ROYAL LONDON

IT'S GOOD TO PLAN AHEAD

A guide to your Pension Portfolio

Pension Portfolio

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Baffled by anything in this guide?

We're an old-fashioned bunch and being helpful and straightforward are principles we've kept since the olden days. So if you have any questions about your plan, just get in touch. We'd love to hear from you.

"You're now a member of the **UK's largest mutual** life, pensions and investment company."

I'm delighted to welcome you to Royal London.

When we first opened our doors in 1861, we wanted to help people to help themselves. And it's been our way of thinking ever since.

Proud to be different

We're a different kind of financial services company because unlike our main competitors, we're a mutual. This means we don't have shareholders. Instead, we're owned by you and our other members.

This means you can have your say on the future of our business by voting at our Annual General Meeting (AGM) and you'll share in our success.

What's so great about mutuality?

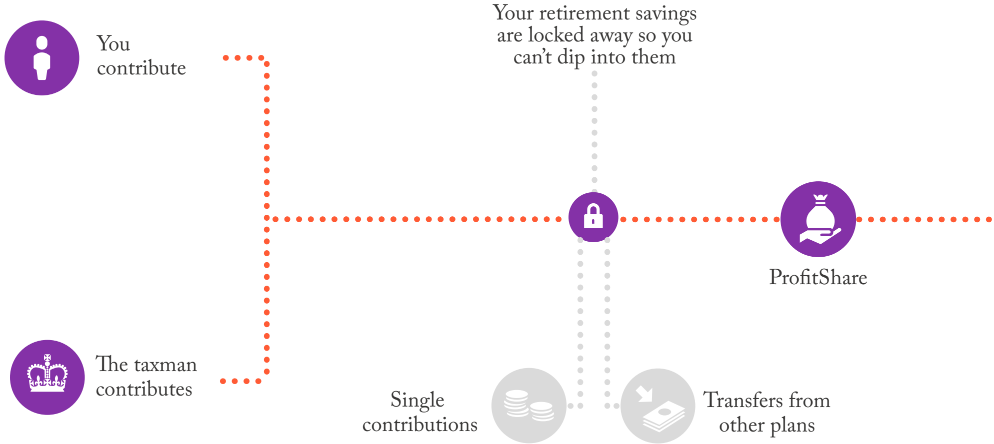
Having no shareholders means we don't have dividends to pay. Instead, we use our profits to boost your retirement savings and provide you with better products and services.

I believe this has helped us build a strong reputation for providing an Excellent Service. You can be sure that absolutely everything we do is for the long-term benefit of you and our other members.

This guide tells you more about how your plan works and the benefits it offers. I hope it helps you get the most out of your retirement savings.

Isobel Langton
CEO, Royal London Intermediary

HOW A PENSION WORKS



You'll receive extra contributions into your plan

Each time you save into your plan, so will the taxman. This is called tax relief; it depends on individual circumstances and may change in the future. This will help to boost your retirement savings.

Top up your retirement savings

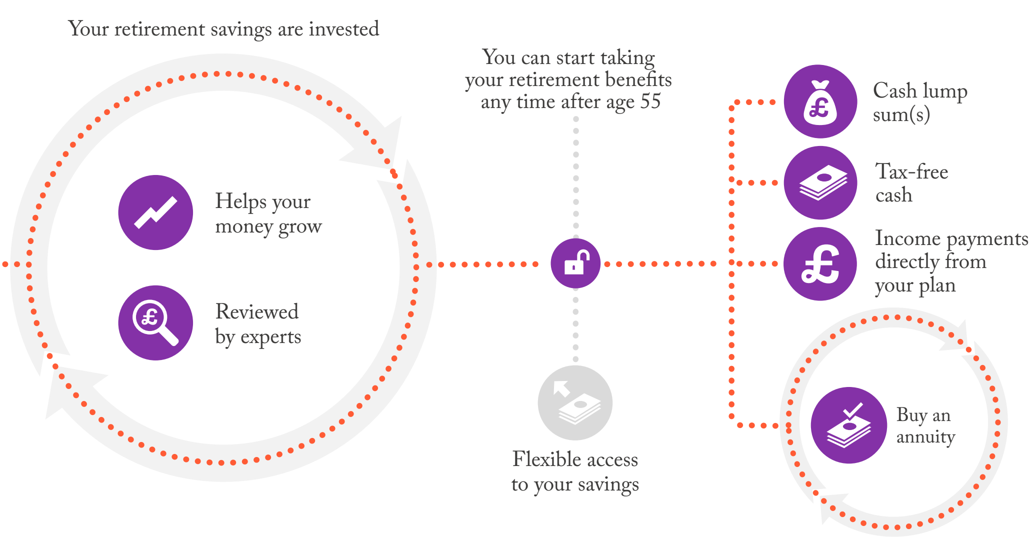
You can make single contributions into your plan at any time. So if you find yourself with spare cash, you could add it to your plan.

Have all your retirement savings in one place

You can transfer retirement savings from other pension plans. This will make it easier for you to keep track of them. Transfer payments from one pension plan to another don't receive tax relief and aren't always in your best interests. You should speak to your financial adviser before you make a decision.

Share our success

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**.



Your retirement savings are invested to help them grow

You can stick with the investment you chose with the help of your financial adviser, or refine it to suit your changing circumstances. Remember that investment returns are never guaranteed. So you could get back less than you put in. You can find out more at **royallondon.com**.

Our investment options are reviewed by experts

This helps make sure they meet their objectives. This ongoing governance comes at no extra cost to you.

Take your retirement benefits in a way that suits you

Take some or all of your plan as a cash lump sum – 25% of each lump sum will be tax-free. Or if you want a guaranteed income for life, take up to 25% of your plan as tax-free cash or as regular payments. The rest of your plan can be used to buy an annuity.

If you want more flexibility, Income Release allows you to take an income as and when you need it. Unlike an annuity, income payments are not guaranteed for the rest of your life. Both the income payments and the value of your plan may go down. To access Income Release there's an initial one-off charge which covers our costs in setting up and administering your Income Release Account. However depending on when you switch on Income Release and where you're transferring your retirement savings from, we may not apply this charge.

FLEXIBLE **SAVING**

We've all been there. The car needs a service. The bills are mounting up. And then the boiler breaks down. Managing your finances isn't always easy. So we've worked hard to ensure saving into your plan is as easy and flexible as possible.

You can make regular monthly or yearly contributions

These can be a fixed amount or set to increase each year in line with your salary or earnings, the Retail Prices Index (RPI), or set at a level between one and ten percent. Increasing your contributions each year will help you to increase the final value of your plan.

Your regular contributions are made by Direct Debit

You should make sure you don't go below the current minimum, as shown in the diagram below.

***These are reduced to £50 a month / £600 a year if you've previously made a single contribution or transfer payment of more than £15,000 into your plan.**

Freedom to change your contributions

You can increase, decrease, stop and restart your contributions at any time. And whilst no further regular or single contributions can be made to your plan once you reach age 75, you can make transfers into your plan after this age. But remember that any changes to your contributions will affect your retirement benefits. If you want to change your contributions, you should speak to your financial adviser.

Keep your retirement plans on track

Like any savings plan, your pension needs to be reviewed regularly. It's the only way you'll know if your retirement plans are on track.

KNOW YOUR LIMITS

There's a limit to the amount you can invest in pension plans every year before you're taxed. It's set by the Government and it's called the annual allowance.

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

To find out more about the annual allowance and the money purchase annual allowance, visit **royallondon.com**.

SHARE OUR SUCCESS

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, so 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.

You'll see the value of your ProfitShare account every year in your statement and you can take the value of your ProfitShare account along with the rest of your retirement benefits any time after age 55.

ProfitShare doesn't apply to Self Investments.

What's the catch?

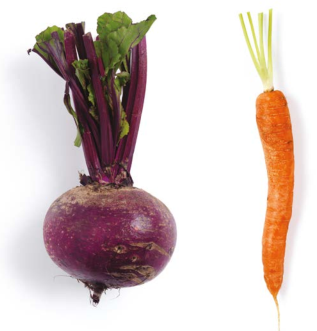
There isn't one. The ProfitShare you're awarded will belong to you. We'll never ask for it back.

What if I'm invested in with profits?

If you invest in with profits, we'll work out your ProfitShare in a different way. You can find out more in **A guide to how we manage our with profits fund.**

INVESTING YOUR RETIREMENT SAVINGS

Today there are more investment choices than ever before. While choice is a good thing, you might find it difficult to decide on the best option for you. Here are a few things to consider when deciding where to invest your retirement savings.



How much risk are you willing to take?

Higher risk investments can help your money grow more. But there's also a greater chance of losing money. And with lower risk investments, your money may not grow as much as you want it to. Remember that investment returns are never guaranteed. So you could get back less than you put in.

You can get an idea of your attitude to risk by using our risk profiler at **royallondon.com**.

How involved do you want to be?

If you want to be actively involved in selecting your investments, you can use the Self Investments option within your plan. This lets you invest in a fund supermarket and directly in a range of alternative investments, such as company shares and UK commercial property. Further charges apply for these investments and they're not suitable for everyone.

Stay with your original investment choice

When you set up your plan, you had the option to choose, with the help of your financial adviser, the investments that matched your attitude to risk and your plans for the future. You can stick with your original investment choice. Or, you might want to change it.

Choose from the Governed Range

This consists of Lifestyle Strategies and Governed Portfolios.

- They're made up of a mix of different investments.
- They take into account the time until you retire.
- They suit different attitudes to risk.

Choose from the fund range

You can access Royal London funds, managed by the Royal London Asset Management team, as well as funds managed by some of the world's leading investment companies.

Find out more

For more information about the full range of investment options available to you, read our **Pension investment options** guide.

Remember to check with your financial adviser before you make any investment decisions, as any changes could affect your plan's performance. Investment returns are never guaranteed. So you could get back less than you put in.

HOW TO

Change your investments

If you're registered for our online service, you can change your investments online. Details on how to register for our online service are in the Your plan online section of this guide.

Any changes to Self Investments must be submitted by your financial adviser on your behalf.

YOUR RETIREMENT OPTIONS

If the thought of sorting out your financial future is leaving you feeling a little perplexed, you're probably not alone. The good news is, you can start taking your retirement benefits any time after age 55, even if you're still working. Here you'll find more information about your options.

Take a guaranteed income

Receive a set amount of income for life.

Enjoy flexible access to your savings

Take the income you want, when you need it using Income Release.

Take a cash lump sum(s)

Get your retirement savings paid as a lump sum.

Leave it for now

Leave your retirement savings invested so they have more time to grow.

i

We'll write to you when you're close to your chosen retirement date with **more information about your options.**

Take a guaranteed income

Take up to 25% of your plan as tax-free cash. You can choose to take this as a one-off payment, as smaller payments at different times, or as regular tax-free cash payments. You can use this money any way you want.

The rest of your plan, or all of it if you haven't taken tax-free cash, can be used to provide you with a guaranteed income for life by buying an annuity.

You don't have to take your income from us. You can shop around to find the best rates.

Enjoy flexible access to your savings

If you want more flexibility, Income Release allows you to take the retirement benefits you want, when you need them.

With Income Release, you can take up to 25% of the value of your plan as tax-free cash. And if you need it, you can use the rest of your plan to provide taxable income payments, either starting at the same time or later.

You can take one-off tax-free cash or regular tax-free cash payments, or a combination of tax-free cash and taxable income payments.

Unlike an annuity, income payments are not guaranteed for the rest of your life.

You do have the flexibility to take the level of income you want however, your retirement fund can go down as well as up so it's important to regularly review the income you take and the value of your fund to ensure it's sustainable. Find out more in **A guide to Income Release** or visiting our website at **royallondon.com**.

Take a cash lump sum(s)

Take some or all of your plan as a cash lump sum – 25% of each lump sum will be tax-free. The rest will be subject to tax.

Leave it for now

Don't worry if you can't decide how to take your retirement benefits. You can leave them invested so they have more time to grow.

You should remember that investment returns are never guaranteed. So you could get back less than you put in.

KNOW YOUR LIMITS

There's a limit to the amount you can have in this or any pension plan when you start taking your retirement benefits. It's set by the Government and it's called the lifetime allowance. Find out more at **royallondon.com**.

YOUR PLAN **ONLINE**

Our secure online service is simple to use, quick and easy to access and available 24 hours a day, 7 days a week. So you'll have round the clock access to your plan details.

Keeping track

Once registered you can make changes to your investment choice and view a wide variety of information including:

- the value of your plan
- where your retirement savings are invested
- your contribution details
- the potential value of your plan when you retire
- contributions made and allocated
- the value of your pension plan and your investment holdings
- investment information including fund performance and fund information
- projections of future benefits
- personal details such as your address.

HOW TO REGISTER

Registering for our online service can be completed in a few easy steps.

1. Have your plan number to hand.
2. Go to royallondon.com/onlineservice.
3. Complete your personal details and click 'Continue'.
4. Enter your email and password.
5. Select three different memorable questions and answer them, then click 'Continue'.
6. You'll then be sent an email to activate your account. Click the 'Activate account' link which will take you to the final step to enter your password.

Once you register, you're ready to go – all you need to do is log in

CLEAR CHARGES

With Pension Portfolio, you only pay for the services you use.

Your charges

Like all pension providers, we apply a management charge to your plan. Additional charges may apply if you use other facilities within your Pension Portfolio such as Self Investments or Income Release.

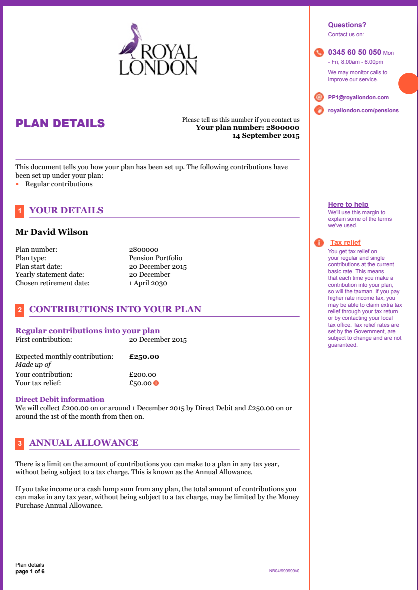
The good news is our management charge rate reduces as the value of your plan grows. This is our way of awarding you for saving more.

In addition to these product charges, you may have agreed an adviser charge with your financial adviser 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.

Have a look at your **Plan certificate** for a breakdown of the charges to your plan.

GETTING IN TOUCH

Providing an excellent service is our bread and butter. That's why our central Customer Service team is always on hand to help.



ROYAL LONDON

PLAN DETAILS

Please tell us this number if you contact us
Your plan number: 2800000
14 September 2015

This document tells you how your plan has been set up. The following contributions have been set up under your plan:

- Regular contributions

1 YOUR DETAILS

Mr David Wilson

Plan number:	2800000
Plan type:	Pension Portfolio
Plan start date:	20 December 2015
Yearly statement date:	20 December
Chosen retirement date:	1 April 2030

2 CONTRIBUTIONS INTO YOUR PLAN

Regular contributions into your plan

First contribution:	20 December 2015
Expected monthly contribution:	**£250.00**
Made up of	
Your contribution:	£200.00
Your tax relief:	£50.00

Direct Debit information
We will collect £200.00 on or around 1 December 2015 by Direct Debit and £250.00 on or around the 1st of the month from then on.

3 ANNUAL ALLOWANCE

There is a limit on the amount of contributions you can make to a plan in any tax year, without being subject to a tax charge. This is known as the Annual Allowance.

If you take income or a cash lump sum from any plan, the total amount of contributions you can make in any tax year, without being subject to a tax charge, may be limited by the Money Purchase Annual Allowance.

Plan details
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Questions?
Contact us on:

0345 60 50 050 Mon - Fri, 8.00am - 6.00pm

We may monitor calls to improve our service.

PP1@royallondon.com

royallondon.com/pensions

Here to help
We'll use this margin to explain some of the terms we've used.

Tax relief
You get tax relief on your regular and single contributions at the current basic rate. This means that each time you make a contribution into your plan, so will the taxman. If you pay higher rate income tax, you may be able to claim extra tax relief through your tax return or by contacting your local tax office. Tax relief rates are set by the Government, are subject to change and are not guaranteed.

You'll find the contact details for our central Customer Service team in your **Plan details**.

They can provide you with any information you need about your plan but they won't be able to give you any financial advice. You should always contact your financial adviser first if you have any questions about your plan or your financial situation.

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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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