to be aware:
Relevant UK earnings: Total personal and employee contributions each tax year cannot exceed total earnings from employment and self-employment for that year, or £3,600 if higher.
Annual allowance: Total pension contributions (including from an employer) made from 9 July 2015 to 5 April 2016 are subject to a £40,000 allowance.
Total contributions over £40,000 registered from 6 April 2015 to 8 July 2015 will use up this allowance. If you have a pension other than the Forthplus SIPP, you may also need to include

contributions made before 6 April 2015. You should check with your provider towards which tax year's allowance contributions count.

Payments cannot be refunded on the sole grounds they are above the annual allowance and may incur a tax charge.

Retirement benefits built up in a defined benefit pension are given a value which also counts towards the annual allowance. You should ask your provider what that value is.

Carry forward: You may be able to pay in more than the annual allowance by carrying forward unused annual allowance from previous tax years.

Money purchase annual allowance (up to £10,000 between 9 July 2015 & 5 April 2016): Could affect you if you have taken flexible pension benefits after 5 April 2015 or held flexible drawdown before 6 April 2015. The pension provider through which you took these benefits may have told you if this applies. This allowance is calculated in a similar way to the annual allowance but only includes money purchase contributions and you cannot use carry forward. If this limit ever applies to you, you must let us know. Different limits apply for 2015/16 if you first flexibly accessed your pension between 6 April 2015 and 8 July 2015.

Lifetime allowance - £1.25m in 2015/16, £1m in 2016/17: This is the total you can accumulate in pensions. It is measured when retirement benefits are taken and at age 75. It takes into account all private and work pensions, including those from which you already take an income. There may be a significant tax charge on any excess. This could affect those with a defined benefit pension income of over £40,000 a year.

Enhanced or fixed protection: If you have applied to HMRC for enhanced or fixed protection against the lifetime allowance, further contributions will invalidate the protection.

Recycling: If you significantly increase pension contributions in the year of taking tax-free cash from a pension or in the two years before or after, this may be deemed as recycling of tax-free cash and subject to a punitive tax charge.

This is a brief summary of the main rules and cannot cover every nuance.

This is based on our understanding of current legislation and proposed changes. Correct as at 22nd September 2015. The government can and do change the rules.

Pensions transfer checklist

Read before transferring pensions.

You could enjoy many benefits when you transfer to the Forthplus SIPP, but could also lose valuable features of your old pension(s). Give extra consideration to these factors if approaching retirement as you will have less time to make up for any losses.

The following factors commonly apply:

'Market Value Adjustments or Reductions' or transfer penalties are applied by some providers. These could cause a significant reduction to your pension fund.

You could lose valuable guarantees on annuity rates, growth, bonuses, minimum retirement incomes, discretionary bonus rates or a potential demutualisation bonus.

Defined Benefit, e.g. final salary, pension schemes generally prevent transfers to money purchase pensions, unless you have received regulated financial advice. This can include money purchase pension schemes with guarantees, such as on annuity rates. Some government pension schemes may not permit any such transfers. It is rarely a good idea to transfer 'Deferred Annuities' as they

promise to pay a hard-to-beat retirement income. An Additional Voluntary Contribution (AVC) linked to a defined benefit scheme could give a higher pension and/or tax-free cash if not transferred. We insist you take advice to confirm it is in your interests to transfer such pensions.
Your pension will be transferred as cash, unless otherwise arranged. While your pension is in cash you will not make investment losses or gains. This may not work in your favour.
You could lose benefits such as life insurance or waiver of premium insurance.

In some cases you could also lose:
Employer contributions or other benefits if transferring a work pension.
A tax-free cash rate higher than the usual 25%, if transferring some occupational pensions, or pensions that have received a transfer from them.
The ability to retire before age 55.
Enhanced or fixed protection against the lifetime allowance (this is rare).
Gender-specific annuity rates within some occupational pensions, which could benefit males.

We do not check what benefits you would lose or penalties you would incur. It is your responsibility to ensure a transfer is right for you. There is no guarantee any funds you choose will perform better than those transferred. If you are at all unsure a transfer is right for you, please contact your financial adviser for advice before proceeding.

This is based on our understanding of current legislation and proposed changes. Correct as at 22nd November 2015. The government can and do change the rules.

November 2015