



keyfacts®

KEY FEATURES OF THE RETIREMENT SOLUTIONS INDIVIDUAL 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 Individual 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 Individual Plan
- your commitment
- the risks associated with the plan
- questions and answers that explain the plan's main features
- how to contact us.
- 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.

ITS AIMS

- To build up a sum of money tax efficiently, which provides you with retirement benefits any time after age 55.

YOUR COMMITMENT

- You need to let the plan build up until you are allowed to access your retirement benefits.

RISKS

- We cannot guarantee what you will get back at your normal retirement date. Various factors can alter your plan value. For example:
 - Investment performance, interest rates and charges may be different to those illustrated.
 - You might take some or all of your retirement benefits earlier than your chosen retirement date. If you take your benefits earlier than your normal retirement date, you should think about reviewing your investment option as it may no longer be appropriate.
- 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 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.

QUESTIONS AND ANSWERS

What is an individual plan?

An individual plan allows you to build up money previously held in your employer's pension scheme to provide you with an income for life, cash lump sum(s) and/or tax-free cash.

What payments can be made into my plan?

You can only pay in the transfer payment from your employer's previous pension scheme.

Where is the transfer payment invested?

The transfer payment will be invested in the same investment funds as your employer's previous pension scheme.

However, if you want to match your investment selection to your attitude to risk and term to your normal retirement date, you can do this through our Governed Portfolios and Lifestyle Strategies.

You can read about our funds and our Governed Portfolios and Lifestyle Strategies in our **Pension investment options** guide.

Your transfer payment is 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 bought with your transfer payment. 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 switch your investments or change the investment choice, 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 the normal retirement date. We would do this to protect the interests of everyone invested in that particular fund.

With profits

Any payments 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 plan.

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 other time than your normal retirement date.

If you 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 plan each year. So if we do well, so do you. 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 plan was in force at any time during the year.

We aim to award between 0.15% - 0.25% of the value of your plan on 1 April the following year, as long as your plan 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 a separate ProfitShare account within your plan in April. It will be based on the value of your plan 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 the value of your ProfitShare account 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 **Principle and Practices of Financial Management**.

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 plan when I take my benefits?

Any time after age 55, you will have access to your retirement savings. 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 lumps 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 plan value as a lump sum to the individuals you have nominated such as your spouse, civil partner or dependants on your death.

Alternatively, you can request that we use your plan value to provide an income for beneficiaries such as your spouse, civil partner or dependants on your death.

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

What are the charges?

We'll apply a charge for managing your plan. Your **illustration** will show you the charges that will apply to your plan. It will show when the charges will be deducted and how they may affect the value of your retirement savings.

- If you transferred a pension into your current or previous employer's pension plan, the trustees may have used an option to increase the value payable on your death. There was a charge for using this option. This charge was deducted from your retirement savings each year. It will continue to be taken from this plan. Your **illustration** shows the amount of this charge.
- If you transfer your plan or take your retirement benefits early, we will reduce the value of your plan because you will not have paid the full cost of this option.

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 is a limit on the maximum value of retirement benefits that you can accumulate without being subject to a tax charge. This limit is known as the lifetime allowance.

You don't receive tax relief on the transfer payment into your plan.

The retirement income you receive will be taxable as earned income. You can normally take up to 25% of the value of your plan tax-free, however the remainder of your plan 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 plan?

You can transfer your plan to another pension plan at any time. Your **illustration** gives examples of how much you could transfer to another pension plan depending on when you transfer.

Can I change my mind?

No, once your plan has started it cannot be cancelled.

How will I know how my plan is doing?

We will send you a yearly statement to show you how your plan is doing.

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

You can find out your plan value by phoning our customer helpline or you can get an online valuation at any time. Our contact details can be found in the

How to contact us section.

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

HOW TO CONTACT US

If you have any queries regarding your plan, 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 plan, 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 The Financial Ombudsman Service, Exchange Tower, London E14 9SR.

Telephone: 08000 234 567.

Complaining to the Ombudsman won't affect your legal rights.

Terms and conditions

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

You will receive a copy of the **Terms and Conditions** after you have taken out the plan.

We have the right to change some of the terms and conditions, including the charges. We will write to you 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 you 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 you seek financial advice, your financial adviser must recommend products that are suitable for you. You have a legal right to compensation if, because of what your adviser recommends, you lose out by taking out a plan that wasn't suitable for your needs at that time.

If we were to become unable to meet our liabilities under your plan, 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 a financial adviser or contact us direct.

About us

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



Royal London
1 Thistle Street, Edinburgh EH2 1DG
royallondon.com

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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