

# Your Personal Illustration

For individual investors with an adviser or intermediary



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This illustration is to give you an idea of what you might get back from your pension investments over the coming years. You should read it in conjunction with the key information document for any investment you may choose, the Fidelity Adviser Solutions Client Terms and the Doing Business with Fidelity Adviser Solutions which is where you will find more information about any charges you may have to pay.

## 1. Your investments

This section shows each of the investments you are planning with their associated initial charges.

## 2. Growth assumptions

We don't know how your investments will grow. So, when we calculate the effect that charges will have on their growth, we assume certain growth rates for each investment.

## 3. Charges you will pay

- **Investment management charges**

The annual charges paid to investment providers. We also show any rebates and discounts you may receive.

- **Fidelity's charges**

Charges paid to Fidelity for services associated with your investments.

- **Your adviser's charges**

Charges paid to your adviser or intermediary.

- **Total ongoing charges**

A summary of how much your investment will cost you on an ongoing basis.

## 4. The effect of charges and withdrawals on your investment growth

This section explains how charges will reduce the potential growth of your investment.

## 5. What you might get back

How much your pension might be worth at the various growth rates we have assumed. This is after charges and any pension withdrawals you make.

## 6. Assumptions and notes

Important information you need to read alongside your projections.

# 1. Your investments

## PENSION SAVINGS ACCOUNT

AP10082703

Current account value and existing investments

	Value
Vanguard LifeStrategy 80% Equity Acc	£35,541.58
<b>Total</b>	<b>£35,541.58</b>

## Employer lump sum payment into your account

Here is a breakdown of the lump sum contribution into your account.

	Investment amount	
Vanguard LifeStrategy 80% Equity Acc	£29,325.00	
<b>Total</b>	<b>£29,325.00</b>	
Total investment		£29,325.00
Adviser Initial Fee (2.25%)		£675.00
<b>Total</b>		<b>£30,000.00</b>

## 2. Growth assumptions

The following table shows the annual growth rates we use when we work out how much your investment might increase in value over the years. For each investment you choose, we give a low, medium and high rate. The Financial Conduct Authority (FCA) says these rates must not be more than 2%, 5% and 8% respectively, and we use lower rates for all three bands if we feel they are more appropriate to a particular type of investment. The rates are further adjusted to take account of inflation at an assumed rate of 2.0%. The bottom row of the table shows the overall growth rates we are using for your investments.

In reality, the return on an investment is based on the performance of the underlying securities, which may vary significantly. The growth rates provided by the FCA are based on the average growth of different types of investment over long periods. However, in the short term performance can fluctuate due to factors such as market movements or the impact of a fund manager's investment strategy. As such, these growth rates are for illustration purposes and may not represent the actual growth on your specific investment.

	Potential growth rates		
	Low	Medium	High
Vanguard LifeStrategy 80% Equity Acc	0.00%	2.94%	5.88%
<b>Effective potential growth rates taking inflation into account for your Pension Savings Account investments</b>	<b>0.00%</b>	<b>2.94%</b>	<b>5.88%</b>

### 3. Charges you will pay

#### Investment management charges

The table below summarises costs and charges incurred directly by your investments, including:

- Consistent charges, which can be predicted with confidence as they do not vary significantly from year to year.
- Variable costs, which are less predictable as they can fluctuate significantly within relatively short periods of time. The figures shown here are typically based on the costs reported for the past three years and may not be reflective of what you will actually be charged. Transaction costs and performance fees can be either positive or negative and should be considered alongside the overall performance of the fund in order to make a decision on whether the investment presents value for money.

The total ongoing investment costs have been calculated using the projected value of your investments at the end of the first year based on the medium effective growth rate.

Pension Savings Account - AP10082703

Investment name	Consistent investment charges		Variable investment costs		Total ongoing investment charges %	Total ongoing investment charges £
	Ongoing charge figure (OCF)	Rebate, which reduces the OCF	Transaction costs	Performance fees and other incidental costs *	Excluding performance fees	Excluding performance fees
Vanguard LifeStrategy 80% Equity Acc	0.22%	-	0.03%	-	0.25%	£166.26
<b>Effective rate (Pension Savings Account investments)</b>	<b>0.22%</b>	<b>-</b>	<b>0.03%</b>	<b>-</b>	<b>0.25%</b>	
<b>Ongoing investment charges for year 1 at a medium effective growth rate.</b>						<b>£166.26</b>

The investment costs and charges above are dependent upon the accuracy of the data supplied to us by the provider of your investments.

To calculate the effective rates, we use the full figures stored on our system, which can have up to six decimal places. This may mean that the effective rates shown here are slightly different from what they would be if our calculations simply used the figures in the table, which have been rounded to two decimal places.

Performance fees are unlikely to occur every year. In the table we show the performance fee based on the last three years, but this is not included in the projection calculations as it's an unreliable indicator of future charges.

## Fidelity's charges

Fidelity's platform fees help to cover the cost of providing services associated with your investments, such as handling transactions, safeguarding your holdings, producing reports and statements and maintaining our website. The platform fees consist of a Service Fee, which is a percentage of the value of your investments, and a flat-rate Investor Fee.

See our Doing Business with Fidelity Adviser Solutions on how these charges are collected from your accounts.

### Fidelity Service Fee

The Service Fee is calculated and deducted monthly. The standard Service Fee equates to 0.25% a year of the value of your investments, except cash. Your adviser has negotiated the discounted rates shown in the table below.

Total value of your accounts	Service Fee
£0 to £99,999.99	0.25% a year
£100,000.00 to £499,999.99	0.2% a year
£500,000.00 to £1,499,999.99	0.15% a year
£1,500,000.00 or more	0.1% a year

The rate you pay will be based on all the Fidelity accounts you have, not only the ones in this illustration. Discounts may be withdrawn at any time.

The growth projections in this document assume that you will pay a Service Fee of 0.25% a year. With an investment value at the end of year 1 of £65,910, you would pay a Service Fee of £165.49 on your Pension Savings Account investments for the year.

### Fidelity Investor Fee

The standard Investor Fee is £45 a year and is deducted in monthly instalments of £3.75. Your adviser has negotiated a waiver of the Investor Fee which means that if the total value of your Fidelity accounts (including ones not in this illustration) is £100,000 or more at the time the Investor Fee is calculated you will not pay it for accounts in your own name. We also currently waive the Investor Fee for investors under 18.

The Investor Fee is not accounted for in the projections on the following pages. Investor Fee waivers are given at our discretion and may be subject to change in the future.

## Your adviser's charges

The fees you have agreed to pay your adviser or intermediary for their services managing the investments in this illustration:

Pension Savings Account - AP10082703

- An Adviser Initial Fee of £675.00 on your new employer lump sum investment.
- An Adviser Ongoing Fee of 0.80% a year of the value of your investments held in this account. Over the first year, this would come to £529.57.

## Total ongoing charges

To give you an idea of what your investments will cost you every year, the table below shows the total ongoing cost for the investments in this illustration for the first year. This takes account of all investments, as well as any pension withdrawals, and uses the growth assumptions detailed in section 2. The underlying calculations allow for compounding, different growth rates and the fact that payments may occur at various times in the course of a year. As a result, the amounts shown in the right-hand column rarely reflect the respective percentages – for example, with a £10,000 investment, a charge shown as 0.5% is unlikely to work out as exactly £50 over the course of a full year.

Please note that the Investor Fee is included in this table, but is not taken into account in the projection calculations.

	% percentage charges	£ amount charges	£ amount for year 1	Total
<b>Pension Savings Account - AP10082703</b>				
Investment management charges	0.25%		£166.26	
Fidelity's Service Fee	0.25%		£165.49	
Your adviser's charges	0.80%		£529.57	
<b>Total for Savings Accounts</b>	<b>1.30%</b>	<b>£0.00</b>	<b>£861.32</b>	<b>£861.32</b>
Fidelity's Investor Fee				£45.00
<b>Total charges for year 1</b>				<b>£906.32</b>

## Interest on Product Cash

We currently pay 3.70% gross interest on cash balances. Once we have paid you this interest, we will retain any excess to cover the cost of the services we provide. Currently the most we retain is 0.90%, but this may change in future.



## 4. The effect of charges and withdrawals on your investment growth

The table below shows how these investments may grow, after charges and inflation are taken into account. If you are invested in more than one fund, to make it easier to see the effect of these fund charges, they have been brought together into a single representative charge figure, which is a weighted average of all the fund charges combined.

At end of year	Your investment before charges	Potential growth at an effective rate of 2.94% a year		
		What these investments might be worth if no charges were taken	What these investments might be worth if only account and investment charges were taken	What these investments might be worth when all charges are taken
1	£65,542	£67,400	£67,100	£65,900
2	£65,542	£69,400	£68,700	£66,900
3	£65,542	£71,400	£70,400	£68,000
4	£65,542	£73,500	£72,100	£69,100
5	£65,542	£75,700	£73,800	£70,200
6	£65,542	£77,900	£75,600	£71,300
7	£65,542	£80,200	£77,500	£72,500
8	£65,542	£82,600	£79,300	£73,700
9	£65,542	£85,000	£81,300	£74,800
10	£65,542	£87,500	£83,200	£76,000
At age 60	£65,542	£93,700	£88,000	£78,900

### What this table means – how charges and inflation could reduce the value of your pension investments

- Your existing investments as shown at the start of the illustration are £35,542.
- By the time you are 60, the planned payments into your pension, added to its current value, would come to £65,542.
- You are not intending to take any withdrawals from this account before you are 60.
- By the time you are 60, investment growth at the medium rate would increase the value of your investments to £93,709 taking inflation into account, but this doesn't allow for account and investment charges or adviser fees. Inflation has reduced your growth rate from 5.00% to 2.94% a year.
- By the time you are 60, investment and account charges might bring the value of your investments down to £88,000 taking inflation into account, effectively reducing your growth rate to 2.4% a year from 2.94% a year. This is a reduction of 0.5% a year.
- By the time you are 60, when you take adviser fees into account as well, the final value of your investments taking inflation into account might be £78,900, effectively reducing your growth to 1.5% a year from 2.94% a year. This is a reduction of 1.4% a year.
- The information about the reduction in investment growth can be used to compare the effect of charges with similar products.

## 5. What you might get back

The following table shows how much your Pension Savings Account investments might be worth when you reach 60. It also outlines the benefits they could give you in terms of a tax-free lump sum and a regular income.

The figures take account of inflation at an assumed rate of 2.00%, which has the effect of reducing your investment returns. Inflation could be lower or higher than this.

	What you might get back at various growth rates taking inflation into account.		
	Low 0.00%	Medium 2.94%	High 5.88%
When you reach 60 your Pension Savings Account investments could be worth this much:	£55,200	£78,900	£111,000
At 60, you could take a tax free lump sum of 25% of:	£13,800	£19,700	£27,900
With the rest you could buy a lifetime annuity that would pay you this much each year:	£1,220	£2,360	£4,340
However, if you did not take a tax-free lump sum, this is how much your lifetime annuity could pay you:	£1,630	£3,150	£5,790

Please make sure you read the annuity assumptions and important notes in section 6 related to the projection assumptions used. We will send you an annual benefit statement which will update the figures shown here.

## 6. Assumptions and notes

### Annuity assumptions

You are currently 47, and you have told us you may want to start taking an income from your pension when you are 60. If you take out an annuity at that point, we have assumed that:

- It will be a lifetime annuity.
- Only you will receive income payments – in other words, the annuity won't pay an income to anyone else after you die.
- Your income payments will increase by 3.00% a year.
- It will offer a five year guarantee, which means it will pay at least five years' worth of income, even if you die in that time.
- It will pay your income every month in advance.
- The underlying annuity interest rate is 4.25% a year.

Please remember that the annuity rates may change by the time you buy an annuity. In addition, your circumstances may have altered. If this means you buy a different type of annuity, it is likely to pay you a different level of income.

### Notes about the projections in this illustration

- The growth rates we have used are not guaranteed. The actual amount you get back will depend on how your investments perform – it could be more or less than the figures shown and could be less than you invest. For an explanation of the growth rates we have used, see section 2.
- In line with guidance from the Financial Conduct Authority, we round all projections down to three significant figures and do not include pence.
- The projections take account of all dealing charges, ongoing charges figures, ongoing transaction costs, adviser fees and the Fidelity Service Fee.
- The projections do not take account of the Fidelity Investor Fee, any performance fees on your chosen funds or the bid-offer spread that you pay on dual-priced funds. If these charges apply to any of your investments, they would reduce the projected amounts.
- Pension rules and your entitlement to tax relief may change in the future. We have assumed that you will be entitled to tax relief at the current rate on all your contributions. We have also assumed that you will not be affected by the annual allowance, lump sum allowance or money purchase annual allowance, all of which can restrict the amount you can contribute to a pension without a tax penalty.
- If you flexibly access your pension, the amount that can be contributed each tax year while still benefiting from tax relief will reduce to £10,000. This is known as the money purchase annual allowance or MPAA. If you contribute more than the MPAA you will pay a tax charge on the excess.
- When you withdraw money from your pensions the crystallised value is tested against your lump sum allowance. This is known as a Relevant Benefit Crystallisation Event (RBCE). The lump sum allowance (LSA) is the maximum amount of tax-free cash you can take from your pension savings in your lifetime. The standard lump sum allowance is currently £268,275. Some individuals have a higher lump sum allowance depending on whether they have applied for transitional protection.
- Withdrawing money from a pension is an important decision that could affect your financial well-being in future years, so taking financial advice is recommended. However, your benefits could be restricted or you could suffer a tax charge, if the total money you take from across all your pensions exceeds the lump sum allowance.
- Where you have invested in the Standard Life Smoothed Return Pension Fund:
  - a) the illustration content for the Standard Life Smoothed Return Pension Fund will also include any investments held in the Standard Life Smoothed Return Feeder Pension Fund. The investment is initially held in the Standard Life Smoothed Return Feeder Pension Fund for the period of time specified in the technical guide.
  - b) any withdrawals will be made from the Standard Life Smoothed Return Pension Fund only and not the Standard Life Smoothed Return Feeder Pension Fund in accordance with the terms applicable to this investment.
  - c) whilst the value of your investment is displayed to 2 decimal places, this does not affect your unit holdings which are held to 3 decimal places.