



Looking to transfer your pension plan to Fidelity?

Do you know the advantages and disadvantages of transferring a pension account?

Over the course of your working life it is likely that you will work for several different employers, each providing different employment benefits. One of the most important benefits you are likely to be offered is pension plan membership – to provide a retirement income for your future. If you have pension benefits from previous employments it may be possible for you to move these to Fidelity.

This leaflet provides some important information regarding why you may, or may not, wish to proceed with a pension plan transfer to Fidelity. You should read it carefully and also consider obtaining financial advice before going ahead with any transfer.

The advantages of transferring...

There are a number of reasons why you may want to consider moving your accounts to Fidelity:

- **One administrator** – having only one pension plan administrator means that you will receive only one set of paperwork, making it easier for you to manage your pension accounts, and if you have any queries our dedicated UK based Fidelity's Pension Service Centre can assist on **0800 3 68 68 68** or **fidelitypensions.co.uk**.
- **Innovative services** – in addition we also offer a range of first-class innovative services to help you manage and understand your pension accounts. Examples include our online PlanViewer service, allowing account access at your convenience, and our retirement planning tools.
- **Potentially wider investment choice** – you will have access to our wide choice of funds and fund providers. This may be particularly useful to you if your current pension plan arrangements offer limited investment choice. You should compare the types of funds in your existing arrangement(s) with those available in your Fidelity arrangement.
- **Potentially lower charges** – at Fidelity we try to keep our fees and charges as low as possible, with no charges for switching funds, to allow more of your contributions to work for you. You should compare our fund charges with your existing arrangement(s).
- **Retirement flexibility** – your previous plan may restrict your options at retirement whereas your Fidelity plan may offer the full range of new pension flexibilities.

The disadvantages of transferring...

There are many different types of pension plans and transferring existing accounts may not be suitable for everyone. As with all financial decisions there are important factors to consider:

- **Existing benefits** – the most important relate to existing benefits you are entitled to, which you could lose if you transfer. This could impact you if you have any accounts that allow you to:
 - retire earlier than the standard minimum retirement age of 55
 - take flexible or phased retirement, retiring gradually over a period of time
 - have more than the standard 25% tax-free cash lump-sum upon retiring
 - have a guaranteed annuity rate
 - receive a defined benefit/final salary pension at retirement, a pension promised by your employer and based on the level of your pay, often at the date of leaving
 - have inflation protection, or allow “linking” of service years as one continuous period of employment, as with public sector pension schemes, such as teachers, nurses etc.
 - have any other minimum pension benefits.
- **Small pots** – if the value of a pension account you hold with another provider is below £10,000 when you reach the age of 55, you may be able to take the value of that account as a lump sum under small pots commutation rules. If you decide to consolidate other pension accounts you may have into your Fidelity pension account you may push the combined value above the £10,000 threshold and therefore lose this option.
- **No guarantees** – you should also remember that there is no guarantee that transferring your pension account will result in a higher retirement income. Past performance is not a reliable indicator of future results and you may receive a higher or lower pension in retirement than that you could have received if you had decided not to transfer.
- **Exit penalties** – you should also check to see if there are any exit charges, or penalties if you transfer out of your current plan, as this could impact the future value of your pension account.

...and other factors to consider

- **Comparing pensions and providers and getting financial advice** – before going ahead with a pension transfer we strongly recommend that you undertake a full comparison of the charges, features and services your pension offers against the benefits that Fidelity can provide. This may involve checking on the financial position of your existing plan and requesting a transfer value analysis. A Financial Adviser will be able to assist you in your decision. **Further information is available from the Money Advice Service at www.moneyadvice.org.uk, or you can call them on 0800 138 7777.**
- Transferring a pension that contains any kind of promise or guarantee requires careful consideration. This is because the benefits are normally lost once you transfer and cannot usually be reinstated. The value of some benefits can be substantial and a transfer, giving them up, may prove to be both costly and inappropriate.

We may, at our discretion, accept a transfer from a pension that contains such benefits, provided that our requirements have been met. Generally, you must have taken financial advice before transferring a defined benefit scheme (for example a final salary or career average pension) or any pension containing safeguarded benefits. Common examples of safeguarded benefits include guaranteed minimum pension (GMP), reference scheme test benefits (RST) and guaranteed annuity rates (GAR).
- For more information on your options or what we may need from you in order for the transfer to proceed, you can contact us on **0800 3 68 68 68** or email us at **pensions.service@fil.com**.
- Fidelity only gives information about products and services and does not provide investment advice based on individual circumstances. If you would like advice, please contact a Financial Adviser.

Next steps...

If you would like to proceed with a pension transfer to Fidelity please complete a pension transfer form and return to Fidelity

