

PENSION ANNUITIES – CASH BACK EXPLAINED

- This document should be read in conjunction with our standard terms of business.
- Please return all completed application forms to us to ensure you obtain your cash back.
- If you need any help please call us on free phone 0800 409 6060.
- Write to: My Personal Finances Ltd, FREEPOST NAT14846, EDINBURGH, EH6 6ZQ.

This document explains the benefits of using My Personal Finances Limited cash back discount direct service to purchase your pension annuity.

DISCOUNT DIRECT CASH BACK SERVICE

Our discount direct cash back service is designed for any investor who wants to make his or her own decision regarding the purchase of their retirement annuity and who does not require any advice.

The example below shows the advantage of dealing through our discount direct cash back service.

EXAMPLE OF DEALING DIRECTLY WITH AN INSURANCE COMPANY

Purchase Amount	£100,000
Annuity Rate (assumed 65 male)	7.45%

EXAMPLE OF DEALING THROUGH OUR DISCOUNT DIRECT SERVICE

Investment Amount	£100,000
Annuity Rate (assumed 65 male)	7.45%

Tax Free* Cash Back To You **£1001**

** based on our understanding of Revenue & Customs statement of practice.*

If you invest directly with an insurance company the standard charges and annuity rate are the same for annuity purchases made via our discount direct cash back service.

If you deal directly with an insurance company then typically they will keep the commission for themselves. Commission is automatically included in the total level of charges applied to your annuity, it is not charged in addition to the insurance company's own charges; the insurance company simply retains all of the charge and makes more profit.

Annuity purchases made through our cash back service are still eligible for any enhancements offered by the insurance company, all of our discounts are in addition to standard product and special offers.

Cash back is normally paid within three months of receipt of the commission from the insurance company.

NO ADVICE

Using our discount direct service means you will not receive advice on the purchase of your annuity. Other than asking some questions to narrow down the selection of products that we have provided details on, we will not provide you with any advice, or comment on the suitability, or affordability, of your annuity purchase.

You will need to make your own choice about how to proceed.

If you require advice on your annuity purchase with an individual recommendation, our private client division provide fee based independent retirement advice. Please refer to the cost of our service document for details of our fee structure and costs.

NO ONGOING SERVICE

To provide you with the best possible discounts we will not provide you with any on going service. Although we will be registered as the servicing agent we are NOT acting as your financial advisers.

We will act as your agent to ensure your annuity is set up on the correct basis but once we have issued your policy documentation you will need to deal directly with the insurance company for any future administration issues. Please remember that at all times your annuity is held and administered directly by the insurance company.

PRODUCTS AVAILABLE

All types of annuity including; compulsory purchase annuities, open market option annuities, impaired health annuities, smoker annuities, with profit annuities and purchased life annuities.

If you wish to obtain your annuity from your existing pension provider and you appoint us as your agent you can also benefit from our cash back service where commission is payable.

THE CASH BACK

We guarantee **we will only take a fixed commission of £499** for standard annuities in excess of £50,000 regardless of the size of your fund (£699 for impaired health, smoker and with profit annuities) and the insurance company you choose. All commission in excess of this will be given to you as our cash back discount. Typically this is 0.75% - 1.5% of the amount used to purchase the annuity. We do not pay cash back for annuities less than £50,000.

We will confirm the exact cash back to you in writing before you proceed.

LOYALTY CASH BACK SERVICE

If you hold existing investments consider joining our loyalty cash back service. Please call us on free phone 0800 409 6060 for more details, alternatively, full details can be found on our website: www.mypersonalfinances.co.uk