ROYAL LONDON

keyfacts®

Key features of the **Retirement Solutions Group Personal 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 decide whether our Retirement Solutions Group Personal Pension Plan is right for you. You should read this document carefully, so that you understand what you're buying, and then keep it safe for future reference. If you're concerned that this plan may not be suitable for you, speak to a financial adviser.

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 Group Personal Pension Plan
- your commitments if you take out the plan
- the risks associated with the plan
- questions and answers that explain the plan's main features
- how to contact us.

This plan meets your demands and needs if you want to save for your retirement.

Its aims

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

Your commitment

- You and/or your employer agree to make regular contributions to your plan until your chosen pension date. You can also make a single contribution or a transfer payment from another pension plan.
- You agree to make up any difference between the contributions made by your employer and the minimum total of contributions set out in the auto enrolment requirements.
- You agree to tell us if your circumstances change. For example, if you no longer have UK earnings or are no longer resident in the UK.
- You need to let the plan build up until you're allowed to access your pension savings.
- If you take pension savings from another pension plan you need to tell us as this may trigger the MPAA (money purchase annual allowance).

Risks

- We can't guarantee what you'll get back at your chosen pension date. Various factors can alter your plan 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 pension savings earlier than your chosen pension date. If you take your pension savings earlier than your chosen pension date, you should think about reviewing your investment option as it may no longer be appropriate.
  - Tax rules and legislation can change and the value of any tax benefits will depend on your individual circumstances.
  - Investment returns are never guaranteed. So while there's a chance your pension savings could grow, their value can also go down. This means you could get back less than you started with.
- 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 start your plan with a single contribution or transfer payment and then cancel it 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 you agree charges with a financial adviser for services they provide on your plan, and you tell us to take those charges from your plan.
- If you transfer pension savings from another pension plan, you may be giving up valuable benefits, and there's no guarantee that your pension savings will be more than if you'd stayed in your previous plan. We recommend you speak to a financial adviser before making any transfer.
- 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 chosen pension date. The market value reduction is applied to ensure that the amount we pay you isn't 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.

Questions and answers

What is a group personal pension plan?

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

What contributions can be made into my plan?

You and/or your employer can make regular contributions to your plan. You can also make single contributions at any time. If you have another pension plan, you may be able to transfer it into this plan.

You can make contributions into your plan either from your net salary or using salary exchange. Your employer will tell you on which basis you make contributions.

You can ask to stop contributing, or reduce contributions to your plan. 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 plan and it may also reduce the amount of contributions your employer pays in. You can ask us for more information about the effect of stopping or reducing your contributions.

Contributions made from your net salary

Your contributions are taken from your salary, after tax has been paid, and paid to us by your employer.

We add tax relief at the basic rate and invest it in your plan. We then reclaim the basic rate tax relief from HM Revenue and Customs. If you're an intermediate rate (Scottish taxpayers only), higher rate or additional rate taxpayer, you could be entitled to claim more tax relief through a self-assessment tax return or by contacting your local tax office.

You'll receive tax relief on all regular and single contributions you make to your plan up to a maximum of £3,600 a year or 100% of your relevant UK earnings, whichever is greater. This is after tax relief at the basic rate of income tax is added; so you would only pay £2,880 for a gross contribution of £3,600. If you pay tax -relieved contributions above the annual allowance there may be a tax charge. See **'What about tax below'.**

Your regular contributions are usually paid monthly and can be paid as a percentage of your salary or as a fixed amount.

Tax rules and legislation can change and the value of any tax benefits will depend on your individual circumstances.

Contributions made using salary exchange

Your employer may allow you to make contributions by salary exchange This is an agreement between you and your employer where you voluntarily exchange part of your gross salary in return for employer contributions into your plan.

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

What contributions do I have to make into my plan?

Auto enrolment requires a total minimum contribution to your plan and your employer must contribute at least part of this. If your employer contributes less than the total minimum amount, you'll have to make up the difference.

Your employer will confirm the amount of contributions you'll have to make and will tell you if that amount will change. To find out more about the minimum contributions, visit your pension website or speak to a financial adviser.

Where are the contributions invested?

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 funds, 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 choose from a wide range of investment options. You can read about these in our **Pension and investment options** guide.

Your employer's adviser may have created an additional range of investment options for your plan. If this applies to your plan, you'll find more information in your joining pack.

If you decide to choose your own investments and don't use the scheme default investment, there may be an additional charge.

If you don't tell us how to invest your contributions, we'll invest them in the plan's default investment choice.

You can switch your investments and/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 before or after your chosen pension date. We'd 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 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 time other than before your chosen pension date.

Should Royal London demutualise within a period of three years from the later of the date that you join the plan and the date Royal London receives the first contribution, you won't be entitled to any compensation for loss of membership rights in respect of the contributions paid to the plan.

If you're considering investing in the Royal London With Profits fund, we'll 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's 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 share in our success. That's why we'll aim to give your pension 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.

Your ProfitShare award will be applied in April each year as long as your plan was in force on 31 December the previous year and on the date the award is given.

It'll 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 pension savings to help it grow.

You can take the value of your ProfitShare account along with the rest of your pension savings any time after age 55.

There's no guarantee that we'll be able to award ProfitShare every year. But once we've awarded ProfitShare, we'll never take it away.

If you invest in with profits, we'll work out your ProfitShare in a different way. You can find more information in the **Royal London With Profits Fund** factsheet.

What might I get when I access my pension savings?

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

What can I do with my plan when I access my pension savings?

Any time after age 55, you'll have access to your pension savings. You don't need to do anything immediately as your pension savings can remain invested, but you'll need to make a decision before you reach age 75.

There are a few options, some of which may need you to transfer to another plan but with each option you can normally take up to 25% tax-free.

You'll be able to use your plan value to:

- take a cash lump sum which can be some or all of your pension savings
- buy a secure income which will provide you with an income for life, this is often called 'an annuity'
- 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 gives you a guaranteed income for life.

An income drawdown plan gives you flexibility to take income as and when you want. You can shop around to find a plan that's right for you, with the best rates.

You don't need to have stopped working to take an income from your plan. Any income you take will be taxed as an earned income.

When you access all or part of your pension savings, it's important that you think about your needs in both the early and the later parts of your retirement. It's your responsibility to ensure that your pension savings don't run out and will last you for the rest of your life.

You can find out more about your options including the risks and the benefits of each option at: **royallondon.com/retirement**

What happens if I die?

We'll normally pay out your plan value as a lump sum to the individuals you've nominated such as your spouse, civil partner or dependants on your death.

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

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

What happens if I leave my employer?

If you leave your employer, you can continue to make contributions to the plan at any time. This includes regular contributions, single contributions or transfer payments. Any regular contributions must be made by Direct Debit.

Any contributions made by your employer will stop.

You can also stop paying contributions and leave your funds invested or transfer to another plan.

What are the charges?

We'll apply an annual management charge for managing your plan.

If you receive advice or a service from a financial adviser in relation to your group personal pension plan, charges may be deducted from your plan 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 group personal 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 plan. 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 plan.

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

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

If before you reach your chosen pension date, you die or you transfer your pension savings away, we may deduct any outstanding initial charges which you may have agreed in return for advice and/or services that have been provided by your adviser.

If your employer's automatically enrolling you into their group personal pension to meet their duties to provide a suitable workplace pension, the charges are subject to a charge cap. This cap is 0.75% and applies to the default investment for the group personal pension.

We regularly review our charges and they could change in the future.

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's a limit on the amount you can invest in a pension plan without being subject to a tax charge. This limit is known as the annual allowance. There's also a limit on the amount you can build up in any pension plan when you start taking your pensions savings. It's called the lifetime allowance.

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

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

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

If you die, there's normally no inheritance tax payable on the value of your plan, unless it forms part of your estate.

The pension 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 and legislation can change and the value of any tax benefits will depend on your individual circumstances or those of any beneficiaries receiving death benefits.

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 potentially transfer to another pension plan, depending on when you transfer and how your investments perform.

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

Can I change my mind?

You can opt out of the plan. Your plan documents will tell you how and when you can do this. As long as you opt out of the plan within your opt out period, we'll arrange for

your contributions to be refunded to you. If you've taken any lump sum(s) from your plan, these would have to be repaid. If you don't opt out, your plan will continue.

If you made a transfer payment to the plan, you can change your mind within 30 days of receiving the plan documents. You don't have to opt out of the plan. You must write and tell us. You can contact us in writing by using the details in the **How to contact us** section. We'll pay the money back to the other pension provider it came from. If the transfer payment has come from an occupational pension scheme, the trustees of the transferring scheme may not accept the transfer payment back if you decide to cancel the plan.

If you made a single contribution or transfer payment and the plan value has fallen by the time it's cancelled, the amount returned will be the plan value. This will be less than you paid in. If the plan value has increased by the time it's cancelled, the amount returned will be the value of the contributions. If you agreed charges with a financial adviser for services provided in relation to your plan, the amount returned will be reduced by any charge payments made to the adviser. This will be less than you paid in. You'll find more details about this in your **Plan details** which you'll receive when you take out your plan.

How will I know how my plan's doing?

We'll send you a yearly statement to show you how your plan's doing.

You can check the prices of the funds you're invested in online, visit **royallondon.com**.

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 this plan was arranged by a financial adviser, they should be your first point of contact. We're unable to provide financial advice.

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

Royal London
Royal London House
Alderley Park
Congleton Road
Nether Alderley
Macclesfield
SK10 4EL

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 Park
Congleton Road
Nether Alderley
Macclesfield
SK10 4EL

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 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 Group Personal Pension Plan. They don't include all definitions, exclusions, terms and conditions.

These key features also set out the terms of the agreement between you and Royal London which must be given to you under the auto enrolment requirements.

You'll receive a copy of the full terms and conditions as detailed in our **Group Personal Pension Plan booklet** after you've taken out the plan and we've received the first contribution. If you'd like a copy of the terms and conditions before we receive the first contribution, please ask us.

We have the right to change some of the terms and conditions, including the charges. We'll 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'll tell you if this happens.

Our Retirement Solutions Group Personal Pension Plan is issued under The Royal London Personal Pension Scheme (No2). If you'd like a copy of the rules of this scheme, please ask us.

Terms and conditions and all communications will be in English.

Law

The terms and conditions applying to your plan are governed by Scots 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'll 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'd like more information about the compensation arrangements that apply, please ask a financial adviser or contact us direct.

Benefits we might give an adviser

To help improve the quality of service your adviser gives you, we might give them small non-cash benefits such as marketing and promotional support and technical services and training.

We might also make small cash or voucher payments to them for research carried out with them. Your adviser should tell you about any benefits they receive upfront.

Our conflict of interest policy

We've designed our conflict of interest policy to:

- Identify potential conflicts of interest that might be a significant risk to our customers.
- Make sure we take reasonable steps to prevent these conflicts from happening.
- Help us manage these conflicts to protect our customers' interests.

If you'd like more information about our conflict of interest policy, just get in touch.

About us

The Royal London Mutual Insurance Society is a member-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've 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
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.

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

The Royal London Mutual Insurance Society Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. The firm is on the Financial Services Register, registration number 117672. It provides life assurance and pensions. Registered in England and Wales, company number 99064. Registered office: 55 Gracechurch Street, London, EC3V 0RL. Royal London Marketing Limited is authorised and regulated by the Financial Conduct Authority and introduces Royal London's customers to other insurance companies. The firm is on the Financial Services Register, registration number 302391. Registered in England and Wales company number 4414137. Registered office: 55 Gracechurch Street, London, EC3V 0RL.

June 2021 14KFI119/18