



keyfacts[®]

KEY FEATURES OF THE RETIREMENT SOLUTIONS COMPANY PENSION PLAN

The Financial Conduct Authority is a financial services regulator. It requires us, Royal London, to give you this important information to help you to decide whether our Retirement Solutions Company Pension Plan is right for you. You should read this document carefully, so that you understand what you are buying, and then keep it safe for future reference.

This is an important document and you should read it together with your illustration. Please read it and keep for future reference.

This document contains the following information:

- the aims of the Retirement Solutions Company Pension Plan
- your commitments if you join the plan
- the risks associated with the plan
- questions and answers that explain the plan's main features
- how to contact us.

ITS AIMS

- To build up a sum of money tax efficiently which, depending on the scheme rules, will provide you with retirement benefits any time after age 55.

YOUR COMMITMENT

- You and/or your employer agree to make regular contributions to your account within the plan until your normal retirement date. You can also make a single contribution or a transfer payment from another pension plan.
- You need to tell the trustees if your circumstances change. For example, if you no longer have UK earnings or are no longer resident in the UK.
- You can't cash in your account until you are allowed to access your retirement benefits.
- If you take benefits from another pension plan you need to tell us as this may trigger the MPAA (Money purchase annual allowance). For more information about this, see the **What about tax?** section for details.

RISKS

- We cannot guarantee what you will get back at your normal retirement date. Various factors can alter your account value. For example:
 - Investment performance, interest rates and charges may be different to those illustrated.
 - You could stop making regular contributions or take a contribution holiday.
 - You might take some or all of your retirement benefits earlier than your normal retirement date.
 - Tax rules depend on individual circumstances and may change.
 - Investment returns are never guaranteed. This means the value of your investment can go down as well as up and you might not get back the value of the original investment.
- When you access all or part of your retirement benefits, it's important that you think about your needs in both the early and the later part of your retirement. It's your responsibility to ensure your retirement benefits don't run out and will last the rest of your life.
- You should be aware that taking a large cash lump sum could increase the amount of tax you pay. See the **What about tax?** section for details.

- If your account is started with a single contribution or transfer payment and is then cancelled within 30 days, the amount returned will be less than you paid in if the value of your investment has fallen. The amount returned may also be reduced if the trustees have agreed that an adviser will receive an adviser charge payment which we'll deduct from your account for services provided to you by an adviser in respect of your account.
- If you transfer benefits from another pension plan, you may be giving up valuable benefits, and there is no guarantee that your retirement benefits will be more than if you had stayed in your previous plan.
- If you invest in the Royal London With Profits fund, the value of the fund may be reduced by applying a market value reduction if you take money out of the fund before your normal retirement date. The market value reduction is applied to ensure that the amount we pay you is not unfairly higher than your share of the Royal London With Profits fund.
- Putting even small amounts into a pension plan can affect your entitlement to means tested State benefits.
- If we receive a contribution, we may not invest it until we have all the information we need.
- This plan is not suitable for everyone. If you are concerned that it may not be suitable for you, contact a financial adviser.

QUESTIONS AND ANSWERS

What is a company pension plan?

A company pension plan allows you to build up money tax efficiently for retirement to provide you with a retirement income for life, cash lump sum(s) and/or tax-free cash.

We designed the Retirement Solutions Company Pension Plan for people who want to build up tax efficient savings in a flexible way.

You have an individual account within this plan.

The plan is run by the trustees on your employer's behalf. As the scheme is established under trust, your account is held separately from your employer's business.

What contributions can be made into my account?

Your employer may make regular contributions to your account.

You may be required to make contributions to your account at an agreed rate. You may also pay Additional Voluntary Contributions (AVCs) if they are offered.

You can also make single contributions at any time to top up your account.

If you have another pension plan, you may be able to transfer it into your account.

You can ask to stop contributing, or reduce contributions to your account. You can also ask to take a contribution holiday and then restart contributions again. Stopping or reducing contributions may reduce the amount you get back from your account and it may also reduce the amount of contributions your employer pays in. You can ask the trustees for more information about the effect of stopping or reducing your contributions.

Your contributions are taken from your salary before tax is deducted and are usually paid to us by your employer.

You may be able to make contributions using salary exchange. Your employer decides the basis on which contributions are made for the scheme.

Contributions made using salary exchange

Salary exchange is an agreement between you and your employer where you voluntarily exchange part of your gross salary in return for employer contributions into your account.

These contributions are taken before tax and National Insurance Contributions (NIC) are paid. As your salary is reduced, you pay less tax and NIC. Salary exchange may not be suitable for everyone. You should speak to the trustees for more information.

Where are the contributions invested?

The trustees normally make the investment choice, but they may take your wishes into account when making their decisions.

Your contributions, including any made on your behalf, are pooled with those made by other investors in unit-linked funds. These are invested in a range of different types of asset, including company shares, property, bonds and cash.

The unit-linked funds are made up of units, which you buy with your contributions. The price of these units depends directly on the value of the investments in the fund.

We work out the value of your investment in each unit-linked fund based on the total number of units you have in the fund and the unit price (the price at which we buy and sell units). If the unit price rises or falls, so will the value of your investment in the unit-linked fund.

You can read about the investment options in our **Pension investment options** guide.

If the trustees don't tell us how to invest your contributions, we will invest your contributions according to the plan's default investment choice.

With the agreement of the trustees, you can switch your investments or change the investment choice for future contributions, although there may be conditions and a charge for doing so.

We have the right to delay a transfer, switch of investments or retirement not at your normal retirement date. We would do this to protect the interests of everyone invested in that particular fund.

With profits

Any contributions into the Royal London With Profits fund are used to buy units. The price of these units stays the same and the investment performance is paid out as additional units when we allocate regular and final bonuses to your account.

We work out the value of your investment in the Royal London With Profits fund based on the total number of units you have, any regular bonus due but not yet paid, and any final bonus due. We may reduce this value by applying a market value reduction if you take money out of the fund at any time other than your normal retirement date.

If the trustees are considering investing in the Royal London With Profits fund, we will give you the booklet **A guide to how we manage our with profits fund** which you should read together with this key features document. This guide is a customer-friendly version of our **Principles and Practices of Financial Management**. It is important that you read and understand this document as it describes the way in which we manage our with profits business.

ProfitShare

We believe our customers should benefit from our success. That's why we'll aim to give your retirement savings an extra boost by adding a share of our profits to your account each year. We've called this your **ProfitShare**.

How ProfitShare works

We'll review our financial strength and performance at the end of each year to decide if ProfitShare can be awarded. You'll qualify for ProfitShare as long as your account was in force at any time during the year.

We aim to award between 0.15% - 0.25% of the value of your account on 1 April the following year, as long as your account is still in force. Over time, this will help to boost your retirement savings. You could get more or less than this and there's no guarantee that we'll be able to award ProfitShare every year.

We'll write to let you know what your ProfitShare award will be and we'll add it to your account in April. It will be based on the value of your account at the date of the award and will be invested in the same investment choice as your other retirement savings to help it grow.

Any ProfitShare you're awarded will belong to you. We'll never ask for it back.

You can take any ProfitShare you've built up along with the rest of your retirement benefits any time after age 55.

If you invest in with profits, we'll work out your ProfitShare in a different way. You can find more information in **A guide to how we manage our with profits fund**. This is a customer-friendly version of our **Principles and Practices of Financial Management**.

If the company pension plan started before 1 July 2001, you won't qualify for ProfitShare. You should contact the trustees to find out if this applies to you.

What might I get when I take my benefits?

Your **illustration** will provide an indication of what you might get back at your normal retirement date, although this can't be guaranteed.

What can I do with my account when I take my benefits?

Depending on the scheme rules, you'll normally have access to your retirement savings any time after age 55. You don't need to do anything immediately as your retirement savings can remain invested, but you will need to make a decision before you reach age 75.

You will be able to use your plan value to:

- take a cash lump sum which can be some or all of your retirement savings, however only 25% of what you take will be tax-free,
- buy an annuity which will provide you with an income for life, or up to 25% tax-free cash and a smaller income for life,
- transfer to an income drawdown plan so you can receive an income and/or cash lump sum(s),
- or, a combination of all the options.

An annuity is a financial product that provides a guaranteed retirement income for life in return for a lump sum payment.

Different types of annuity are available to suit your individual circumstances.

If you want to buy an annuity, you don't have to buy it from us. You can buy it from any annuity provider and can shop around to find the best rates and products for you.

An income drawdown plan is a financial product that normally provides you with tax-free cash and an income directly from your plan. The income you receive is not guaranteed for life.

If you want to transfer to an income drawdown product you can shop around to find the best product for you.

You do not need to have stopped working to take retirement benefits from your plan.

What happens if I die?

We will normally pay out your account value as a lump sum to the trustees who'll then decide who to pay it to.

If you've set up a trust to receive the death benefits, we will pay the lump sum to the scheme trustees who will then pay the benefits to the trustees of your trust.

If you die after you have started taking your retirement income, an annuity will be paid to your beneficiaries such as your spouse, civil partner or dependants, if you choose this option at your retirement.

What happens if I leave my employer?

If you leave your employer, your contributions to your account must stop. Any contributions made by your employer will also stop.

Your options will depend on how long you have been a member of the plan. Please speak to the trustees for more information.

What are the charges?

We'll apply a charge for managing your account.

If you receive advice or a service from a financial adviser in relation to the Company Pension Plan, charges may be deducted from your account to cover the cost of that advice or service.

You don't need to receive individual advice or agree an adviser charge with a financial adviser to join your employer's Company Pension Plan. And if you do agree an adviser charge with a financial adviser, these charges must relate to the specific services you receive on your account. Your financial adviser must discuss and agree the services they'll provide to you in return for any adviser charges that will be deducted from your account.

If you, your employer or the trustees instruct us to make any additional transfer in, single contribution or increase to your regular contributions and also confirm that you are not using an adviser, we may apply an additional administration charge to your account.

The charge is not subject to Value Added Tax (VAT).

Your **illustration** will show you the charges that will apply to your account, including any charges for the advice and services your financial adviser will provide. It will show when the charges will be deducted from your account and how they may affect the value of your retirement savings.

If before you reach your normal retirement age you die or you transfer your benefits away, we may deduct any outstanding initial charges still to be deducted from your account for advice and/or services provided by an adviser before we pay out your account value on death or on transfer.

What about tax?

Our pension investment funds are generally free of UK income and capital gains tax. However, we can't reclaim tax deducted at source from the dividends of UK company shares.

There are limits on the amount you can invest in pension plans and on the maximum value of retirement benefits that you can accumulate without being subject to a tax charge. These limits are known as the annual allowance and the lifetime allowance.

If you want to make contributions to your account after you have taken all or some of your retirement savings you may be limited to what you can contribute and receive tax relief on. This is known as the MPAA. Please note that this is considerably lower than the annual allowance and relates to any pension plan you have not just this one.

If you want to find out more, speak to your financial adviser or visit your pension scheme website.

You don't receive tax relief on payments you transfer into your account from another pension plan.

If you move overseas, restrictions may apply. To find out more speak to a financial adviser.

If you die, there is normally no inheritance tax payable on the value of your account, unless it forms part of your estate

The retirement income you receive will be taxable as earned income. You can normally take up to 25% of the value of your account tax-free, however the remainder of your account will be taxed as earned income. If you take a large cash sum you could end up paying more tax. It's important to check whether the cash sum will push you into a higher tax bracket.

Any death benefits are normally payable tax-free.

Tax rules depend on individual circumstances and may change.

We recommend you get professional advice if you need more information on tax.

Can I transfer my account?

You can transfer your account to another pension plan at any time, as long as the trustees agree.

Your **illustration** gives examples of how much you could transfer to another pension plan depending on when you transfer.

We may also take a market value reduction from your account. This could happen if you have invested in the Royal London With Profits fund.

Can I change my mind?

No. Once your account has started, it cannot be cancelled.

How will I know how my account is doing?

We will send the trustees a yearly statement to show how your account is doing.

You can check the prices of the funds you are invested in online.

You can also get an online valuation, as long as the trustees agree.

To register for our online service, visit royallondon.com/onlineservice

HOW TO CONTACT US

This plan was arranged by the trustees' financial advisers, so they should be your first point of contact. We are unable to provide financial advice.

If you have any queries regarding your account, you can contact us by the following methods:

- ✉ Royal London
PO Box 413
Royal London House
Alderley Road
WILMSLOW
SK9 1PF
- ☎ 0345 60 50 050 Monday to Friday 8am – 6pm. We may record calls to help improve our customer service.
- @ customerqueries@royallondon.com Please make sure you quote your plan number on correspondence, or have it to hand when you phone us.

OTHER INFORMATION

How to complain

If you have a complaint against us in connection with your account, please contact our Customer Relations Team.

- ✉ Customer Relations Team
Royal London House
Alderley Road
WILMSLOW
SK9 1PF
- ☎ 0345 60 50 050 Monday to Friday 8am – 6pm. We may record calls to help improve our customer service.
- @ customer.relations@royallondon.com Please make sure you quote your plan number on correspondence, or have it to hand when you phone us.

If you're not satisfied with our response, you can refer the complaint to The Pensions Advisory Service (TPAS) and The Pensions Ombudsman. Both can be contacted at 11 Belgrave Road, London, SW1V 1RB.

Complaining to TPAS won't affect your legal rights.

Terms and conditions

These key features give a summary of the Retirement Solutions Company Pension Plan. They don't include all definitions, exclusions, terms and conditions.

The trustees will receive a copy of the full terms and conditions as detailed in our **Company Pension Plan booklet**.

We have the right to change some of the terms and conditions, including the charges. We will write to the trustees and explain the changes if this happens.

It may become impossible to comply with the terms and conditions, due to a change in legislation for example.

We will tell the trustees if this happens.

Terms and conditions and all communications will be in English.

Law

The terms and conditions applying to your plan are governed by English Law unless we agree with you that a different law should apply.

Client classification

The Financial Conduct Authority requires us to classify our customers to ensure they get the appropriate level of protection under their rules. You've been classified as a retail client which means you will benefit from the highest level of protection available.

Compensation

If we were to become unable to meet our liabilities under your account, you may be entitled to compensation through the Financial Services Compensation Scheme. If you would like more information about the compensation arrangements that apply, please ask the trustees or contact us direct.

About us

The Royal London Mutual Insurance Society is a customer-owned life, pensions and investment company.

SOLVENCY AND FINANCIAL CONDITION REPORT

We want to provide you with clearer information about Royal London's financial position so we have created a Solvency and Financial Condition report. This report will provide more details about Royal London's business and company performance. You can access the report from royallondon.com/solvency



Royal London

1 Thistle Street, Edinburgh EH2 1DG

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All literature about products that carry the Royal London brand is available in large print format on request to the Marketing Department at Royal London, 1 Thistle Street, Edinburgh EH2 1DG.

All of our printed products are produced on stock which is from FSC® certified forests.

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