

Stakeholder Pensions

- Form of defined contributions scheme.
- Have low minimum contributions so they are ideal for a first time pension.
- Contributions can be flexible and are tax free up to £40,000 a year.
- Often very simple investment strategies - probably stocks and bonds.
- Can be started individually although some smaller employers may offer them.
- Many pension providers offer them.
- Because they have simple investment strategies they are fairly cheap to run.
- They can be accessed from 55 with a 25% tax free lump sum available.
- Offer a flexible drawn down or annuity purchase.