

Mr Robert Holmes 17 Beranburh Field Wroughton SWINDON SN4 0QL

Name:

Mr Robert Holmes

Date of Birth:

15 October 1958

National Insurance Number: WE048438B

Chosen Retirement Age:

75

Retirement Account:

40271641

Statement Period:

14 July 2013 to

13 July 2014

Statement Date:

15 July 2014

### How to contact us

If you have any questions, you can phone, fax, e-mail, or write to us:

Phone us on 08457 166 770 during the following times:

8.00am to 6.00pm Monday to Friday and 9.00am to 12.30pm on Saturday.

We'll record and monitor calls to help us to improve our service.

Fax number:

0131 655 7004

Website:

www.scottishwidows.co.uk

Address:

Scottish Widows

Retirement Account Team 3

PO Box 28090 15 Dalkeith Road Edinburah **EH16 5UG** 

Alternatively, please contact your Financial Adviser Jan & Co Investment Marketing.

# Your Yearly Scottish Widows Retirement Account - Retirement Income Statement

This statement shows the amount of pension income taken from your Scottish Widows Retirement Account during the statement period, and the value of the Retirement Income part of your Account at the end of the statement period.

It also includes an illustration of the pension income that your Account might provide up until your chosen retirement age, and how much annuity income you might receive if you were to buy an annuity now, or at your chosen retirement age. An annuity is a plan bought from part or all of the value of your Account, which can provide a secure pension income for life.

Please note, we have allowed for price inflation of 2.5% each year to give you an indication of how much the future income payments and future annuity would be worth in today's terms.

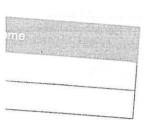
Please take this opportunity to consider whether your Account still meets your aims. If you feel that these have changed, or require advice on the options available to you, then please consult your financial adviser.

# Transfer value of the Retirement Income part on 13 July 2014

Retirement Income £27,363.14

- The transfer value shows what the Retirement Income part of your Account might have been worth if you had transferred to another pension plan on the date shown. The transfer value is not guaranteed.
- For certain types of investments, we have used the latest estimated value available to us in calculating the transfer value.
- The value of investments can fall as well as rise. Exchange rate fluctuations can cause the value of investments denominated in foreign currencies to fall or rise.

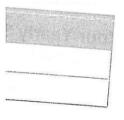
The actual value of the Retirement Income part of your Account will depend on the prices at which assets are sold and any costs incurred, and so may be less or more than the amount shown.



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Government

#### Retirement Income

We've also assumed that:

- your annuity will be paid for a minimum period of 5 years.
- if you die during the minimum period, the full amount of your annuity income will continue to be paid until the end of the minimum period.

#### After 10 years

If investments grow each year at	Lower Rates	Middle Rates	Higher Rates
your Retirement Income value could be	£10,000	£13,300	£17,500
which could give you :			
a taxable yearly income of	£459	£773	£1,240

#### At age 75

If investments grow each year at	Lower Rates	Middle Rates	Higher Rates
your Retirement Income value could be	£2,800	£5,070	£8,950
which could give you :			
a taxable yearly income of	£179	£386	£798

The illustrations show, in today's prices, the final Retirement Income value and annuity income that might be payable.

These illustrations are designed to show you alternative options.

- Price inflation reduces the worth of all savings and investments over time.
- These figures are only examples and aren't guaranteed they're not minimum or maximum amounts and could be
  less than the amount(s) paid into Retirement Income. What you will get back will depend on a number of factors
  such as:
  - how your investments grow;
  - the tax treatment of the investments;
  - the retirement income you take;
  - the actual age you choose to take your benefits; and
  - how much it costs to convert your retirement fund into pension income.
- Other firms may use different rates of growth for their illustrations and charges may vary. Firms generally use the same rates as each other to show how retirement funds may be converted into pension income.
- To help keep track of your Account, we'll send you a statement each year.
- The amount of this pension income should be compared to the pension income that you could have bought at 13 July 2014, shown below.

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ation of 2.5% each year. Int might be if investments ncome. Your chosen

ount and/or Fixed Term Scottish Widows

	r Rates	
e in year re lax	Value at en	
970	£24,600	
922	£23,700	
876	£22,800	
717	£22,100	
375	£21,400	
334	£20,700	
378	£19,900	
37	£19,100	
i97 ·	£18,300	
96	£17,500	
30	£13,300	
27	£8,950	

## What are the growth rates used in this illustration?

The investment growth rates we use can vary between the funds you choose. All these rates take into account price inflation of 2.5% each year. In this illustration, the growth rates each year we've used are:-

Investment	Lower Rate	Middle Rate	Higher Rate
Scottish Widows Consensus Fund*	-0.5%	2.4%	5.4%

The maximum FCA growth rates, taking into account price inflation of 2.5% each year, are a lower rate of -0.5%, a middle rate of 2.4% and a higher rate of 5.4% each year. The rates we've used may be less where we believe the maximum rates overstate the investment potential of a fund.

For each fund, where maximum FCA growth rates are not used, the rates shown are our current range of assumptions for long term future investment growth. We may change any growth rate assumption for future illustrations.

The actual investment growth achieved may be more or less than shown.

\*For the purposes of this illustration, no investment growth will apply to any amount held in the Control Account and/or Fixed Term Cash Deposit. After twelve months, any amount held there will then be assumed to be invested in the Scottish Widows Consensus Fund. The growth rates used for the Scottish Widows Consensus Fund are shown in the table above.

## What investment growth will you need to maintain your pension income?

You should compare the pension income available from the Retirement Income part of your Account with the annuity income you could receive from an annuity bought now. In particular you should decide whether the rate of investment growth you require is realistic. The information below can help you decide.

The following calculations have been performed using guidelines from the Financial Conduct Authority (FCA).

### Investment growth required to provide the same income as an annuity

The following table shows the investment growth required to provide income payments equal to the annuity income you may be able to buy now from the Retirement Income part of your Account. This is commonly referred to as a 'type A' projection. When calculating the investment growth required we have used our current annuity rates. These rates may change at any time. However, we have assumed that the overall cost of annuities is unchanged and, in particular, that the current interest rate assumed in our annuity rates will not alter. Different annuity rates from those used in this illustration may be available on the open market. Your health may also affect the rates available to you.

#### Retirement Income

Whan you buy an annuity	Yearly investment growth required (taking into account price inflation of 2.5% each year	
After 10 years	2.36%	
At age 75	2.17%	

Taking into account price inflation of 2.5% each year, the current interest rate assumed in the Government Actuary's Department table for calculating upper income limits is 0.49% each year. This means that if you buy your annuity when you are 75, the Retirement Income part(s) of your Account must achieve an investment growth of 1.68% above the current interest rate between now and then.

Remember that the value of your Account can go down as well as up. For example, the value could drop substantially shortly after the statement date. In this case you will need investment growth to be significantly higher than the rates shown above over the remaining period of your Account.

