

Talisman SSA86

Guaranteed annuity rates

The table below shows the guaranteed minimum annuity rates available, per £1,000 of plan value (minus any tax-free lump sum) on any of the exact ages listed and on the annuity basis specified.

This guide is for information only and is not intended to revise or replace the policy conditions.

What are Guaranteed Annuity Rates?

Guaranteed annuity rates are a valuable feature of your plan and are designed to ensure a minimum annuity income, should annuity rates at retirement fall below the guaranteed annuity rates. This means you could get a higher income from us than you would from another pension provider.

At retirement, the higher of either the current or the guaranteed annuity rates will be applied.

No guarantee applies if the benefits are transferred or an open market option is chosen.

Will the Guaranteed Annuity Rate apply to the whole plan value?

Not necessarily. If regular payments have increased since 31 December 1994, other than as a result of contractual payment increases in force at that date, the guaranteed annuity rates will not apply to the part of the fund secured by the amount of the increase.

Similarly, funds secured by single payments or transfer values after 31 December 1994 aren't entitled to guaranteed annuity rates.

From 19 October 2015 customers who have plans with a guaranteed annuity rate (GAR) split (i.e. funds that have been built up from payments that are eligible for GARs and those which are not) have been allowed to treat the two parts of their funds differently. For example, customers may choose to purchase a GAR annuity with the GAR portion and transfer the non-portion to another provider, or take it as a cash lump sum.

If the retirement date is changed, the guaranteed annuity rate will not apply to the proceeds from any regular payments received after the original retirement date.

Any retirement illustration produced where both current and guaranteed annuity rates apply will show a single, combined annuity income figure.

Different rates apply to the **protected rights** and **non-protected rights** funds that are entitled to guaranteed annuity rates. Legislative changes that came into effect on 6 April 2012 removed the need to maintain these funds separately and for you to take protected rights benefits in a particular form. However, this change in legislation will not affect the annuity rates applicable to those funds that qualify for guaranteed annuity rates and we'll continue to maintain separate funds and apply separate rates to your 'protected rights funds' in line with the original policy conditions.

Non Protected Rights

The annuity rates shown in the **Non-protected rights guaranteed annuity rates** table, below, are on the following basis:

- single life, payable for the member's lifetime only
- level
- payable yearly in arrears.

A different annuity basis can be chosen, with guaranteed annuity rates entitlement intact, although if the above basis is altered, for example if you want an annuity that increases, or a spouse's option added, the rates used will be lower than those shown in the table below.

These rates are for the exact ages shown in the table below.

The rate at any other age is calculated proportionately.

For example, a male age 65 years & 6 months

$101.82 - 98.64 = 3.18$

$3.18/12 \times 6 = 1.59$ and $98.64 + 1.59 = \mathbf{100.23}$

Non-protected rights guaranteed annuity rates								
Exact Attained Age	Rate per £1,000 of plan value, less any lump sum		Exact Attained Age	Rate per £1,000 of plan value, less any lump sum		Exact Attained Age	Rate per £1,000 of plan value, less any lump sum	
	Male	Female		Male	Female		Male	Female
55	75.61	66.35	62	90.26	76.74	69	112.75	93.52
56	77.41	67.56	63	92.88	78.66	70	116.92	96.69
57	79.30	68.85	64	95.67	80.72	71	121.39	100.11
58	81.27	70.23	65	98.64	82.93	72	126.18	103.81
59	83.35	71.70	66	101.82	85.29	73	131.34	107.81
60	85.51	73.27	67	105.22	87.83	74	136.87	112.12
61	87.81	74.95	68	108.85	90.57	75	142.82	116.81

Protected Rights

The annuity rates shown in the **Protected rights guaranteed annuity rates** table below are on the following annuity basis:

- payable during the member's lifetime, ceasing with the payment preceding death
- increasing at 3% per year
- payable yearly in arrears
- 50% widow(er)'s annuity.

The widow(er)'s annuity will:

- commence on the first anniversary of the date on which the member received their last payment
- be payable yearly in arrears
- cease with the payment preceding death
- be, on any given date, one half of the annuity that would have been payable to the planholder on that date, had they still been alive.

A different annuity basis can be chosen, with guaranteed annuity rates entitlement intact, although if the aforementioned basis is altered, for example if you want a level annuity income, or the spouse's option removed, the rates used will differ from those shown in the table below.

These rates are for the exact ages shown in the table below.

The rate at any other age is calculated proportionately.

For example, a member age 66 years and 8 months

$$60.88 - 58.74 = 2.14$$

$$2.14/12 \times 8 = 1.43 \text{ and } 58.74 + 1.43 = \mathbf{60.17}$$

Protected rights guaranteed annuity rates					
Exact Attained Age	Rate per £1,000 of plan value, less any lump sum	Exact Attained Age	Rate per £1,000 of plan value, less any lump sum	Exact Attained Age	Rate per £1,000 of plan value, less any lump sum
60	48.46	66	58.74	72	74.02
61	49.91	67	60.88	73	77.04
62	51.46	68	63.18	74	80.28
63	53.10	69	65.63	75	83.74
64	54.86	70	68.27		
65	56.73	71	71.11		

How do I find out more?

If you're in any doubt as to how to proceed, or would like more information on what guaranteed annuity rates could mean to you, we would strongly recommend that you seek advice from a financial adviser.

If you don't already have an adviser, you can find one in your area by visiting royallondon.com/find-a-financial-adviser. Advisers may charge for their services – though they should agree any fees with you up front.

You may also wish to contact Pension Wise, a free and impartial retirement planning service from Money Helper, introduced by the government to help you understand your options. You can contact Pension Wise on 0800 138 3944 or visit their website at moneyhelper.org.uk

If you'd like to discuss the features of your plan, such as guaranteed annuity rates, or have any other queries regarding your plan, please contact us by the following methods:

✉ Royal London House
Alderley Park
Congleton Road
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SK10 4EL

☎ 0345 60 50 050 Monday to Friday 8am – 6pm
(excluding bank holidays). 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.



Royal London
royallondon.com

We're happy to provide your documents in a different format, such as braille, large print or audio, just ask us when you get in touch.

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