

Your product options

There are a variety of options available for anyone aged 55 or over to access their 'defined contribution' pension savings. This document summarises the options for your WS Stakeholder Pension Plan. You should read the retirement information pack sent to you with this form, as this will give you important information about the options available and things to think about when you consider your options.

These options may also be available if you are under age 55 and are unable to continue working because of ill health.

It's important to remember you have been saving into your pension plan so that you can use your pension savings to provide you with an income during retirement. Any money you take from your plan will reduce your savings and therefore reduce the level of retirement income you could receive.

You should read through your information pack provided carefully to consider the options available to you before completing this form.

Free and impartial guidance

Pension Wise is a government service that offers free and impartial guidance about your retirement options. The guidance service is available via the internet, over the telephone or face-to-face and will explain what options you have and help you think about how to make the best use of your pension savings. Pension Wise also has an information website.

The Government is concerned that, since it was set up, only a small proportion of individuals accessing their pension pot for the first time have used Pension Wise guidance. The Financial Conduct Authority (FCA) now requires us to check and record whether customers who are aged 50 and over have contacted Pension Wise to make full use of this free service and/or taken financial advice. At the time you come to access your funds, we will ask you to confirm whether you have used Pension Wise and/or taken financial advice.

Our team would be happy to assist in organising an appointment for you, with Pension Wise. Please get in touch to request this, and we can book a guidance appointment for you at a time and date that suits. Alternatively, should you prefer, you can book an appointment directly by going to <https://www.moneyhelper.org.uk/en/pensions-and-retirement/pension-wise> or calling 0800 138 3944. Please note, whether we book your appointment or not, we will still need to confirm and record whether you have used Pension Wise and/or taken financial advice.

1. How do I access all or part of my stakeholder pension plan?

Option	Availability	Offered by WML
Postpone taking your pension savings until a later date	You do not want to start taking your pension benefits yet and want to leave your pension savings invested until a later date.	✓
Full pension pot lump sum	If you want to take your full pension pot as a cash lump sum, the first 25% will be tax-free and the remaining 75% will be subject to income tax. For many people, it may be more tax efficient to consider other options. We strongly recommend that you seek free, impartial guidance from Pension Wise or consult a suitably qualified professional if you are considering this option.	✓
Use your pension savings to provide a guaranteed regular income	If you want to take 25% of your pension savings as tax-free cash and use the remainder to secure a regular guaranteed income. If you want to use this option, you will first need to transfer your pension pot to another provider who offers this facility.	✗
Take part of your pension pot as a cash lump sum and leave the remainder in your pension plan	You do not have to commit to a retirement income product to access cash from your pension savings. With this option you do not receive 25% of your total pension pot as a one off tax-free payment. Instead, 25% of each withdrawal you make is tax-free and the remainder of the withdrawal is taxable as income. If you want to use this option, you will first need to transfer your pension pot to another provider who offers this facility.	✗

Please be aware that some of the decisions you make may be irreversible once you've chosen any of the options available to you.

2. Things to consider when accessing your pension savings

INCOME TAX

All of the options available have income tax implications of which you need to be aware. Remember that the tax you pay depends on your personal circumstances and the law and tax rates may change in the future. These details are based on our current understanding of tax law and HM Revenue & Customs' (HMRC) practice which is subject to change.

Other than amounts paid as tax-free cash, any monies we pay will be taxed under Pay As You Earn (PAYE). Depending on how much other income you have, payments we make to you might push you into a higher rate tax bracket, even if you are not normally a higher rate taxpayer. This is important to remember, particularly if you are still working and drawing income from your pension savings.

The amount you receive from us may not be the full amount you are due as we may have to apply a tax code which is different to your actual tax code.

We will confirm all the details so that you can reclaim any overpaid tax from HMRC.

If you plan to continue contributing to a pension plan after accessing some or all of your pension savings this may affect your Annual Allowance, the amount that you can contribute each year that attracts tax relief.

You should consult a suitably qualified tax professional if you require advice.

INHERITANCE TAX

Monies taken from your pension (tax-free cash, income payments or lump sums) form part of your estate if not used up before you die. Your estate may be liable to Inheritance Tax on such amounts.

By contrast, any part of your pension savings that was untouched would not normally be liable to Inheritance Tax.

If you are unsure about the effect that your chosen option will have on the amount of Inheritance Tax your beneficiaries may need to pay we recommend that you seek advice from a suitably qualified tax professional.

INVESTMENT FUND CHOICE

If you decide to defer your retirement to a later date, you may need to consider how your pension savings are invested. This is particularly important if the Security Option applies. Where it does apply, during the five year period leading up to your Selected Retirement Date, your pension savings are moved into the WS Cash Pension Fund, reducing the risk to which your pension pot is exposed. If you decide to defer your retirement to a later date, you may want to review the funds in which you are invested, to ensure you have an appropriate balance of risk and reward.

SMALL PENSION POTS

If your pension pot is £10,000 or less, it may be classed as a 'small pension pot'. You can take the full amount as cash and this will not affect your Annual Allowance. 25% of the pot is paid tax-free, the remainder is taxed as income. However, you can only do this up to three times across all providers in your lifetime.

OTHER PENSIONS

When deciding if and how you want to access this pension plan, you should also think about any other pensions you may have. If you have other pension plans, you may want to consider bringing them together if combining your pension savings increases the options available to you or enables you to get better value from your pension savings.

BENEFIT ENTITLEMENT

Any pension benefits you take could reduce or even stop any State Benefits you may currently receive or be entitled to in the future. Income payments from your pension savings may be included in your total income when assessing your eligibility for benefits.

INVESTMENT SCAMS

Investment scams targeting people accessing their pension savings are on the increase. It is important that you are aware of potential scams and how to avoid these.

We recommend that you read the below article for help on spotting scams.

www.moneyhelper.org.uk/en/blog/scams-and-fraud/how-to-spot-and-avoid-pension-scams.

3. What should I do next?

It's important that you seek guidance so you can understand how your retirement options may affect you and the implications of any choices you make.

See Free Guidance section above for information on Pension Wise or You can find details of independent financial advisers in your area at www.unbiased.co.uk.

If you don't want to take money from your pension at the present time, you can defer your Selected Retirement Age for as long as you want. If you defer your Selected Retirement Age, you can access your pension savings at any time, as long as you are aged 55 or over. Note that deferring your retirement after age 75 may have tax and other implications.

Please remember the value of your pension savings may fall as well as rise.

4. Request for further information

If you wish to receive further information about accessing your retirement funds, please complete the form below. How to access your pension savings is an important decision and you must consider all your options carefully. We are not giving you financial advice by sending this pack and we strongly recommend you seek pension guidance or advice to help you with this decision.

You may be able to get a better deal or find more suitable products by switching to another provider, so you should shop around. You don't have to stay with Waystone Management (UK) Limited. Different providers offer different types of products and services so it's really important that you find what suits you the best.

Customer Name

Plan number

Address

Postcode

Telephone number

Email address

OPTION 1. LEAVE MY PENSION SAVINGS INVESTED

You don't have to decide to do anything now. You can take the benefits from this plan at a later date. Please tell us your new Selected Retirement Age or Selected Retirement Date, please complete the form below so we can contact you beforehand to let you know your options.

New Selected Retirement Age

or

New Selected Retirement Date

I would like to change my fund choice or Security Option, please send me information about the funds available and a form to change my fund choice.

OPTION 2. TAKE ALL OF MY PENSION SAVINGS AS A LUMP SUM

a) I would like information about taking all of my plan savings as a lump sum where 25% will be paid tax-free and 75% subject to income tax.

OR

b) I have not already taken more than two small pot lump sum payments of less than £10,000 from other providers and believe that I qualify for small pot lump sum payment.

OPTION 3. TRANSFER MY WHOLE PENSION SAVINGS TO ANOTHER PENSION PROVIDER

I would like information on transferring my pension savings to another provider as Waystone Management (UK) Limited do not offer my preferred option. If you wish to purchase an annuity or take a partial lump sum out of your pension savings, it is necessary to transfer to another provider.

Please return your completed form with any original or certified documentation to:

Waystone Management (UK) Limited
PO Box 5246
Aspect House
63 Spencer Road
Lancing
BN99 9GP

Don't let a scammer enjoy your retirement



Find out how pension scams work, how to avoid them and what to do if you suspect a scam.



Scammers can be articulate and financially knowledgeable, with credible websites, testimonials and materials that are hard to distinguish from the real thing. Scammers design attractive offers to persuade you to transfer your pension pot to them or to release funds from it. It is then invested in unusual and high-risk investments like overseas property, renewable energy bonds, forestry, storage units, or simply stolen outright.

Scam tactics include:



- contact out of the blue



- promises of high / guaranteed returns



- free pension reviews



- access to your pension before age 55



- pressure to act quickly

If you suspect a scam, report it

- Report to the Financial Conduct Authority (FCA) by contacting their Consumer Helpline on 0800 111 6768 or using the reporting form at www.fca.org.uk
- Report to Action Fraud on 0300 123 2040 or at www.actionfraud.police.uk
- If you're in the middle of a transfer, contact your provider immediately and then get in touch with MoneyHelper at: www.moneyhelper.org.uk

www.fca.org.uk/scamsmart

Four simple steps to protect yourself from pension scams

Reject unexpected offers

1

If you're contacted out of the blue about your pension, chances are it's high risk or a scam. Be wary of free pension review offers. A free offer out of the blue from a company you have not dealt with before is probably a scam. Fortunately, research shows that 95% of unexpected pension offers are rejected.*

Check who you're dealing with

2

Check the Financial Services Register (<https://register.fca.org.uk>) to make sure that anyone offering you advice or other financial services is FCA-authorised.

If you don't use an FCA-authorised firm, you also won't have access to the Financial Ombudsman Service or the Financial Services Compensation Scheme. So you're unlikely to get your money back if things go wrong. If the firm is on the FCA Register, you should call the Consumer Helpline on 0800 111 6768 to check the firm is permitted to give pension advice. Beware of fraudsters pretending to be from a firm authorised by the FCA, as it could be what we call a 'clone firm'. Use the contact details provided on the FCA Register, not the details they give you.

Don't be rushed or pressured

3

Take your time to make all the checks you need – even if this means turning down an 'amazing deal'. Be wary of promised returns that sound too good to be true and don't be rushed or pressured into making a decision.

Get impartial information and advice

4

MoneyHelper (www.moneyhelper.org.uk) – Provides free independent and impartial information and guidance.

Pension Wise – If you're over 50 and have a defined contribution (DC) pension, Pension Wise offers pre-booked appointments to talk through your retirement options at: www.moneyhelper.org.uk/en/pensions-and-retirement/taking-your-pension/pension-wise

Financial advisers – It's important you make the best decision for your own personal circumstances, so you should seriously consider using the services of a financial adviser. If you do opt for an adviser, be sure to use one that is regulated by the FCA and never take investment advice from the company that contacted you or an adviser they suggest, as this may be part of the scam.

Be ScamSmart with your pension. Check who you are dealing with.

www.fca.org.uk/scamsmart

*FCA Financial Lives

