

# Risk warnings

Insert the relevant risk warnings in relation to the products recommended.

The Key Features Documentation provides details on the important areas you should be aware of before committing to take action. However, it is important to inform you of the main risks relating to the products recommended. These are as follows:

## Standard investment warnings

- These recommendations are designed to be medium to long-term – i.e. five years or longer. Cancellation, early encashment or withdrawals may make the return significantly less than the amount invested
- Past performance is no guarantee of future returns
- The price of shares and the income from them can fall as well as rise
- The value of investment is not guaranteed and on encashment you may not get back the full amount invested.
- There are no guarantees that your new contract/funds will outperform those previously held
- A surrender penalty may apply if you encash this investment in the early years
- If withdrawals are made at a rate which exceeds the net growth of the fund, your capital will be eroded
- The recommendations in this report are based on current statutory legislation and our understanding of such. However, the law relating to taxation and practice is always subject to change and cannot be foreseen
- You will be given an opportunity to reconsider your decisions in the form of statutory ‘cooling off’ or ‘cancellation period’. Cancellation of your Succession Investment Platform account can be carried out by confirming your intention in writing to the address shown on the front of this report. This must be received within 30 days of Succession Group being notified of its establishment. Funds held within the Deposit Account for the 30 days of your ‘cooling off period’, should receive the return of the full amount contributed or transferred in, however, this cannot be guaranteed. Funds invested in the market will be subject to market fluctuation where values may fall or rise and cancellation/encashment may result in your getting back less than you invested
- Top up investments to existing policies often have no ‘cooling off’ or ‘cancellation period’
- During any transfer/switch of funds to recommended investments, you will be ‘out of the market’ for the time period between encashment of the old funds and reinvestment in the new (and existing) contracts. The markets can fall or rise during this period and this can work for you or against you, depending on the way the markets move
- There may be occasions when an individual fund or funds may have a higher risk rating than your overall stated attitude to risk. However, the overall risk rating applied to all of the combined recommended funds is still designed to meet your stated tolerance
- Higher charges can have an effect on investment performance. In essence, a fund will need to perform better in order to cover the increased charges. You should ensure that these higher charges are acceptable to you and that you understand the possible effect of the higher charges on investment performance
- When comparing the costs of your existing contracts/funds against the new investment strategy being recommended, our reduction in yield figures take into account the set annual management charges (AMCs) and underlying additional fund charges (which can often be seen published as an Ongoing Charges Figure or ‘OCF’) at the time of preparing this document
- Whilst the overall cost comparison may favour the new strategy via the Succession Investment Platform, there will be instances whereby individual assets could remain more cost effective if left exactly as they are. However, we believe that leaving these assets off the platform would be detrimental in terms of providing a consolidated and coherent investment strategy for all of your invested assets

## Investment bond warnings

- Before making any withdrawals in excess of the cumulative 5% allowance, you should seek advice in respect of the most appropriate and tax efficient method of achieving this

## Succession self-invested personal pension warnings

- Your retirement fund could be more or less than illustrated
- Your pension income will also depend on interest and annuity rates at the time you retire
- Past performance is no guarantee of future returns
- The price of units and the income from them can fall as well as rise
- This investment is intended as a long-term investment and under current HM Revenue and Customs’ practice it is not normally possible to access the fund(s) prior to the age of 55
- Investment values may go down as well as up and you may not get back the full amount invested
- The value of your fund can go down as well as up and the value will depend on how much you save, the charges