

Your pension's in safe hands



This important document gives you information to help you understand more about your new pension plan.

Please keep it safe for future reference.

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If you'd like a copy of this or any other item of our literature in larger print, Braille or audio format please contact us via the details on page 7.

Your guide to your Legal & General Buy Out Plan

What's this guide about?

The Trustees of the pension scheme you used to belong to, or your former spouse or registered civil partner used to belong to, have asked us to set up a pension plan for you called a 'Buy Out Plan'.

We've received a transfer value payment from the scheme and this might be because your old scheme is being replaced, or because of a pension sharing order following divorce or a dissolved registered civil partnership.

If you did belong to the pension scheme, your Buy Out Plan now replaces the benefits that were held in the old scheme.

The purpose of this guide is to give you a brief outline of your Buy Out Plan – in question and answer format – and to give you some contact details if you need to get in touch with us at any time.

There's more information about your Buy Out Plan in the enclosed Policy booklet and schedule(s), including important information about the amount paid into it, how it's currently being invested and how you can make changes to where your plan is invested, if you wish to do so.

Please see sections 'Can I change where my money is invested?' and 'How can I change where my money is invested?' on page 4 of this guide for more details.

How much money was paid into my Buy Out Plan from the Trustees of the old scheme?

The amount of money we've received (called the transfer payment) can be found in the enclosed policy schedule(s). This payment was calculated with them. If you've any queries you should raise these as soon as possible.

How can I contact the Trustees if I have a query?

The Trustees should have already written to you to confirm what action they proposed to take with your pension fund. If you're unable to locate their contact details you can ask us for them. If you have a query you should get in touch with the Trustees as soon as possible because now that the transfer payment has been made, they'll no longer be responsible for matters concerning your pension in the future.

Whose plan is it?

This is your plan: neither the Trustees making the transfer payment, nor the employer that provided that scheme, have any involvement with it from now on. Your new Buy Out Plan forms a contract between you and Legal & General.

How does my plan work?

Like the pension scheme that your transfer payment came from, your Buy Out Plan is a money purchase pension scheme (also known as a Defined Contribution scheme).

A money purchase scheme doesn't guarantee a set level of pension income. The transfer payment we have received is invested in an investment fund or funds. Anytime after you become eligible to take your benefits (see 'When can I access my pension pot' on page 4), you can use the money that has built up into this Buy Out Plan to provide you with an income, cash lump sums or a combination of both.

If the transfer was the result of a pension sharing order following divorce or a dissolved registered civil partnership, or if your previous scheme benefits were already in income drawdown, then some restrictions may apply. More details are in the Policy booklet or you can contact us if you'd prefer to speak to someone.

Important

The personal information collected from you will be shared with fraud prevention agencies to prevent fraud and money laundering and to verify your identity. If fraud is detected, you could be refused certain services, finance, or employment. Further details of how your information will be used by us and these fraud prevention agencies, and your data protection rights, can be found on [legalandgeneral.com/cifas](https://www.legalandgeneral.com/cifas)

How is my transfer payment being invested?

When they applied for this plan, the Trustees of the scheme making the transfer told us which investment fund or funds your transfer payment should be invested in.

Can I change where my money is invested?

Yes, this is called 'switching funds'. Your plan gives you access to a wide range of funds and can be invested in a maximum of 50 different funds at any one time. You can also switch between funds at any time. Please see legalandgeneral.com/investwbop for your investment options.

We don't currently make a charge when you switch funds. We'll tell you if this changes in the future. For more information please see 'How can I change where my money is invested?' below.

The value of investments can go down as well as up. It's particularly important to remember this if you're close to retirement.

How can I change where my money is invested?

If you've registered with us, you can change your investment funds online. Details of all of our investment funds can be found on our website (see 'What information will I get from Legal & General?' on page 5 for more details of our **online** service).

Alternatively, you can do this by notifying us in writing to the address on page 7. To see the full range of what's available to you, you can ask us for details of our investment guides.

How much will my pension fund grow by?

This depends on the investment performance of the fund or funds you invest in, and the management charges deducted (see 'What are the charges?' on page 5). Investment performance can't be guaranteed and the value of your fund can fall as well as rise.

Can I pay any more contributions into my Buy Out Plan?

No, the only payment that can be made is the transfer payment from the Trustees in to your Buy Out Plan which we've already received.

Can I cash in my plan?

No, once the transfer payment has been paid in, it has to remain invested until you are allowed to access your benefits. For more information on when you can access your benefits please see 'When can I access my pension pot?' below.

How can I access my pension pot?

Once you become eligible to begin taking your benefits, you can select some or all of your pension pot, and take up to 25% of the amount selected as a tax-free cash sum, and the rest of this amount as a taxable income. You can choose to receive this income on a regular or occasional basis from your pension pot (income drawdown), or by using your pension pot to buy an annuity.

You could be entitled to a higher percentage of tax-free cash sum than 25% if your old scheme is winding up, and if you were a member of that scheme before 6 April 2006. If so, when you access your pot you'll have to take all of your benefits at the same time otherwise you'll only be able to take 25%. You can choose to take the taxable portion as a lump sum, an annuity or a combination of both. We'll let you know when you access your pension pot or you can ask us any time.

You will have the option to take all of your pension pot as one lump sum or take several smaller lump sums on a regular or occasional basis. 25% of each lump sum is tax-free and you'll pay tax on the rest.

Although we have set up a Buy Out Plan for you, you don't have to stay with us. You should shop around to find what's best for you. Different providers will offer different options, features, rates of payment, qualifying criteria and charges. You have the right to transfer some or all of your pension pot to one or more other providers.

When can I access my pension pot?

You're free to access your pension pot at any time from the Normal Minimum Pension Age. This is currently 55 but will increase to age 57 from April 2028. However, you may still be able to take your benefits from age 55 after April 2028 if you had a right to do so under your old scheme. You don't need to stop working in order to take your benefits. HM Revenue & Customs allows access to your pension pot before the Normal Minimum Pension Age in the event that illness or injury prevents you from continuing in your occupation.

If you've a life expectancy of 12 months or less, you're permitted to take benefits as a cash lump sum.

The Selected Retirement Age (SRA) isn't the age at which you have to access your pension pot.

Please note: the SRA shown on your policy schedule, was instructed by the Trustees when they applied for this plan for administrative purposes and to calculate the pension projections we send you. We also use it to contact you prior to this date with your retirement options.

You can ask us to change your SRA at any time to better reflect when you hope to retire, which will make our projections of possible benefits more helpful to you.

What happens if I die before accessing my pension pot?

You can tell us who you'd like to receive the value of your pension savings by completing a nomination of beneficiary form. You'll find one included with this pack.

We'll use our discretion when we pay a lump sum death benefit. We'll always use your nomination of beneficiary form to guide our decision, but we aren't bound by it.

Our standard process means that we wouldn't need to see evidence that probate had been applied for or deal with the executor of your estate as a matter of course.

If you don't give us any guidance, we may simply pay any lump sum to your estate, which could mean that it won't be paid until we've received the probate letters (the first step in the legal process of administering the estate of a deceased person under a will). If you die on or after your 75th birthday any payment made will be subject to tax at your beneficiary's marginal rate.

Important: Please fill in a nomination of beneficiary form, and keep it up to date as your circumstances change. You must complete this form yourself and send it to us. Should you die before we receive this form, we won't be able to act upon it. You can't nominate yourself or your estate.

What information will I get from Legal & General?

You can register with us for our online service, called Manage Your Account, designed for use now and in the years to come before you access your pension pot. Once you've registered, you can get up-to-date information about your plan online. You can also change your investment funds, update your personal details (such as change of address) and request help. To register with us, visit legalandgeneral.com/mya

We'll also give you an online benefit statement each year, but you can ask for one more frequently. The statement will provide an up-to-date valuation of your fund, show you which investment fund or funds you're investing in and provide a pension pot projection at your SRA.

We may also contact you if we review the investment choice originally made by the Trustees and are proposing an alternative option.

We'll write to you four months before your SRA with details of your options and choices if you decide to access your pension pot at the SRA.

What are the charges?

We make charges to cover the various costs and expenses involved with setting up and managing your plan. These will include administration and investment management costs. A full description of our charges and how we apply them can be found in your Policy booklet.

Our charges are made up of an Annual Management Charge (AMC) and a Fund Management Charge (FMC). Further details of these charges are shown in the illustration of benefits sent as part of your Key Features in the 'What are the charges?' section.

The AMC may be tiered (so that the rate reduces for larger fund values) or it may be a flat rate (level) charge. The example shown below is based on a flat rate charge. However your Trustees may have negotiated a tiered AMC where the rate is lower for larger fund values. AMC charges are due and calculated daily and are deducted from your investment fund on a monthly basis.

The FMC varies from investment fund to investment fund. The FMC for the fund (or funds) in which you are currently invested is shown in the Key Features illustration. FMCs are taken into account when calculating the price of the relevant fund.

For example, if the AMC shown in your personal illustration is 0.3% p.a. and the FMC shown in your Key Features illustration is:

Name of fund	Additional Annual Fund Management Charge
L&G PMC Multi-Asset Fund 3	0.13% p.a.

This would give you an effective charge of 0.43% (0.3% AMC plus 0.13% FMC).

For example, if your fund is worth £60,000 throughout the year and the example charges in the table above apply to your plan, the effect of our charges would be:

$$60,000 \times 0.43\% = £258.$$

If you choose to change your investment fund or funds, the FMC (and therefore the overall charge you pay) may change as a result. The FMC for all our funds is shown on the funds factsheets, which you can find along with other fund information on our online service Manage Your Account (see 'What information will I get from Legal & General?' opposite).

Full details of our charges and how we apply them can be found in your Policy booklet.

Can I transfer to another plan?

You can transfer the value of your plan to another Registered Pension Scheme or a Qualifying Recognised Overseas Pension Scheme (QROPS). We don't make a charge or apply a penalty if you do. As long as the transfer is to another Registered Pension Scheme, the transfer should not give rise to a tax charge. If the transfer is to a QROPS, the transfer may give rise to a tax charge.

If you're entitled to Protected Tax-Free Cash under this policy, you should be aware that you would lose this option if you transfer.

Facilitated adviser charging

Our Buy Out Plan offers you a way of paying your financial adviser directly from your pension account – this is called a facilitated adviser charge. The advice you receive must be related to your Buy Out Plan and it's from this that we'll take the adviser charge. You must have enough money in your pension account to pay for this.

The 'Facilitated Adviser Charge Guide' explains how this service works. For more information, please go to legalandgeneral.com/adviserchargeguide and legalandgeneral.com/adviserchargeform, or phone us on **0345 070 8686**. (Call charges will vary. We may record and monitor calls.)

Alternatively, email: employerdedicatedteam@landg.com

Or write to us: DC Pensions, Legal & General, PO Box 1560, Peterborough, PE1 9AS.

Important – Data Protection Act

Use of my personal information

Legal & General takes your privacy very seriously. Legal & General use the personal information collected and any other personal information that I provide to Legal & General or is provided to them on my behalf ('my information') for the purposes of (amongst other things):

- providing me with Legal & General products and services and dealing with my enquiries and requests;
- underwriting and administering my personal pension plan including processing claims;
- carrying out market research, statistical analysis and customer profiling. Legal & General will not sell my information to third parties for them to market to me.

Legal & General's privacy policy sets out more detailed information on how they use my information (including: their processing activities, the lawful basis for their processing, how they transfer my information and/or other information prescribed by data protection law).

A copy of Legal & General's privacy policy is available at legalandgeneral.com/privacy-policy or otherwise

upon request. Any changes to Legal & General's privacy policy will be posted on this site from time to time.

To protect you and Legal & General from financial crime, Legal & General may be required to verify the identity of new and existing customers. This may be achieved by using reference agencies to search sources of information relating to you (an identity search). This will not affect your credit rating. If this fails, Legal & General may need to approach you to obtain documentary evidence to confirm your identity.

If you make a claim, we may share your information (including personal information) with other insurance companies and/or fraud prevention agencies in order to prevent fraudulent claims. Fraud prevention agencies may be based in the UK, or internationally.

Where fraud is detected we will share the relevant information with fraud prevention agencies. We may also share your information with law enforcement agencies where required to do so.

Legal & General and other organisations may access and use your personal information to prevent fraud, money laundering and other types of financial crime. This may happen where the business is: (a) checking details on applications for credit and credit-related accounts or facilities or otherwise, (b) managing credit and credit-related accounts or facilities, (c) recovering debt, (d) checking details on proposals and claims for all types of insurance, and/or (e) checking details of job applicants and employees.

Legal & General may share your personal information with other organisations for the purposes of preventing financial crime.

Important

The personal information collected from you will be shared with fraud prevention agencies to prevent fraud and money laundering and to verify your identity. If fraud is detected, you could be refused certain services, finance, or employment. Further details of how your information will be used by us and these fraud prevention agencies, and your data protection rights, can be found on legalandgeneral.com/cifas

If you've been dealing with a financial adviser, Legal & General may give them information about you, and this product and may provide them with any other information about your dealings with Legal & General to enable them to give you informed advice.

Access

You've the right to ask for a copy of information that Legal & General hold about you. To obtain a copy of your information, please write to: DC Pensions, Legal & General, PO Box 1560, Peterborough, PE1 9AS.

Further information

About Legal & General

Established in 1836, Legal & General is one of the UK's leading financial services groups and a major global investor, with over £1.2 trillion in total assets under management as at 31 December 2022.

We're here to help

If you've any queries, or would like more information, please contact your usual financial adviser. Or you can contact us by one of these methods:

Check the progress of your pension savings any time by logging into Manage Your Account at:

legalandgeneral.com/manageyouraccount

Call us on: 0345 070 8686

Call charges will vary. We may record and monitor calls.

Email us at: employerdedicatedteam@landg.com

Write to us at: DC Pensions, Legal & General, PO Box 1560, Peterborough, PE1 9AS.

Law and language

The information that we've included in this document is based on our understanding of current law relating to pensions in the UK. The contract is governed by the laws of England and Wales. If you live in Scotland you can bring legal proceedings in either the Scottish or English courts. If you live in Northern Ireland you can bring legal proceedings in Northern Irish or English Courts.

The terms and conditions and all communications are only available in English. Communication from us will normally be by email, phone or letter.

Our regulator

We're authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Our Financial Services Register number is 117659.

You can check this on the Financial Services Register by visiting the Financial Conduct Authority's website at: fca.org.uk/register, or by contacting the Financial Conduct Authority on **0800 111 6768**.

Complaints

If you wish to complain about any aspect of the service you've received from Legal & General, or if you'd like us to send you a copy of our internal complaints handling procedure, please contact us using the details below.

Call us on: 0345 070 8686

Call charges will vary. We may record and monitor calls.

Email us at: employerdedicatedteam@landg.com

Write to us at: DC Pensions, Legal & General, PO Box 1561, Peterborough, PE1 9AS.

Complaints regarding our administration that we can't settle can initially be referred to:

The Pensions Ombudsman, 10 South Colonnade, Canary Wharf, E14 4PU

Telephone: 0800 917 4487

Email: enquiries@pensions-ombudsman.org.uk

Website: pensions-ombudsman.org.uk

Sales-related complaints that we can't settle can be referred to:

The Financial Ombudsman Service, Exchange Tower, London, E14 9SR

Telephone: 0800 023 4567

Email: complaint.info@financial-ombudsman.org.uk

Website: financial-ombudsman.org.uk

Making a complaint to The Pensions Ombudsman or The Financial Ombudsman won't prejudice your right to take legal proceedings.

How your pension savings are protected

When you invest in a fund, that fund is held through an insurance policy with Legal and General Assurance Society Limited (LGAS), which is an insurance undertaking and the provider of your pension plan. They then invest in the funds of Legal and General Assurance (Pensions Management) Limited which we refer to as PMC (Pensions Management Company).

Depending on the fund selections made by you, some of the assets held by PMC are invested with external providers outside the Legal & General Group.

When one insurance company (LGAS) invests its assets with another (PMC), this is known as reinsurance. This reinsurance arrangement has its own rules and impacts on your right to claim compensation.

Your rights

In the event that LGAS becomes insolvent or is otherwise unable to meet its financial obligations, you may be able to claim for any losses from the Financial Services Compensation Scheme (FSCS), potentially up to 100% of the total value. The FSCS is designed to pay customers compensation if they lose money because a firm is unable to pay them what they owe. You can find out more about them at [fscs.org.uk](https://www.fscs.org.uk)

In the event that PMC becomes insolvent, LGAS will attempt to recover the full value of your investments. If they're unable to do so, LGAS will be responsible for making up any shortfall.

In the event that an external reinsurer becomes insolvent, PMC will attempt to recover the full value of your investments. If it's unable to do so, LGAS may be responsible for making up any shortfall if the fund was made available prior to 1 December 2018. However, this top up will not be available in respect of new funds made available after that date. For those funds, the documents you receive about your funds will outline the risks of investing in them, including in relation to the failure of third-party reinsurers.

Contact us

For further information, please contact:

0345 070 8686

Call charges will vary. We may record and monitor calls.

employerdedicatedteam@landg.com

legalandgeneral.com/mya

Legal and General Assurance Society Limited

Registered in England and Wales No. 00166055

Registered office: One Coleman Street, London EC2R 5AA

Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

W11707 11/23 DC002383 NON ASD

