INVESTMENT OPTIONS REPORT

Prepared For
Mrs Example Client

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INVESTMENT OPTIONS

This report is designed to provide an indication of the final fund value you may have from various investment options or the amount of regular savings you will have to make to a pension to achieve a specific financial goal.

Introduction

This report is designed to provide an indication of the final fund value you may have from various investment options.

The investment options being considered in this report include:

- Cash ISA
- Stocks & Shares ISA
- Specific Premium Pension

Each Investment Option can allow an infinite number of variables to shape the way your Investment will grow and how you can access your savings. Having used this report as a high-level overview, a more detailed comparison of the favoured option or options will be required before any final decisions are taken.

Investment Options

With a number of options available, it is important to focus on what is important to you from your investment. The key considerations will include:

- When you start investing.
- When you want to access your investment.
- The amount of money you wish to invest and whether this increases over time.
- The level of any withdrawals you wish to make from your investment.
- The amount of pensions or investments you have already saved.
- What investment risk you take.
- The charges that are deducted from your investment.
- Your personal taxation situation and the tax rules at the time you access your fund.

Personal Details

The Investment Projections displayed in this report are based on your Personal Details as follows:

Gender	Female
Date of Birth	01 June 1980
State Pension Age	68 years

CASH ISA OVERVIEW – Option 1

Introduction

The key Features of Cash ISAs are:

- Cash ISA is a special kind of cash savings account in which interest is paid tax-free.
- Your investment will not lose capital in absolute terms.
- If interest rates are low then your savings account may lose value in real terms due to the effects of inflation.
- Available to anyone who is UK Resident and aged 16 or over.
- Usually offered by Banks and Building Societies.

ISA Allowance

- Each tax year, you will have an ISA allowance.
- This sets out the maximum that can be saved within the tax-free investment from April to April.
- For the tax year ending on 5th April 2018 the full ISA allowance is £20,000.
- You are able to open one cash ISA, one stocks and shares ISA and one innovative finance ISA each tax-year.
- Plus, if you are aged 18 to 40 one Lifetime ISA (LISA) each tax year.
- You can choose to save your whole ISA allowance entirely in cash, entirely in stocks or entirely in innovative finance.
- Alternatively, you can contribute to each of the available ISA types in any combination as long as the total amount contributed does not exceed £20,000 and the amount contributed to a LISA is at most £4,000.

Cash ISA – Option 1 – Projection Basis

The table below displays the specific Information used to project the potential value of your ISA investment for quote Option 1.

Value Projected to Age	55
Product Name	High St Bank Savings ISA
Initial Amount Invested	£20,000.00
Interest Rate Used to Project ISA Fund	1.00%

The table below compares some of the advantages and disadvantages of investing in Cash within an ISA.

Advantages	Disadvantages
• Interest is earned tax free. • You can access your savings at any time. • Your investment will not lose money in absolute terms. • Cash ISAs are classed as a deposit based investment and so fall under the protection of the Financial Services Compensation Scheme. • If your needs change then it is possible to transfer Cash ISAs into Investment ISAs.	• Total savings to an ISA are limited by the annual ISA allowance. • If interest rates do not keep up with inflation then the value of your Cash ISA will reduce in real terms. • Cash ISAs cannot be held in joint names. • When you die a Cash ISA will form part of your estate for inheritance tax purposes.

STOCKS & SHARES ISA OVERVIEW – Option 2

INVESTMENT OPTIONS

Introduction

The key features of a stocks & shares individual savings account (ISA) include:

- A stocks & shares ISA is a special kind of investment account in which interest, income and any capital gains are received tax-free.
- A wide range of investment options or funds are available via stocks & shares ISAs. These can invest in many kinds of underlying assets including
    - stocks and shares,
    - gilts, and
    - corporate bonds.
- Available to anyone who is UK resident and aged 18 or over.
- Usually offered by investment companies, fund supermarkets and investment platforms.

Stocks & Shares ISA – Option 2 – Projection Basis

The table below displays the specific Information used to project the potential value of your ISA for Quote Option 2.

Value Projected to Age	55
ISA Product	Example ISA Provider (CP)
Single Premium	£20,000.00
Growth Rate Used to Project Fund	5.00%

New Investment

The table below shows the investments used in this stocks & shares ISA projection:

Investment Name	Investment Percentage
Example Fund or Portfolio	100.00%

The table below compares some of the advantages and disadvantages of investing in stocks & shares ISAs:

Advantages	Disadvantages
• Interest, Dividend Income and any capital gains are received tax free. • You can access your investment at any time. • Many different investment options are available allowing the potential for long term growth above inflation. • It is possible for your spouse or civil partner to “inherit” your tax free ISA savings on your death by applying for an “additional permitted subscription” to their own ISA Allowance.	• Total savings in an ISA are limited by the annual ISA allowance. • Charges on the ISA plan can reduce the value of your savings. • The returns on your investments may not be guaranteed and you could get back less than you invest. • When you die your ISA will form part of your estate for inheritance tax purposes. • Stocks & shares ISAs cannot be held in joint names.

PERSONAL PENSIONS OVERVIEW – Option 3

Introduction

Personal Pensions are long term investments that normally aim to help you build up a pot of money for when you retire. 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,
    - Property,
    - Corporate Bonds.
- 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.

Specific Premium Pension – Option 3 – Projection Basis

The table below displays the specific information used to project the potential value of your pension fund for Quote Option 3.

Retirement Age	55
Pension Product	Pension Product Provider (CP)
Single Premium	£25,000.00
Is Single Premium a Transfer From Existing Plan	No
Regular Premium	N/A
Growth Rate Used to Project Pension Fund	5.00%

New Investment

The table below shows the investments used in this Specific Premium Pension Projection:

Investment Name	Investment Percentage
Example Fund or Portfolio	100.00%

The table below compares some of the advantages and disadvantages of Personal Pension Investment:

Advantages	Disadvantages
• 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.	• 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.

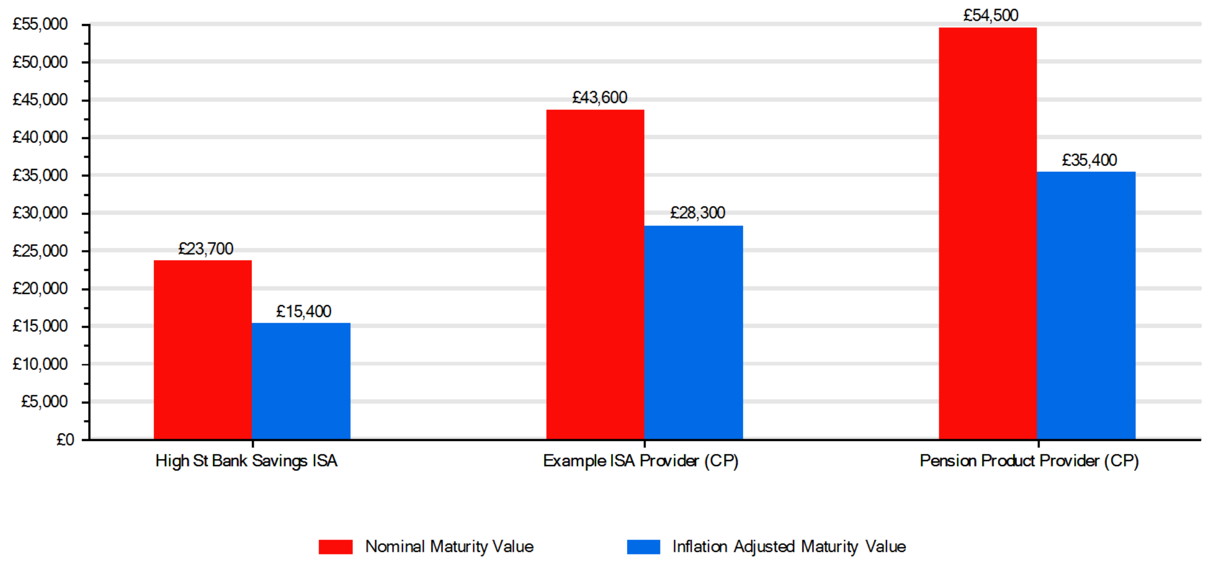
FUND VALUES

Estimated Fund

The following table provides a summary of the investment options included in this report and compares the projected Fund Value for each option. Price Inflation reduces the worth of all savings and investments over time. The table below therefore also includes an Inflation Adjusted Fund Value.

	Option 1 Cash ISA	Option 2 Stocks & Shares ISA	Option 3 Specific Premium Pension
Total Amount Invested	£20,000	£20,000	£25,000
Value Projected	To Age 55	To Age 55	To Age 55
Projected Fund Value	£23,700	£43,600	£54,500
Inflation Adjusted Fund Value	£15,400	£28,300	£35,400
Growth Rate Used	1.00%	5.00%	5.00%

The following chart compares the Projected Fund Value and Inflation Adjusted Fund Value based on the above investment options.



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 investment product.

NOTES & ASSUMPTIONS

Growth Rates and Inflation

UK regulations prescribe a standardised basis for projecting future value of investments. The key rules are:

- **Standard Rates** - Three rates of growth should be used and these are currently
  - 2% (low), 5% (mid) and 8% (high) for tax advantaged products such as Pensions and ISAs.
  - 1.5% (low), 4.5% (mid) and 7.5% (high) for other products such as Investment Bonds and GIAs.
- **Lower Rates** - These are used where funds are likely to grow at rates below the standard rates. A common example would be a cash fund as this has both lower risk and lower growth prospects than a fund that invests in shares.

The Growth Rate used either low, mid or high also affects the Retail Prices Index (RPI) and Average Earnings Index (AEI) Inflation assumptions applied to policy fees or regular premium escalation used in any quote. Below summarises the assumptions used in this report.

Option 1 – Cash ISA
The figures in this report have been quoted using a growth rate of 1.00%.

Option 2 – Stocks & Shares ISA
The figures in this report have been quoted using a mid growth rate of 5.00%. Mid Inflation Assumptions have been used as follows, RPI 2.5%, AEI 4%

Option 3 – Specific Premium Pension
The figures in this report have been quoted using a mid growth rate of 5.00%. Mid Inflation Assumptions have been used as follows, RPI 2.5%, AEI 4%

Assumptions

Inflation adjusted maturity values are provided in order to illustrate the projected worth of your investment at retirement age in today's terms. The current inflation assumption used is 2.5%.