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| **Sample Withdrawal Policy Statement** | | | | | | | | | | |
| Client Name: | | | Insert name | | | | | Insert age | | |
| Name of spouse: | | | Insert name | | | | | Insert age | | |
| Portfolio Amount: | £ (insert amount) | | | | | | Valuation date: | | (dd/mm/yy) | |
| Retirement Income Goals: | | | | Insert as appropriate, below are some possible suggestions   * To always have sufficient income to be able to meet your essential spending needs on an inflation adjusted basis throughout your lifetime(s) * To continue to be able to go on x holidays pa for the next xx years and fund other leisure activities up to age 85 * To minimise the possibility of outliving your retirement assets * To minimise the need for unplanned reductions in your lifestyle spending up to age 85 * To structure the sources of retirement withdrawals to maximise tax efficiency and future bequests | | | | | | |
| Starting amount of income required (gross): | | £ (insert amount) | | | | | Initial percentage withdrawal rate from the portfolio: | | | (x.xx) % |
| Initial amount needed for essential spending: | | £ (insert amount) | | | | | Initial amount required for lifestyle spending: | | | £ (insert amount) |
| Probability of meeting essential spending needs until age 99: | | (xx) % | | | | | Probability of meeting lifestyle spending requirements until age 85: | | | (xx) % |
| Basis for future withdrawals:  Essential Spending:  Lifestyle Spending: | | | | The probability of meeting your essential and lifestyle spending needs have been calculated on the following basis:  Your starting amount of income required to meet your essential spending needs will be increased at the beginning of each (plan or tax) year with reference to the prevailing level of inflation as measured by the CPI index  Your starting amount of income for lifestyle spending will (choose the appropriate inflation treatment from the three options)..   * Also be increased each year in line with CPI inflation up to age 85. This will maintain the purchasing power of withdrawals over the this term * Increase each year at a level of 1% below the prevailing CPI index. For example, if CPI is running at 3% your income to cover lifestyle spending will be increased by 2%, up until age 85. Withdrawals over the term will therefore rise in nominal terms but decline in real terms * Not be adjusted for the effects of inflation and will remain fixed at £xxxxx up until age 85. The implication is therefore that withdrawals will decline in real terms over time | | | | | | |
| Initial Portfolio asset allocation: | | | | | Equities (xx) % | | | Fixed Income (xx) % | | |
| Agreed plan review frequency: | | | | | | | Yearly/half yearly/quarterly | | | |
| Assumed total fees: | | | | | | | 1.50 % pa | | | |
| Sources of withdrawals: | | | | Where maintaining a level of assets to pass on to beneficiaries has been agreed, we will normally look to fund withdrawals from liquid non pension assets initially, to maximise the inheritance tax benefits, although income and capital gains tax will also be considered on a year by year basis.  All interest and dividends are accumulated within the platform cash account. Following years of positive returns that cause an equity holding to exceed its target allocation, the excess amount will be sold down and reinvested in cash or fixed income to fund future withdrawals.  Normally, withdrawals will be funded by equities when markets are favourable and from fixed income when they are not, using a priority of: 1) cash; 2) selling fixed income assets; 3) selling equity assets in descending order of the prior year’s performance.  No withdrawals are funded by selling an equity after a negative return year, as long as cash or fixed income assets are available to fund that year’s withdrawals. | | | | | | |
| Acknowledgement of understanding:  By signing this withdrawal policy statement, I/we acknowledge that I/we have read and understand it. Specifically, I/we realise that there may be times during my/our retirement when I/we may be advised to freeze or reduce my/our withdrawals to maintain my/our portfolio’s long term sustainability. I/We also understand the importance of the assumptions used to calculate the sustainability of this retirement plan and that significant deviations in spending, portfolio asset allocation or overall fees will impact the plan. I/we also understand the importance of reviewing this plan on the frequency suggested to ensure it can be adapted as necessary through the course of my/our retirement. | | | | | | | | | | |
| Signed: | | Client | | | | Spouse | | | | Date: (dd/mm/yy) |

**PLEASE ADD YOUR RISK WARNING HERE REPLACING THE QUILTER CHEVIOT RISK WARNING:**

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