REDSWAN SIPP
(the "Plan")

Key Features & Introductory Guide

REDSWAN SIPP

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Introduction

The Redswan SIPP is a self-invested personal pension plan, or "SIPP" for short.

As the name suggests, it is a personal pension plan, which is a long-term investment primarily designed to provide an income for you in retirement. The self-invested reference is to the Plan's flexibility for **you** to be able to make **your own** investment decisions.

It's all about giving you control as you also have maximum flexibility over the level of contributions and benefits, within the confines of legislation.

Under previous legislation it was a requirement for SIPPs to have a large financial institution as the provider; ours was the Bath Building Society. Since SIPPs became regulated by the Financial Services Authority (now the Financial Conduct Authority) in April 2007, a provider is no longer needed but we have maintained our relationship with Bath Building Society.

The Plan is run in accordance with legislation and its trust deed and rules (as amended) by the trustees (Redswan Pensioneers Ltd & Redswan Trustees Ltd), who independently hold all of the assets, and the Administrator (Redswan Ltd).

The Redswan SIPP is a registered pension scheme with HM Revenue & Customs ("HMRC") under Chapter 2, Part 4 of the Finance Act 2004, reference 00664779RC.

May, 2015

REDSWAN SIPP

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The Financial Conduct Authority is a financial services regulator. It requires us, Redswan Pensions, to give you this important information to help you to decide whether our Redswan SIPP is right for you. You should read this document carefully so that you understand what you are buying, and then keep it safe for future reference

Its Aims

- To provide you with a tax-efficient way to save for retirement.
- To give you the option to take a tax-free cash sum and pension income where required.
- The ability to take your benefits in stages.
- To provide a lump sum and/or pension income for your dependant(s) after your death.
- To give you maximum control over your pension savings by giving you the ability to direct your own investments from the wide range allowed by HMRC, together with your financial adviser (if any).
- The ability to take an income from the Plan while keeping your funds invested in a tax-efficient manner.
- To give you flexibility and control over the level of your pension income, subject to the limits set by HMRC.

Your Commitment

- To pay single and/or regular contributions and/or transfer existing/previous pension benefits in to the Plan.
- To tell us if you stop being eligible for tax relief or any other changes to your personal circumstances that might affect your SIPP.
- With our help, to comply with HMRC's rules and regulations.
- To comply with our terms of business and pay your SIPP's charges as set out in your fee specification.
- You must normally wait until age 55 before you are able to take any benefits.
- To review your contribution levels.

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- To determine, in conjunction with your financial adviser (if any), a personal and suitable investment strategy and to keep it under review (particularly if drawing income from the Plan).
- When drawing income from the Plan, to regularly review it in conjunction with your financial adviser (if any) against the merits of purchasing an annuity with an insurance company.
- Your Plan cannot be encashed at any time (but it can be transferred elsewhere within HMRC rules, subject to the transfer charge in our fee specification).

Risk Factors

- If you are transferring other pension benefits in to the Plan, there is no guarantee that you will receive greater benefits than you would have received from the other scheme. There may also be other valuable benefits or guarantees you are giving up. We recommend you always seek the advice of an independent financial adviser specialising in pensions to assess the viability of any pension transfer.
- There may be penalties on the existing pension plan for transferring.
- You could lose a valuable with profits terminal bonus by transferring from your existing scheme.
- If you have, or intend, registering with HMRC for Enhanced or Fixed Protection (see later), you will lose that protection by the payment of an additional contribution from any source.
- Recycling tax-free cash sums (where your pension contributions increase after you have taken tax-free cash) could leave you with a tax charge.
- Interest rates can fall as well as rise. If they go down, the pension you may buy at a later date may be smaller.
- Investments can fall in value as well as rise. What you get back from the Plan depends on their performance and is not guaranteed. Past performance is not a guarantee of the future.
- Different investments have different levels of risk associated with them. You, together with your financial adviser (if any), are responsible for ensuring they meet your and your beneficiaries' requirements.
- Certain investments, such as property, may take longer to sell than others. You may need to take this in to account when taking your benefits.
- Property valuations can be a matter of subjective opinion by a valuer.

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- For the majority of transactions, the Plan has fixed charges. Its value for money depends on the size of your pension savings in comparison to the initial and ongoing costs, which may increase in the future. Costs vary depending on the type and frequency of investment you choose. If you frequently transact, or have a smaller fund, your pension savings may be eroded by disproportionate Plan charges to the value of your SIPP.

- Taking income from your Plan may erode its value, especially if its investment returns are poor (after charges) and you choose a high level of income. The higher the level of income you choose, the greater the probability it cannot be sustained. This can result in a lower future level of income from the Plan or a reduced insurance company annuity for you and your dependant(s).

- If you buy an insurance company annuity, you benefit from a cross-subsidy from people living shorter than expected. This means that people living longer than average benefit from their earlier death. You do not have the benefit of any cross-subsidies in the Plan if you delay buying an insurance company annuity.

- If you choose to take an income from the Plan, you no longer have to buy an insurance company annuity when you reach age 75.

- Annuity rates are volatile and there is no guarantee they will improve in the future. If you decide to purchase an insurance company annuity, there is no guarantee that the income you will receive will be better than that you could have secured initially or you were previously receiving from the Plan.

- After age 75, any lump sum death benefit will be subject to tax at 45%, which is proposed to change to be at your beneficiaries' marginal rate of tax from the tax year 2016/7.

- Tax rules and legislation may change.

- Our fees may increase, although we will give you advance notice as detailed in our fee specification and terms of business.

- If you transfer your funds away from the Plan, a transfer charge applies as detailed in our fee specification. There may also be external charges associated with re-registering or liquidating certain investments.

What is a SIPP?

SIPP stands for a self-invested personal pension.

It is a personal pension that gives you the ability to save for your retirement in a tax-efficient way but with greater control and flexibility compared to most personal pensions.

Is it a Stakeholder Pension?

No.

A stakeholder pension has minimum standards set by the government over charges, contributions and terms and conditions. The Plan is not a stakeholder pension because it has fixed charges that may be higher (depending on the size of your pension savings) than the government standards.

A stakeholder pension may meet your needs at least as well as a SIPP and, if you are in any doubt, you should seek the advice of an independent financial adviser.

Why Have a SIPP?

- ### Simplicity

Most people find pensions and the terminology associated with them perplexing: allocation rates, bid-offer spreads, capital/accumulation units etc. On the other hand, most people are comfortable with how a bank account works; for a SIPP, it is the bank account that is the backbone of its operation.

For example, a SIPP member wants to pay in £10,000, so a bank account is opened with Bath Building Society in your SIPP's name to receive it. He then wants to buy £5,000 worth of shares at £2 per share. He will see £5,000 leave his SIPP bank account to be replaced by 2,500 shares.

- ### Charges

Our fees are transparent; they do not vary with the size of investment or your overall fund value and there is no requirement to make minimum contributions. Please see the fee schedule available from Redswan or our website for full details.

Our fees are supplemented by commission we receive from the aggregate of the bank account balances held within the individual SIPP Bath Building Society bank accounts.

- ### Control

Apart from the restrictions imposed by legislation, **you** have total control over where you want **your** pension fund invested.

You can, if you wish, invest in a very wide range of financial instruments; appoint your own investment manager (eg, a stockbroker) to do it for you; invest in commercial property; or, just simply leave the money in the bank account until the right investment opportunity comes along.

Can I Join?

To apply, you must be under the age of 75.

If you are under the age of 18 your application must be completed by a parent or legal guardian.

How are Contributions to the Plan Made?

When you join, by default, a bank account is opened in your name with Bath Building Society. This is used for the flow of all monies to or from your Plan.

Contributions may be made in the following way:

- by cheque at any time;
- standing order, which can be monthly, quarterly, bi-annually or annually.

If you are paying a contribution at the same time as establishing your Plan, this is paid by cheque to "Bath Building Society re [Your Name] Redswan SIPP."

Once your Plan's bank account is established, you will receive your own unique reference and that will be used for any future payments, including standing orders.

What if I Want to Stop Paying?

As there are no compulsory contributions, should you cease contributions your accumulated funds remain invested but you should bear in mind that your benefits will not be as high as if you had continued to contribute.

Can I Alter my Contributions?

Absolutely, at any time, without penalty.

How Much Can I Contribute?

- ### Personal Contributions

To contribute, you must be aged less than 75 but there is no compulsory requirement to contribute anything at all. For example, your SIPP may be entirely funded by transfers in from previous pension arrangements.

In theory, there is no limit to the amount you may contribute but HMRC will only give you tax relief, if you are eligible, on personal contributions up to £3,600 or 100% of your gross earnings each tax year, whichever is higher. Employer contributions can be paid in addition, subject to the limits below.

• Annual Allowance

Everyone can pay, and receive tax relief on, contributions up to £3,600 gross each year. You can pay in more than this and still receive tax relief, based on the lower of your UK relevant earnings and the Annual Allowance (set by HMRC), which is £40,000 pa from 6 April 2014. The Annual Allowance applies as a total limit on personal tax relief across all of your registered pension schemes in a tax year. It covers:

- your payments;
- employer payments made on your behalf;
- any increase in the value of retirement benefits you may earn from a final salary/defined benefit arrangement.

If you have been a member of a registered pension scheme but have not fully used your available Annual Allowance from up to the previous three years you may be able to "carry forward" that unused allowance. Please ask for more details.

Please refer to the later section on tax that details how tax relief is granted and the limits applying.

The Annual Allowance does not apply in the year of death or where benefits are taken early as a result of serious ill health.

If you take pension income from any pension fund by way of flexi-access drawdown or pension capital withdrawal (see page 14), the maximum you may contribute reduces to £10,000 (2015/16 tax year).

If you are currently taking income from your fund via capped drawdown (see page 14) and remain within your current maximum income limits, then the full Annual Allowance will still apply.

The Annual Allowance does not include transfers in from other pension arrangements as they have already qualified for tax relief when the contributions were originally invested in a pension scheme.

Any contributions over the Annual Allowance will be taxable at an 'appropriate' rate set by HMRC. The amount of tax charged will be your highest rate of tax determined by your individual circumstances based on your income and the amount by which you have exceeded the Annual Allowance. In some cases it may be possible to make larger contributions in a particular tax year. As this is a complex area you should talk to your adviser if you think you may be close to, or exceed, the Annual Allowance.

• The Lifetime Allowance

The maximum total value that all your pension arrangements can reach without incurring special tax charges is called The Lifetime Allowance (LTA), set at £1.25 million with effect from 6 April 2014 (reducing to £1m from 6 April 2016).

You may have to pay tax on the value of the excess over the LTA when you take your benefits. If you already had a pension fund on 5th April 2006 you may have already taken steps to avoid this tax charge by applying for "Enhanced" and / or "Primary" Protection. If you think that either of these measures apply to your pension you should speak with your adviser, especially before you pay money into your Redswan SIPP.

Every time you take benefits from your Redswan SIPP some of your LTA is used up and checks against the LTA are carried out at various points, including:

- whenever you take part of your fund for a tax-free lump sum and start drawdown and / or pension or annuity purchase;
- when funds used for drawdown are used for pension and / or annuity purchase.

At each of the above stages an allowance is made for any tests previously carried out.

Special tax charges apply to any further benefits once the LTA has been used up. The current tax charge is 55% where the excess over the LTA is taken as a lump sum or 25% where the excess is taken as pension (because the pension attracts PAYE tax).

Do I Qualify for Tax Relief on my Contributions?

To get tax relief on your personal contributions you must be a "Relevant UK Individual". Briefly, this means you:

- are resident in the UK for tax purposes; or,
- have relevant UK earnings; or,
- were a UK resident sometime in the previous 5 tax years and when you joined; or,
- have, or your spouse / civil partner has, earnings from overseas Crown employment subject to UK tax.

How Do I Get Tax Relief?

- ### Individuals

Relevant UK Individuals pay personal contributions net of basic rate tax, currently 20%. For example, if you wanted to make the maximum £3,600 contribution without reference to earnings, you would actually write a cheque for £2,880. The difference (£720) would be reclaimed from the Government and be credited to your SIPP bank account in about 6-11 weeks.

If you pay higher or additional rate tax you reclaim the extra relief as part of your self-assessment return each year. Contributions paid on behalf of a child or someone else still have basic rate tax deducted, if applicable, as above, but you are unable to claim any higher rate relief.

You will need to tell us if you cease to qualify for tax relief.

- ### Employers

Employer contributions in to the SIPP are paid gross and are usually deductible as an allowable business expense under the "wholly and exclusively test". Contributions by controlling directors and people connected with them (eg, spouses working in the same business) may need to be looked at as part of the overall remuneration strategy to ensure they satisfy the test – contact your accountants for further guidance.

- ### Investments

As an HMRC registered pension scheme the investments are free of income and capital gains tax. The only exception is that tax credits on UK and some overseas dividend income cannot be reclaimed.

Transfers In

As well as being able to accept direct contributions from you and / or your employer, the Redswan SIPP can receive transfer payments from other registered pension schemes.

Please note that transferring pension benefits is a complicated area. It is recommended that you seek independent financial advice specific to your own or company's financial circumstances from a suitably qualified pensions adviser.

If you wish to transfer in other pension benefits, please complete our transfer form for each one you wish to transfer.

Transfers Out

You can transfer your funds away from the Plan at any time but if you are receiving income from the Plan, you can only transfer to other registered pension schemes established for this purpose.

There is a charge to transfer out, as detailed in our fee agreement, and you may also have to pay additional fees associated with re-registering or liquidating certain investments.

What Can I Expect When I Take my Benefits?

You can start taking your benefits at any time from age 55 You do not need to stop working or retire.

- ### Impartial Pensions Guidance

As individuals have been granted greater freedom over taking their retirement benefits, the government has introduced free, impartial guidance to help people make informed decisions via:

  - Pension Wise (www.pensionwise.gov.uk);
  - face-to-face through Citizen Advice Bureaux;
  - telephone with The Pensions Advisory Service.

- ### Tax-Free Lump Sum

Up to 25% of the lower of your accumulated fund and lifetime allowance can usually be taken as a cash sum, tax-free under current legislation.

If you have:

  - registered for protection with HMRC; or,
  - a protected lump sum from a block transfer to your SIPP

you may be entitled to a higher tax-free lump sum and you will need to provide us with details.

Warning: if you have taken tax-free cash and recycle some or all of it, either directly or indirectly, by way of increased pension contributions, you could face a tax charge. Please get in touch for further details.

Pension Income

From the age of 55 (57 from 2028), you have choices on how to take your Plan pension benefits. These include:

  - a pension capital withdrawal (formally called an 'uncrystallised funds pension lump sum' in legislation, which simply means funds from which you've yet to take any benefits, ie 'crystallise' them).

    Here, you tell us how much you wish to withdraw from your SIPP and up to 25% may be paid tax-free, with the rest being paid under PAYE at your highest marginal rate.

Example: Mrs Jones has £100,000 in her SIPP. She has never crystallised any benefits and she wishes to take £40,000 by way of pension capital withdrawal. 25% (£10,000) is paid tax-free and the £30,000 balance is then paid to her under PAYE. Mrs Jones still has £60,000 uncrystallised funds left in her SIPP, from which she can take a future capital withdrawal or a tax-free lump sum and/or an income;

- a tax-free lump sum – this is known as a 'pension commencement lump sum' and allows you to take up to 25% of your uncrystallised fund as a tax-free lump sum, with the balance used to provide a pension income.

  Example: Mr Smith has £100,000 uncrystallised funds in his Redswan SIPP and he now wants his maximum 25% tax-free lump sum, leaving £75,000. As he has taken his maximum lump sum, no more can be paid from these residual funds in the future;

- taking an income taken directly from your fund – this is known as 'drawdown pension' – and is usually from the crystallised funds after taking a tax-free lump sum. (It is possible to designate funds from which no tax-free cash has been taken in to drawdown but, if you do this, you will then lose the right to take any tax-free cash from them).

  The drawdown pension can be from zero to as much as you like, even up to exhausting your entire accumulated fund. There are, in fact, two distinct forms of drawdown pension, as follows:

  1) capped drawdown – where you have previously accessed your funds under the rules that applied before 6 April 2015, whether by a lump sum and/or income, and means that the level of income you could receive is 'capped' at a maximum level.

     In many cases this type of drawdown can continue after the 6 April 2015 and one of the possible advantages is that your potential maximum pension contributions may remain at the higher level. You may convert to flexi-access drawdown;

  2) flexi-access drawdown – this is the name that applies to drawdown that starts after 6 April 2015. When you access your pensions savings in this way you can choose to take all or part of of them. In other words, there is no limit on the maximum amount you may choose to take.

Note: if you take income from *any* pension fund, not just this one, by way of flexi-access drawdown or pension capital withdrawal, the maximum you may contribute reduces to £10,000 (2015/16 tax year).

You can also purchase an annuity with all or part of your pension fund – an annuity is a guaranteed income you receive in exchange for the fund used to buy it. Annuities can be short term (eg, five years) or payable for life, and – where you choose – payable for the lifetime of your spouse or civil partner. The annuity would be purchased through, most typically, an insurance company.

The pension benefit options are summarised below:

OPTION	FROM AGE 55
	AVAILABLE FROM UNCRYSTALLISED FUNDS ONLY
Take a withdrawal of capital (an 'uncrystallised funds pension lump sum')	You may take your entire fund – or part of it – as a one off lump sum at any time. Up to 25% may be paid tax-free and the rest is then paid under PAYE at your highest marginal rate
	OR
Take a tax-free cash sum	Up to 25% of your fund can be taken as a tax free lump sum. The balance is used for income drawdown, buying an annuity or even a combination of the two.
	FROM CRYSTALLISED OR UNCRYSTALLISED FUNDS
Draw a pension income directly from your pension fund, often referred to as income withdrawal or income drawdown	The minimum income is zero, meaning you could take the tax free cash sum and then leave the remaining funds invested, or you could take an amount suitable for your personal needs, right up to taking all of your fund.
Use your fund to 'buy' a lifetime or a temporary pension income, often referred to as an annuity	An annuity can be purchased, the amount of which will be determined by the value of your pension fund and interest rates (generally speaking lower interest rates mean lower pension) and the type of pension benefits you are buying (eg, an increasing or level pension and whether any guarantees or dependant(s) benefits are included). If you are in poor health or have a lifestyle that could adversely affect your life expectancy (eg, heavy smoker), then the annuity income could increase.
A combination of the above	You could take a combination of the benefits described above and you do not have to take benefits all in one go. The way in which you take benefits is flexible and can be structured to meet your individual requirements. Any withdrawals will be subject to your highest rate of income tax.

- ### Tax on Pension Income

All pension payments are paid under PAYE but are subject to income tax under at your highest marginal rate.

Can I Take my Benefits Earlier?

The earliest age at which benefits can be taken is 55 (increasing to 57 by the year 2028) unless you are in serious ill-health or your occupation has an HMRC approved lower retirement age.

It is also possible to transfer the value of your SIPP to another registered pension scheme.

Death…

• … in Receipt of an Annuity

If you have bought an insurance company annuity, the death benefits will be those you selected at outset.

• … as a Redswan SIPP Member Before 75

On death before 75, all of the fund in your SIPP may be used to provide benefits in the form of a lump sum and / or tax-free pension for your beneficiaries.

There are 3 options: 1) your beneficiaries can take tax-free income withdrawals from the fund; 2) they can buy a tax-free annuity; or, 3) the entire fund can be taken as a tax-free lump sum.

• … as a Redswan SIPP Member After 75

Whether you have taken benefits by this age or not, then 1) your beneficiaries can take taxable income withdrawals from the fund; 2) they can buy a taxable annuity; or, 3) the entire fund can be taken as a lump sum less a free-standing 45% tax charge (2016/7 proposed to be at their marginal tax rate).

You may nominate your preferred beneficiaries in the form of an expression of wishes.

The Administrator will determine the form of, and who will receive, the death benefits, taking into account your wishes but also having regard to your circumstances following your death. Provided the Administrator is able to exercise its discretion, then any lump sum payable will usually be free of Inheritance Tax.

Investments

You can take a far more active role in the management of the assets of your Redswan SIPP than would be possible via an insured arrangement. For example, the range of assets in which you may invest includes the following:

- ✓ companies quoted on a recognised stock exchange (subject to pre-approval in certain jurisdictions and on certain exchanges, eg AIM and similar);
- ✓ deposits;
- ✓ authorised unit trusts and OEICs;
- ✓ government securities;
- ✓ quoted debentures and loan stock;
- ✓ traded futures and options (relating to stocks and shares on a recognised futures exchange) through your investment manager;
- ✓ hedge funds;
- ✓ exempt authorised unit trusts;
- ✓ insurance company managed funds and unit linked funds;
- ✓ building society permanent interest bearing shares (PIBs);
- ✓ commercial property, with or without a mortgage;
- ✓ agricultural land;
- ✓ second hand, or traded endowment policies;
- ✓ secured loans to unconnected 3rd parties;
- ✓ gold bullion.

Investments that may incur a punitive tax charge and are disallowed include:

- ✗ residential property;
- ✗ unquoted/private company shares;
- ✗ commodities;
- ✗ tangible moveable property (investments you can touch and move, such as fine wine, cars or antiques);
- ✗ loans to the member or connected parties.

Note: you, in conjunction with your financial adviser (if you have one), are responsible for choosing any investment that it is suitable for your personal circumstances and for monitoring its ongoing performance. No responsibility can be accepted by the Trustees and/or Administrator for the performance of any investment or liability associated with it.

• Transactions with Connected Persons

The Plan can transact – on a strictly arm's length basis – with you or persons connected with you. This means your SIPP could, for example, buy a property from you or a member of your family.

To satisfy the arm's length nature of the transaction, an independent professional valuation would be required.

• Borrowing

Borrowing can be for any purpose providing the Trustees are satisfied it benefits the Plan.

The Plan may borrow funds from any individual, company or financial institution but any borrowing from a connected party which is not made on commercial terms will be subject to a tax charge.

The maximum borrowing limit is 50% of your Plan's net funds immediately before the borrowing is to take place, ie it excludes the value of the asset to be purchased and includes any borrowing already in place.

• Commercial Property: Special Considerations

The advantages of purchasing a property through a SIPP are as follows:

- rental income received by the SIPP is tax-free;
- any gains in the market value of the property will not be liable for capital gains tax.

A group of SIPP holders can pool together their SIPP assets and jointly purchase a property for commercial use, which would require a syndicate agreement to be in place on completion. The property must be insured on Redswan SIPP's block policy.

Residential properties are subject to punitive taxation charges but hotels, nursing homes, and public houses and other similar commercial properties may be considered.

A property may be purchased under a SIPP with a mortgage of up to 50% of the net value of your Plan.

Other Information

- ### Financial Advice

We recommend that before making a decision regarding our products and services you should contact an independent financial adviser.

Transferring pension benefits in to the Plan, in particular, can be fraught with pitfalls and our recommendation is that you seek independent financial advice from a suitably qualified pensions adviser.

- ### Important Notice

This booklet contains brief details of the Redswan SIPP. The full particulars are contained in its trust deed and rules (as amended), which will be made available to you on request. In the event of any conflict between this booklet and the Redswan SIPP's trust deed and rules, the latter shall apply.

The law and the tax implications are believed to be correct at the time when this booklet and the accompanying application form were prepared but no responsibility is accepted for any inaccuracies.

- ### Our Fees & Other Expenses

Our fees are due at the time they are incurred, as detailed in our fee specification. They are collected from your Plan's bank account and it is your duty to ensure there is sufficient money in the account to meet them, both initially and on an ongoing basis. If there is insufficient money, we reserve the right to sell investments to pay our charges. Similarly with any external charges/professional fees you may incur with your Plan's operation.

- ### Adviser Fees

The Plan is flexible to allow you to pay your financial adviser an agreed level of remuneration. You have to authorise this on our separate form and the adviser must raise an invoice to the Plan.

Your financial adviser may also receive remuneration for recommending any investments under the Plan, which may be in addition to that for advising on the Plan itself. Again, we rely on you to advise us of the agreed level of remuneration using our designated form.

Warning: if any adviser passes any payment back to you as part of a "rebate", this is strictly against HMRC rules and will result in tax penalties. Your financial adviser will also be reported to their compliance officer.

- ### Cancellation Rights

When we receive a correct application we will send you a cancellation notice (unless you opt to carry out an immediate transaction as described on the application form). You will then have 30 days from receiving the notice to cancel your SIPP by sending the form back to us.

If you do cancel and have paid an initial contribution, we will repay any amount we have received.

If a transaction is in progress then cancelling during the 30 day period may result in a shortfall between the amount you originally invested and the current value of the Plan, which means you may not get back your original investment.

Cancellation rights, and the option to instruct us to transact immediately, also apply to any additional transfer in requests.

Transfer payments will be processed before the expiry of the cancellation notice but providers may not accept any transfer value’s subsequent repayment, or it may be on different terms to those prior to the transfer.

When you first elect to take drawdown pension from your Plan, you will also receive a cancellation notice giving you the right to cancel the option within 30 days. If you exercise it, you will have to repay any tax-free cash sum and/or any pension income that has been paid to you.

There may be certain instructions you give where you wish to make an investment immediately. If this is the case, you must inform us that this is your decision. If you change your mind, this may result in additional costs, expenses and possibly penalties.

Your financial adviser also has a duty to satisfy themselves that you are aware of implications of taking this action.

• What if I Have a Complaint?

Please write to The Compliance Officer, Redswan Pensions, Arc House, 60 Gloucester Road, Urmston, Manchester M41 9AE.

If you are not satisfied with our response, you should write to The Financial Ombudsman Service, Exchange Tower, London E14 9SR. Tel: 0800 023 4 567. Complaining to the Ombudsman does not affect your legal rights.

Complaints about advice from a financial adviser should be referred to them for review under their own complaints procedure.

• Compensation

The Financial Services Compensation Scheme (FSCS) has been set up to deal with compensation if firms are unable to meet the claims made against them.

The amount of compensation available from the FSCS depends on the type of business and the circumstances of the claim. Further information is available from www.fscs.org.uk.