

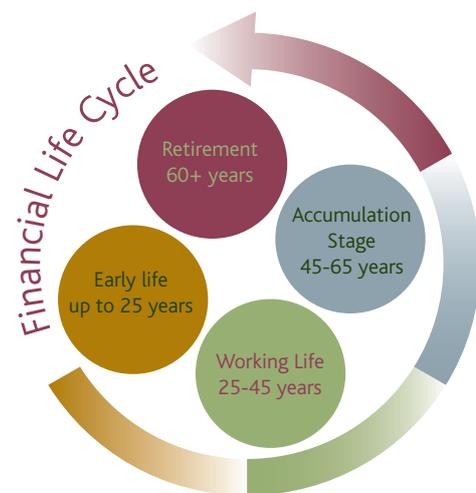


Case Study | Pension on Divorce



"Having no pension savvy at all, I didn't know what I needed to do regarding my pension fund following my divorce. Jen explained the available choices clearly in layman's terms helping me to arrive at an informed decision which felt right for me. Her depth of knowledge was impressive, and her manner friendly, helpful and professional. I would recommend her without hesitation to anyone who needs pension advice."

Ms X is in the **Accumulation** phase of her financial life cycle and wanted to make sure the pension she was receiving as part of a divorce settlement was going to work for her.



The value of the investment can go down as well as up and you may not get back as much as you put in.

Ms X, like many people who go through a divorce, found herself having to understand pensions for the first time – luckily she had always been in employment with Final Salary pension schemes available. But this court order meant she would have to find a home for the pension share she was receiving, and asked if I could help her. For understandable reasons, Ms X has asked not to be named in this case study; however, she was very happy to share her experience.

We followed the Bay Tree Financial Planning Six-Step Process, which enabled me to get to know Ms X, her

goals, her views and fully understand her current financial situation.

During my research phase I tried every option possible to keep the pension credit in a final salary scheme, but we found this wasn't possible. Therefore, the lump sum would need to be placed in a personal pension. I took my time to explain all the options and consider the amount of risk Ms X was prepared to take.

I designed and proposed a new pension plan for Ms X. I considered all of Ms X's future pension income and the available pension providers. Of particular importance were the funds and the charges available on the plan. I wanted Ms X to be happy with the funds matching the risk category she was in and all the implications of investing. I find it's more comfortable for investors when they understand what is being proposed.

Ms X was relieved with the proposal and asked me to implement my recommendations, which will help her get closer to her pension goal. With our regular annual reviews I will ensure Ms X's pension plan will remain suitable for all her future circumstances.

