

Private Banking

Financial planning

Whatever your next step,
it's good to get a new perspective.
We're on hand to help with your
financial planning.



LLOYDS BANK

I WANT A NEW PERSPECTIVE ON MY FINANCES

Valuable financial advice starts with us seeing more of your big picture. We can be there for you through the different stages of your life.

Working together for you

Your Private Banking and Advice Manager will take the time to get to know you, your circumstances, and your hopes for tomorrow. We will use our expertise and knowledge to go through various scenarios and shape a financial plan.

Clear advice

If you already have a financial plan in place, your Private Banking and Advice Manager can help you to identify if it might be improved, and involve specialist advisers if you need additional insight. They will work with you, and where necessary with your accountant or solicitor, to help ensure you are well prepared for tomorrow. The aim is to gain a clear understanding of your financial position.

Using our Private Banking Service

Our Personal Financial Advice Service is available to our UK customers if you have at least £100,000 in savings, investments and/or a personal pension or a sole annual income of at least £100,000.

Fees

Before you commit to any of our products or services, we'll make sure you understand the basis of our advice and the level of charges that will apply.

A PERSONALISED PLAN FOR MY FINANCIAL FUTURE

At Lloyds Bank Private Banking we recognise that customers' lifestyles and financial legislation constantly change. Your Private Banking and Advice Manager can help you with your financial future.

How we help you

Making and managing your financial plan

By creating a detailed financial plan and using our cash flow modelling scenarios we can help you plan to meet changes in life and financial circumstances.

Personal Tax Service

The Personal Tax Service provided by Ernst & Young LLP can help you get a clear idea of your current tax position, and where appropriate, suggest specialist tax advice relevant to you.

Preparing for retirement

Having spent a lifetime building up your wealth we recognise the importance of sound planning to help ensure you are able to afford and enjoy the retirement you have hoped for. We can support customers with their plans and highlight if and when funds could run out or ways to transfer them onto the next generation.

Investment advice

Your Private Banking and Advice Manager is supported by our team of investment specialists, so if you're keen to invest, we'll recommend a strategy based on your individual circumstances to suit your assets and goals.

The value of investments and the income from them can fall as well as rise and investors may not receive back the amount originally invested.

HOW IT WORKS

See your current position

Whether you're a new or existing client, we'll work with you to build an overall picture of your current situation and finances.

Identify your goals

With an understanding of your current circumstances and objectives, where appropriate, we'll help you define clear financial goals by running through various scenarios.

Access specialist advice

With access to specialist Personal Tax, Trusts, Wills and Estate Administration Services, your Private Banking and Advice Manager is supported by a broader specialist team from both inside and outside the Lloyds Banking Group for comprehensive and well informed financial planning for you.

Review and update

Life can be surprising. Let us know if your circumstances change and we can review your plan.

I WANT THE HIGHEST PROFESSIONAL STANDARDS

We welcome the drive to higher professional and educational standards required for financial advisers recommending investment products across the financial services industry.

Our commitment to quality

Our Private Banking and Advice Managers are required to possess a Statement of Professional Standing, which means they have obtained and adhere to industry recognised professional, educational and ethical standards. So you get the peace of mind that they will provide advice that suits your needs.

To find out more about the professional educational standards required, please visit www.fca.org.uk for more information and search for RDR (Retail Distribution Review).

Keeping pace with Change

We recognise that our customers' needs keep evolving and can be impacted by changing financial legislation. As we move into an era of greater pension freedoms, the framework for setting sustainable income in retirement has become more flexible.

To support your Private Banking and Advice Manager in their discussions with you and the construction of high quality financial planning reports, we have invested in financial planning systems that aim to help you look to the future with confidence. This includes cash flow modelling and scenario modelling to help identify potential threats to your financial aspirations and goals.

I'D LIKE AN EXAMPLE OF HOW PROFESSIONAL FINANCIAL ADVICE MIGHT HELP

Here is an example of how our advice might help our customers.

Meet David

David, 38, is single and having been made redundant from his previous job earlier in the same tax year has set up his own oil industry consultancy on a limited company basis.

About David

Issues identified by his Private Banking and Advice Manager:

- David's redundancy amounted to £50,000, on top of which he received £10,000 in earnings prior to redundancy.
- Upon setting up the business, David's accountant had advised him to pay himself through a combination of a low salary, £10,000, and dividends of £50,000. David is on track to receive half this in the first tax year.
- David particularly wanted to look at his pension provision. He had a small personal pension plan as well as a final salary pension through his last employer.
- David wanted to retire at 60, so wanted to put something in place that would help him realise this.
- David expects to need a retirement income of the equivalent of £60,000 per year in today's terms.



David's Private Banking and Advice Manager took the time to analyse his individual circumstance and goals. His pension and business account were also all reviewed.

Recommendations

David's Private Banking and Advice Manager went through his anticipated life stages and goals, discussed the probability of achieving them and the amount of investment necessary.

He considered several scenarios to help David understand how changes in the investment values, timescales or life expectancy would impact on his plans.

Based on this, David's Private Banking and Advice Manager recommended transferring his existing personal pension scheme. It was pointed out that the overall charges David had been incurring on his existing scheme were pretty high.

The new scheme has a much wider range of investment funds, is more flexible and has lower ongoing charges. David had unused pension annual allowance in the current tax year, and by calculating the tax relievable net relevant earnings for the current tax year he could personally contribute up to £35,000 as a personal contribution.

It was also highlighted that in future, his company could make additional less restricted pension contributions for David and claim them as a business expense, saving on corporation tax. As the business has yet to build up capital there is no scope for that in the first year.

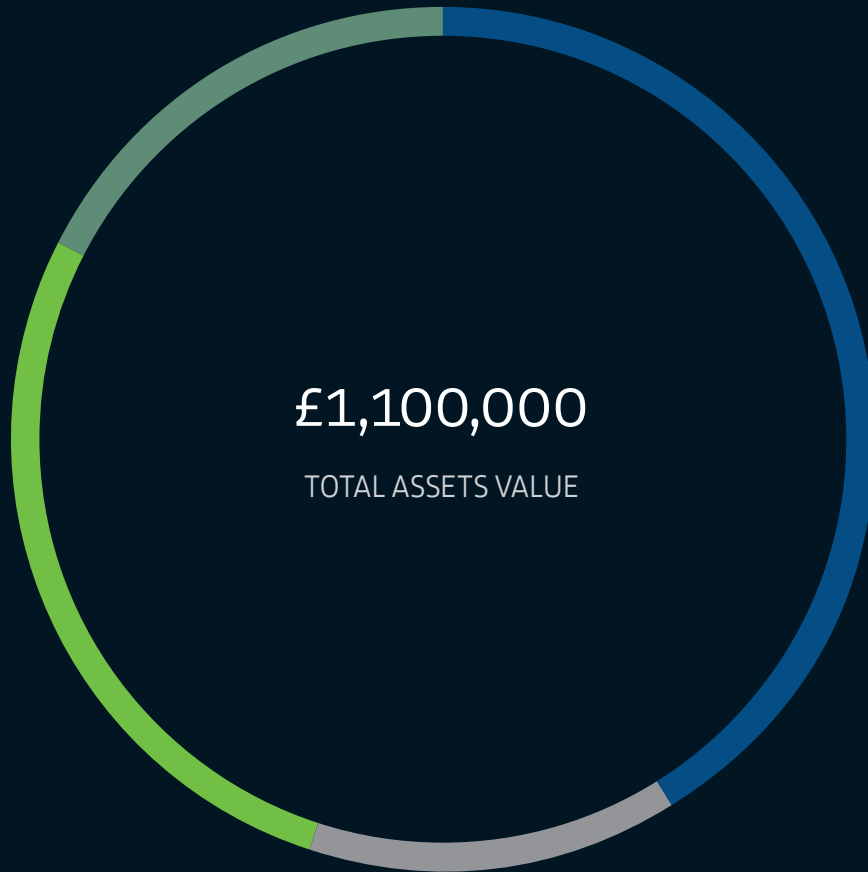
With regards to his final salary pension, David was advised to leave this as it was as it would provide a fixed level of income in the future.

To provide an element of diversity to David's investments it was also recommended that he utilised his annual ISA allowance to build up a fund in a tax efficient environment that could provide an element of tax free income in retirement.

Finally David's Private Banking and Advice Manager advised him on the appropriate income and critical illness protection policies.

Outcomes

- More structured pension arrangement in place to help realise retirement ambitions.
- Plans better complement David's new career circumstances and later life aspirations.
- More tax efficient investment portfolio, using available pension and ISA allowances.



Income and assets

- £600,000 in property and investments
- £100,000 personal pension
- £400,000 in previous employer's final salary pension scheme
- £250,000 per annum of annual profits through own consultancy

Cost of advice:

£3,875

Savings in tax:

£7,000

This case study does not feature a real person but is indicative of a real life situation. It is for illustrative purposes only and should not be relied upon when making financial planning decisions. The case study was prepared as at June 2017 and may not remain accurate after this date. Tax treatment depends on individual circumstances and may change in the future but for the purposes of the illustration we have assumed basic rate tax relief at 20%.

The value of investments and the income from them can fall as well as rise and investors may not receive back the amount originally invested.

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or call us on 0345 366 2725

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If you are Deaf and a BSL user, you can use the SignVideo service
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Lloyds Bank plc

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