



Retirement options made simpler

Making the right decision

Standard Life 

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“I know there are decisions to be made on my retirement and I want what’s best for me.”



It's time to decide

Remember when you first decided to take out a pension? It might have been many years ago, but at that time you probably had a picture of how your retirement might be.

Now you have a clearer idea of how much is in your pension pot, it's time to turn your attention to how you'd like your retirement income. There are lots of options and we can't stress how important it is that you take time to make the right decisions.

We have a great deal of experience in helping people make it through what can seem like a confusing process.

Just one call to Standard Life Direct can clear up any confusion and help shape your retirement plans the way you want them to be. The way you hoped they'd be when you first decided to start a pension.

Standard Life Direct is provided by Standard Life Client Management Limited who advise on, and sell products from subsidiaries of Standard Life plc and some external providers.



Just one conversation with Standard Life Direct can help you with your retirement options.

0845 278 5625

Call charges may vary and calls may be recorded.

Your options

Your retirement options start with three broad choices. It's up to you to decide what's best, but we'd like to offer some expert help. With just one call we can talk you through the three options – and save a lot of research.

1. A tax-free lump sum

If you have a pension and are 55 or over you can normally take a tax-free lump sum of up to 25% from your pension pot. Sometimes you might be able to take more than this – depending when your pension first started.

However, taking a tax free lump sum will mean you have less in your pension pot to take an income from in the future. If this is something you are considering, why not give us a call and we can talk it over.

Taking a smaller amount

If you'd like to release some money from your plan, but not the full 25% tax-free lump sum, you can do this too. This is just one of the choices we can discuss.

Taking all of your pension as a lump sum

If your total pension pot is less than £18,000, you might be able to take it all in one lump sum payment. 25% will be tax-free, and you might have to pay tax on the rest. You can only do this if you're over 60.

You've decided on your tax free lump sum. Now, provided you still have a pension pot, you need to think about how you'd like to take the rest as an income.

**If you know what you want
from your retirement, but aren't
sure how to put it all into place -
Standard Life Direct can help.
Call 0845 278 5625**

2. Annuity - fixed income

This is the traditional way to get retirement income. First you can take your tax-free lump sum, the remainder of your pension buys an annuity. This gives you a guaranteed regular income for life. The income varies depending on the type of annuity you choose and your personal circumstances. We can talk you through your annuity choices and what your retirement income could be.

You can even get your annuity from another provider. Rates and products will vary between companies.

3. Income Drawdown - flexible income

This option allows you greater flexibility. After you've taken a lump sum the remainder of your pension pot continues to be invested to allow it to grow. You can carry on making payments.

Income Drawdown is like any other investment and the value may go down as well as up and it may not provide as much as an annuity. When you call us we'll talk about your eligibility.

Both annuity and Income Drawdown are subject to tax.

Delaying your decision

You can opt to delay taking your tax free lump sum or your income. However, you should normally take your tax free lump sum before you are 75. If you do delay your decision it is worth remembering that your pension will continue to be invested. This means that the value can still go up as well as down and you may not get out what you put in. Annuity rates change and tax legislation may change so there's no guarantee that you'll be better off in the future.

Multiple pensions

If you have more than one pension, even pensions with other providers, we can combine these to give you a better idea of your total potential retirement income.

Check your policy terms as you may be opting out of benefits or may be charged.

How much do you have?

Total less than £18,000	£18,000 to £50,000	More than £50,000
Smaller Funds	Annuity	Income Drawdown or annuity

Fixed income

After you've taken a lump sum, if you still have funds in your pension pot, it will then be time to decide how you'd like to take your income. You'll have two choices – fixed or flexible.

Annuity

A lifetime annuity is the traditional way to receive your pension income and it gives you a guaranteed regular income for life. There are different types of annuity and you can choose different options within each of these annuities.

A Standard Life annuity has a wide range of options to make sure that the income you get is right for your needs.

With just one simple call we can help you make the right decisions for your future. There are no forms to complete so we can normally pay out your tax-free lump sum and set up your annuity within 5 days.

A Standard Life annuity has a wide range of options to make sure that the income you get is right for your needs.

What can affect your income?

There are a number of factors that can affect the retirement income you'll receive. For example:

Age

One of the annuity income calculations is how long you're likely to live. If you start taking money age 55, your income is likely to be lower. People are living longer and the amount paid out has generally reduced over the last few years.

Gender

Women generally live longer than men, so a woman is likely to get a lower income than a man of the same age with the same size pension fund.

Health

Someone with a chronic illness is, statistically, likely to die sooner than someone in good health. If your health is poor we can help you get quotes for a specialised annuity that could mean a higher income.

Dependants

If you decide to provide for your husband, wife, civil partner or children your income will be reduced. You'll need to make this decision when you set up your annuity, it can't be changed later.

Inflation

Income is expected to be paid over a longer period of time these days. This means income can be reduced by life expectancy AND by the effects rising prices could have on your income.

Where you live

More and more companies are now using statistics about life expectancy in different areas of the country. So where you live can also affect how much you get.



Call Standard Life Direct to talk through your fixed and flexible income options on

0845 278 5625

Flexible income

Income Drawdown

If an annuity is not flexible enough for you, you might prefer Income Drawdown.

Choosing this option allows you greater flexibility to take all or part of your pension pot as a lump sum – with or without a regular income. The remainder of your pension pot is still invested. Income Drawdown is like any other investment and the value may go up as well as down. Income Drawdown allows you to continue to make payments and you can still buy an annuity at a later date, if you want to.

Income Drawdown doesn't offer you the same security as an annuity, but if your pension is worth more than £50,000 it does add flexibility. If you are interested, or want to find out more about this option just give us a call and we can discuss eligibility, risk and income limits.

How does it work?

The features of Income Drawdown are:


- ▶ you can take out a tax-free lump sum without taking income immediately, or
- ▶ you can take the tax-free lump sum and take a flexible income, and
- ▶ still have the option to buy an annuity in the future

The amount of income you can drawdown is dependent on the value of your fund. And we do advise regular reviews to check your fund level can sustain your income level. Charges may also apply.

More choice inevitably means more rules. We can tell you if you're eligible to carry on investing in this way – even if you've already taken some money out of your pension. If you're interested in Income Drawdown please call us or speak to your financial adviser first.

This table shows some of the different choices available between an annuity and Income Drawdown.

	Annuity	Income Drawdown
Can you take a tax-free lump sum?	Yes	Yes
Will you get a secure income for life?	Yes	No
Can you make changes to your income?	No	Yes
Can you provide for someone else after you die?	Yes	Yes
Do you control where your money is invested?	No	Yes
Can you stop taking income for a while?	No	Yes
Can you take out income in varying amounts?	No	Yes
Is the income subject to income tax?	Yes	Yes
Can you transfer the plan to another provider?	No	Yes
Is this plan suitable if you have less than £50,000 in your pension plan?	Yes	No

A man and a woman are riding bicycles together on a scenic path. The man is in the foreground, wearing a light blue sweater and dark pants, smiling as he looks towards the woman. The woman is in the background, wearing a brown sweater and pink pants, also smiling. They are riding on a paved path with a view of a beach and the ocean in the background. The sky is overcast.

“After deciding on my tax-free lump sum, my income decision just made perfect sense.”

Getting your decision right

So, how important are the decisions you're being asked to make? We think it's not being dramatic to say they'll help shape the rest of your life.

The most important thing right now is that you find a balance amongst the options available, one that's right for you – especially if you're choosing an annuity.

That's why we think it would be valuable to take advice from people with the expertise and experience to help you get your decision right.

At Standard Life Direct we've been helping people take the right retirement options for decades. We'll use our knowledge to explain the pros and cons of the options you plan to take, so you have a clear picture of what will happen and can start your retirement confident of your future.



**Just one call to Standard Life Direct
can help shape your future.**

0845 278 5625

Why call Standard Life Direct?

When you call Standard Life Direct we hope to give you all the information and help you need to make important retirement decisions after just one call. When you call us:

- ▶ your call is NOT scripted
- ▶ we will discuss the different options together, talking over the benefits as well as the risks involved in each decision
- ▶ the person you speak to understands your retirement options and will help you get them right
- ▶ it's your decision. You decide what you want and where you get it from – even if that means getting services from another provider
- ▶ the purpose of the call is to give you the information you need to make the choices that are right for you – not to sell you additional products
- ▶ you'll speak to the same person each time you call
- ▶ most customers have no forms to fill in
- ▶ all calls are to a UK call centre

We believe one call to Standard Life Direct will shape your future.

99%* of people who called Standard Life Direct had a better experience with us than with other providers.

Find out more

Call us on **0845 278 5625**

We're open Monday to Thursday 9am to 8pm, Friday 9am to 6pm and Saturday 9am to 1pm. This isn't a free number so call charges may vary. We might record or monitor your call to make sure you get the best service.

www.standardlife.co.uk

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