



UFPLS

Video transcript

Once you've reached the minimum pension age, you may be able to take all or part of any savings in a DC pot – like the Investment Builder – as cash payments.

Also known as Uncrystallised Funds Pension Lump Sums, or UFPLS, these cash payments are one of several ways to flexibly access your DC savings.

If you're eligible, you could take as much as you want from your pot as a cash payment and leave the rest invested. You could even take your whole pot.

Or each calendar year you could take up to four payments, and each payment must be at least £2,000. You can take your whole pot if it amounts to less than £2,000.

If you're taking cash payments in this way and have not yet retired, you can continue to make contributions to your Investment Builder savings.

You could also choose to leave your whole pot invested and take your cash when you want it, even if you no longer contribute to USS or you've retired.

For each cash payment you take from your DC pot, the first 25% is normally tax-free and the rest counts as taxable income. Therefore, these DC cash payments are different to the tax-free lump sum you can take when you retire.

The first cash payment you take from a DC pot triggers the Money Purchase Annual Allowance, so make sure you understand how this could affect you before you take a payment. Visit the tax pages of our website to find out more about the Money Purchase Annual Allowance.

We recommend you seek independent guidance and financial advice to find out whether taking cash payments from your Investment Builder pot is right for you.

On-screen statement:

Remember, with any savings that remain invested, the value of your invested pot can go down as well as up. This means the amount available to take as income isn't guaranteed and you'll need to manage your investments to make sure you have enough to live on in retirement for the rest of your life.