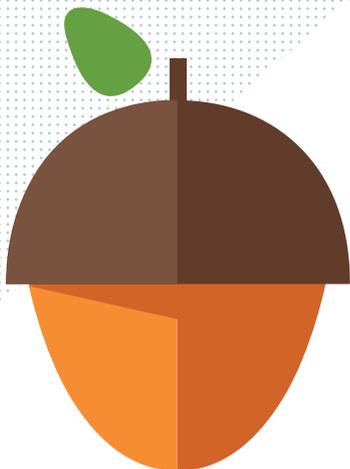


Pension drawdown: what you need to know





You've got the power!

This quick and simple guide will introduce you to the possible benefits of pension drawdown, how it works and the things you need to consider. Pensions can be interesting, honest! Read on and you'll see.

Pension drawdown: in a nutshell

- In plain English, pension drawdown is the most flexible way you can take money from your pension pot.
- If you choose this option, then from the age of 55 you can take as little or as much as you want from your pension pot, whenever it suits you.
- Taking too much money from your pot along the way might mean that you run out in later life.

For more information please call: 0800 304 7277 | portafina.co.uk

Why

pension drawdown is so popular

Everyone likes choice, right? From the fresh produce counter at your local supermarket to how and when you take money from your pension. And with pension drawdown you have complete freedom and control.

- ✓ You can take out individual cash sums as and when you choose, giving flexibility to fund your retirement plans in lots of different ways.
- ✓ You might prefer to take a regular income or combine this with occasional cash sums to provide the greatest flexibility. You could choose to reduce debt like a mortgage or loan, even top up your State Pension. It all depends on how large or small your pension pot is.
- ✓ Your choices aren't set in stone because your retirement isn't. You can change how and when you take money out to suit your lifestyle requirements, which might be different in later life.



Important note: All this freedom and choice is not for everyone and it depends on your circumstances. Your pension pot is invested and over time the value can vary affecting the amount of money you might be able to take out. And if you don't carefully manage your withdrawals, you could end up running out of money.



How pension drawdown works

The pension drawdown options look attractive at first glance, don't they? Let's peel back the layers and take a closer look.

- Take a tax-free cash sum of up to 25% of your pension pot.
- Choose to take out regular monthly, quarterly or occasional amounts. After taking your tax-free allowance, these amounts are subject to income tax in the same way as your pay.
- Taking your money out all at once is generally not a good idea because you are likely to have to pay a large amount of income tax and any state benefits you receive might be affected.
- Careful management is essential to ensure that you don't run out of money. No one wants that.
- There are other options available which might suit you better including receiving income payments which are guaranteed to be paid for all your life. These options have their own advantages and disadvantages.



Your money and pension drawdown

Your pension pot will stay invested if you decide to go ahead with pension drawdown. Let's look at what this means:

- Your pot is typically invested in stocks and shares and other investments so that it has the opportunity to grow and there is the potential to take out more in later in life.
- You should bear in mind that stocks and shares and other types of investment can also go down in value leaving you with a smaller pot to live on.
- When you die you can pass any remaining savings in your pot to your loved ones, usually free of inheritance tax.
- Once you start taking a taxable income, the extra contributions that can be made each year to your pension pot by yourself and/or an employer reduces dramatically, from up to £40,000 to £4,000.



How to discover if drawdown is right for you

A quick sniff or squeeze is all it takes to make the right choice at the supermarket. Sadly, it's not so simple with pensions! That's why it's best to seek advice from a specialist.

At Portafina we will check all your pension options, including drawdown, letting you know what we think your best choice is. And a fee is only due if you ask us to act on your behalf. Or, you can walk away, fully informed, with nothing to pay.

Types of pension we can review for you:

- ✓ Private and personal pensions
- ✓ Company pensions
- ✓ Final salary pensions

The State Pension cannot be used for pension drawdown.



“ Everything has been great. Cannot rate them highly enough! ”

Donald, West Yorkshire

What you can expect from Portafina

- ✓ A full pension review without obligation.
- ✓ Impartial, professional advice that is in your best interests.
- ✓ An efficient service – we do all the hard work, so the process is easy for you.
- ✓ Ongoing advice and management of your pension.

This is a brief guide to a complex subject, based on our understanding of current legislation and HMRC guidance as at 6 April 2018, which may change in the future. Tax treatment depends on your individual circumstances and could be subject to change.

A different way of doing things

Supported by over 160 staff, our team of experienced and expert financial advisers are helping thousands of clients each year to unlock the potential in their pensions. We currently look after over £½ billion of our clients' pension savings for them.

Our service is phone and correspondence based, so conversations happen at a time that suits you.

- ✔ We adopt a frank approach and love plain English, so you always know exactly where you stand and how your pension is performing.
- ✔ Our service-led approach means we can negotiate access to the best-performing products available.
- ✔ Our evidence-based approach to investing means we can target market-beating performance through discipline, structure and diversification rather than speculation.

“ I'm a complete newcomer and Portafina made it straightforward and accessible. ”

Michael, Glasgow



0800 304 7277 | adviseme@portafina.co.uk | portafina.co.uk
Affinity House, Beaufort Court, Rochester, Kent, England, ME2 4FD

Portafina Investment Management Ltd is authorised and regulated by the Financial Conduct Authority, company number 754580

Our special codes: WEBSITE-DOWN

Pension review information form

Please complete all the information below to allow us to start gathering the information for your no obligation pension review. We will only use this authority to gather information

> Your personal details

Name	National insurance no.*
Address	Date of birth* <input type="text" value="D"/> <input type="text" value="D"/> <input type="text" value="M"/> <input type="text" value="M"/> <input type="text" value="Y"/> <input type="text" value="Y"/>
	Daytime telephone
	Mobile
	Email**
Post Code	<small>* Your provider requires your NI no. & Date of birth for identification purposes ** Please note that we may send sensitive information to this email address</small>

> Your pension plan details

(Please list all of your pensions, including your current one, here for us to provide advice. Please continue on a separate sheet if necessary)

Provider	Plan number (if applicable)

> Please choose one option

Please provide Portafina with information only

We can provide a full no obligation review with this information, however it will take longer to receive the information from your provider as they will manually process our requests

Please provide Portafina with full servicing rights

For a quicker service: By ticking this option we will be able to access the information we need electronically with many providers, significantly speeding up the process for you. We would still only use this authority to gather information to provide a full no obligation pension review

If no option is chosen we will assume information only

> Please sign and date

To the Provider: I authorise you to provide **Portafina Investment Management of Affinity House, Beaufort Court, Rochester, Kent, ME2 4FD** with assistance and information relating to all policies held

Signature	Date <input type="text" value="D"/> <input type="text" value="D"/> <input type="text" value="M"/> <input type="text" value="M"/> <input type="text" value="Y"/> <input type="text" value="Y"/>
------------------	---