



## CORE INVESTMENTS CHARGES SUMMARY

We want you to be able to understand our charges. To help achieve this, we've made the charging structure for the Pension Portfolio as transparent as possible. This leaflet explains the charges for the Core Investments within your plan. You should read it alongside your **Key Features of Core Investments document** and your **illustration**. If you also have Self Investments within your plan, you will receive a separate **Key Features of Self Investments document** and **Self Investments Charges Summary**.

### PRODUCT CHARGES

#### Management charge

We make a charge for managing your Core Investments. This management charge covers the costs of setting up the plan and ongoing administration. This charge is a percentage of the value of your Core Investments.

The different elements which make up your management charge are shown below. Each of these elements is described in more detail throughout this leaflet.

<b>Basic charge</b>	
minus	Your discount
plus	Additional investment charge (if applicable)
plus/minus	Adviser adjustment (if applicable)
<hr/>	
=	<b>Total management charge</b>

Your **illustration** shows the actual management charge that will apply to the Core Investments within your plan.

#### Basic charge

The basic management charge for the Core Investments is 1% a year. This charge is built into the fund price and is deducted on a daily basis.

Depending on the other elements that make up your management charge the actual management charge may be less than or greater than 1%, therefore to ensure the correct charge is applied an adjustment is made each month by the addition/cancellation of units as required.

#### Management charge discount

To reward you for saving, we refund some of the management charge once the value of your Core Investments exceeds certain levels. This is called the management charge discount.

The table below details the different discount rates and the fund levels they apply at.

Value of Core Investments	Discount
£0 - £32,800	0.10% a year
£32,800 - £65,600	0.50% a year
£65,600 - £197,000	0.55% a year
£197,000 - £656,000	0.60% a year
£656,000+	0.65% a year

The levels at which the discounts apply increase each year on your plan anniversary in line with the Retail Prices Index (RPI).

The discount applies to your entire Core Investments and is added each month (1/12th of the yearly discount).

It is important to understand that the management charge discount can be affected by moving money between the Core and Self Investments and also if you begin using Income Release as this will reduce the value of the Core Investments on which the discount is based.

## ADDITIONAL INVESTMENT CHARGE

In addition to a range of funds managed by Royal London Asset Management (RLAM), you can also invest in a selection of external funds that are managed by other investment managers. Additional investment charges apply for the majority of these external funds.

If you choose to invest in any of the external funds the additional investment charges are shown in the **Charges** section of your **illustration**.

A list of all the funds offered within the Core Investments and the associated charges are provided in a separate **Fund Range Summary**, which is available on request.

## ADVISER ADJUSTMENT

An adjustment to the management charge may be made as a result of terms agreed with your financial adviser. If an adjustment applies it will be shown on your **illustration**.

## INCOME RELEASE

Income Release is a facility we offer which allows you to withdraw tax-free cash and, if required, an income directly from your Pension Portfolio once you reach age 55.

Before you can start using Income Release you'll need to have a minimum of £15,000 in your Core Investments.

To access Income Release there's an initial one-off charge of £199 which covers our costs in setting up and administering your Income Release Account.

However if your pension plan has been in force for 12 months or more when you switch on Income Release, or if you're transferring savings from an existing Royal London pension plan that's been in force for 12 months or more to an Income Release plan, we won't apply this charge.

## SELF INVESTMENTS

If you use the Self Investments a different set of charges will apply to that arrangement. Details of these charges are provided in a separate charges leaflet. You will receive a **Key Features of Self Investments document** and **Self Investments Charges Summary** when you first elect to self invest your plan.

If you are using Income Release and there are insufficient funds in the Core Investments to meet the required income payments then any Self Investments will need to be sold and the money transferred into the Core Investments.

Depending on the assets sold from your Self Investments charges may be incurred during this process. Any assets which are not sold to provide your income will continue to be invested as per your investment instructions and charges will continue to apply.

## ADVISER CHARGES

Your financial adviser may agree an adviser charge with you to pay for the services they provide you with – both now and in the future. This agreement will be between you and your financial adviser. However, if you ask us to, we can deduct an adviser charge payment from your plan and pay it to your adviser. Your illustration will show any adviser charge payments to be deducted from your plan.

Any adviser charges are in addition to the product charges.

If adviser charges have been selected, the level payable to your financial adviser and the charge for this will be included in your **illustration**.

### Royal London

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[royallondon.com](http://royallondon.com)

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