

Governance Advisory Arrangement (GAA) Chair's Annual Report for legacy workplace pensions

This report is provided as a value assessment for legacy workplace pension plans held on the platform, which are held by a small number of clients. It is a regulatory requirement which assesses the use of the IFDL Self Invested Personal Pension (SIPP) as a workplace pension, and should be viewed as such, rather than as an assessment of the SIPP outside of a workplace pension scenario.

The industry term 'policyholder' is used throughout the report, but please note that these pension plans are not insured pension policies.

The GAA is provided by Zedra (formerly PTL) and works under these [Terms of Reference](#) agreed with us.

Clients holding these plans can make representations to the GAA directly [by email](#).

The following table illustrates the impact of charges on workplace pension schemes held with Investment Funds Direct Limited for assets with low, average and high level of investment fund charges held by members of workplace pension schemes on the platform.

Years	Fund A - Low level of charges		Fund B - Average level of charges		Fund C - High level of charges	
	Before charges + costs deducted	After all charges + costs deducted	Before charges + costs deducted	After all charges + costs deducted	Before charges + costs deducted	After all charges + costs deducted
1	£36,900	£36,700	£36,900	£36,200	£36,900	£35,700
2	£44,100	£43,700	£44,100	£42,600	£44,100	£41,600
3	£51,600	£51,000	£51,600	£49,300	£51,600	£47,600
4	£59,400	£58,600	£59,400	£56,100	£59,400	£53,700
5	£67,600	£66,500	£67,600	£63,100	£67,600	£59,800
6	£76,100	£74,700	£76,100	£70,200	£76,100	£66,100
7	£84,900	£83,200	£84,900	£77,600	£84,900	£72,400
8	£94,100	£92,000	£94,100	£85,100	£94,100	£78,800
9	£103,000	£101,000	£103,000	£92,800	£103,000	£85,300
10	£113,000	£110,000	£113,000	£100,000	£113,000	£91,800
At age 65	£763,000	£696,000	£763,000	£494,000	£763,000	£363,000

See following page for assumptions

The M&G Wealth Platform is provided by Investment Funds Direct Limited, registered in England and Wales No.1610781. Registered office: 10 Fenchurch Avenue, London EC3M 5AG. Authorised and regulated by the Financial Conduct Authority No. 114432.

Investment Funds Direct Limited is a subsidiary of M&G plc, incorporated and registered in England and Wales. Registered office: 10 Fenchurch Avenue, London EC3M 5AG. Registered number 11444019. M&G plc is a holding company, some of whose subsidiaries are authorised and regulated, as applicable, by the Prudential Regulation Authority and the Financial Conduct Authority.

Assumptions

1. The starting pot is assumed to be £30,000.
2. Inflation is assumed to be 2.0% per annum.
3. Ongoing contributions assumed to start at £500 per month from age 22 to 65 with assumed average earning inflation (escalation) of 3.5% per annum.
4. Values shown are estimates and not guaranteed.
5. The projected growth rate is 5%.
6. The ongoing charge for fund A is 0.06%. The initial charge is 0%, there is a transaction charge of -0.01% and there are no exit charges.
7. The ongoing charge Fund B is 1.30%. The initial charge is 0%, there is a transaction charge of 0.15% and there are no exit charges.
8. The ongoing charge for Fund C is 0.89%. The initial charge is 0%, there is a transaction charge of 1.95% and there are no exit charges.
9. Projected pension pot values are shown in today's terms and do not need to be reduced further for the effect of future inflation.
10. Values shown are illustrative estimates and not guaranteed.

Details of the costs and charges for each fund held by members of workplace pension schemes on the platform (as at September 2024) can be found [here](#). Charges for funds not listed are available on request.

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