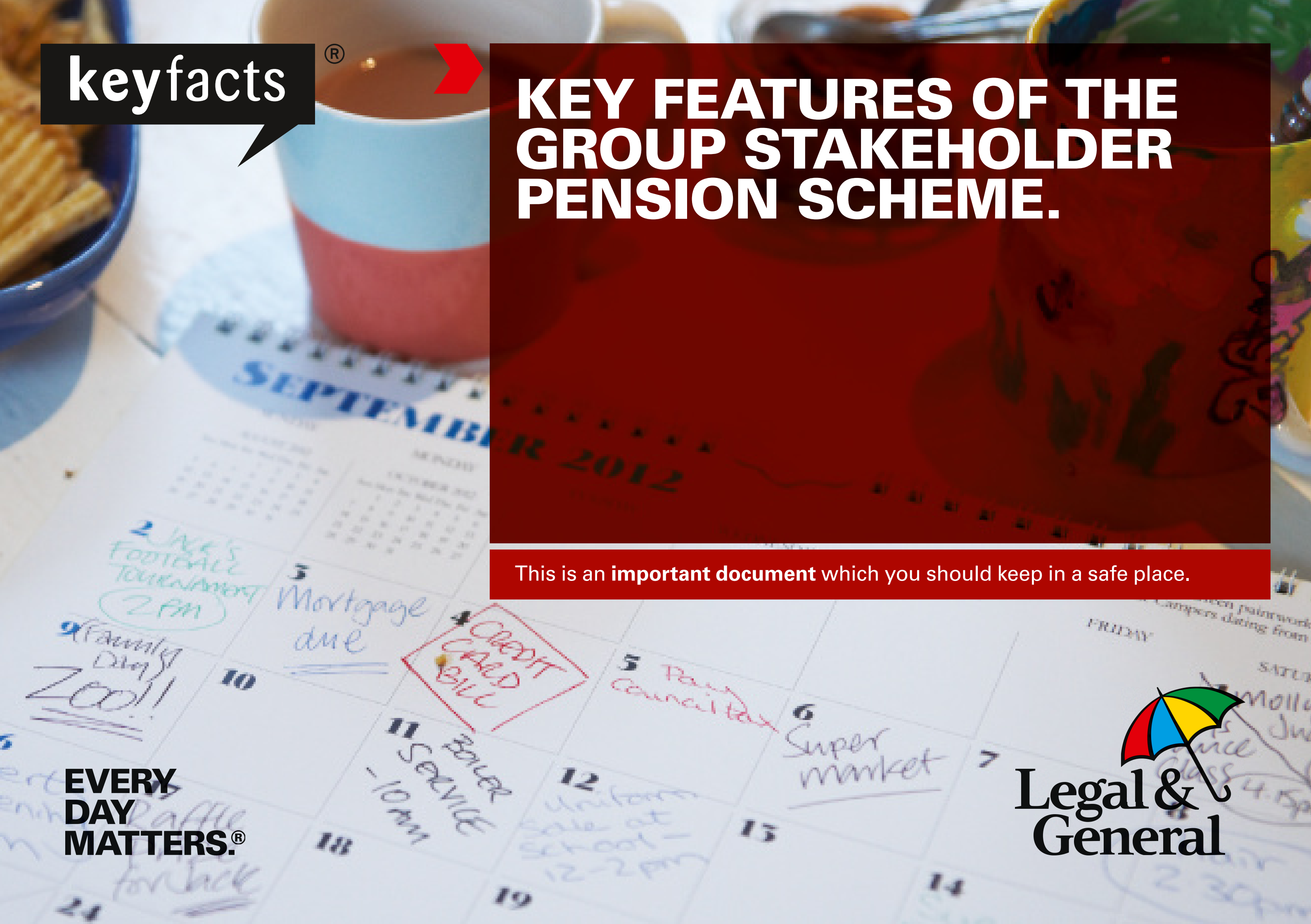
keyfacts®

KEY FEATURES OF THE GROUP STAKEHOLDER PENSION SCHEME.

This is an **important document** which you should keep in a safe place.



EVERY DAY MATTERS.®

Legal & General

CONTENTS

USING THIS DOCUMENT.

WHAT ARE KEY FEATURES?

The Financial Services Authority is the independent financial services regulator. It requires us, Legal & General, to give you this important information to help you decide whether the Legal & General Group Stakeholder Pension Scheme is right for you. You should read this document carefully so that you understand what you are buying, and then keep it safe for future reference.

BEFORE YOU START READING

Throughout this document, we refer to the Group Stakeholder Pension Scheme as 'the plan'.

The purpose of this document is to explain to you the aims, commitments, risks and the other key features of the plan.

We've tried to make this document easy to understand by using plain English where we can. Where we have had to use terms that you may not be familiar with (which we've highlighted in red like this), we have given clear definitions. You'll find these in the 'Terms explained' section on page 38.

You should read this document carefully. If you don't understand something at any point, please ask us for more information.

OTHER DOCUMENTS

You will find more detailed information about the terms and conditions of the plan in the Member's Policy Booklet. We will send you this booklet after you have joined the plan but you can contact us to request a copy at any time.

As a member of the plan, you will be able to choose (if you wish) how the money you pay in is invested. You can find out about the various options available to you in the booklet 'Choosing your investment fund' which you have been given along with this document.

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FINDING OUT MORE

This icon appears where more detailed information is available elsewhere.

CONTACTING US

You can find our contact details in the 'How can I contact you?' section on page 13.

AT A GLANCE.

Introducing the Legal & General Group Stakeholder Pension Scheme (the plan)

The plan is a simple, low cost and tax efficient way to save for your retirement.

When you join, you and your employer can both pay into the plan. The idea is to build up a pot of money (your pension pot) that can be used to provide an income and an optional cash sum when you reach your plan retirement date. When you join the plan, your plan retirement date will be set by your employer. However, you can change this at any time provided the date you choose is not earlier than your 55th birthday.

The joining arrangements have been made for you by your employer. You will have your own, individual plan and you will have control over its management. You can also take your plan with you if you change jobs and can transfer your pension pot to another Registered Pension Scheme at any time.

ABOUT LEGAL & GENERAL.

About Legal & General

The Legal & General Group was established in 1836 and is one of the UK's leading financial services companies. As at 30 June 2012, we were responsible for investing £388 billion worldwide on behalf of investors, policyholders and shareholders. We also had over seven million customers in the UK for our life assurance, pensions, investments and general insurance plans.

AIMS, COMMITMENT AND RISKS.

ITS AIMS

- To build up a pension pot in a tax efficient way to provide you with an income and optional cash sum in retirement. (Although you don't necessarily have to retire when you take this income).
- To provide an income or cash sum for your spouse, registered civil partner or your financial dependants if you die before taking an income from your plan.

YOUR COMMITMENT

- To join the pension plan you and/or your employer will usually need to either:
  - pay in a regular amount of no less than £20 for each payment.
  - pay in a one-off lump sum. This can include transferring a pension pot that you have built up in another pension plan. The minimum lump sum payment is £20.
- The money that you and your employer pay into your pension pot is tied up until you reach the age of 55.

RISKS

- **The value of your pension pot is not guaranteed.** When you and your employer pay into your plan, the money is invested in one or more investment funds. The value of these investments can go down as well as up. To find out more about the risks of investing, please see the accompanying 'Choosing your investment fund' brochure.
- **The amount of income that your pension pot can provide will depend on many things.** These include charges, how much the investment funds that your pension pot is invested in grow by and the cost of buying a pension income.
- **The law and tax rates may change in the future.** This could affect the value of your pension pot, affect how much you can pay into your plan or alter the age at which you are able to open your pension pot. Tax treatment also depends on your individual circumstances.
- **A pension plan is not necessarily for everyone.** You should be aware that joining a pension scheme may not be suitable for you, particularly if small amounts of savings affect your entitlement to any means tested State benefits.
- If you have Enhanced or Fixed Protection, any contribution you make to this plan will mean that you lose your protection and your benefits will be subject to the standard Lifetime Allowance.

Some members may make regular payments through something called 'salary sacrifice'. If this applies to you, your employer will explain anything you have to be aware of.

QUESTIONS AND ANSWERS.

WHAT ABOUT THE STATE PENSION?

BY JOINING THE PLAN, YOU WILL NOT LOSE ANY ENTITLEMENT TO THE STATE PENSION

You need to consider if the State Pension will be enough for you to live on when you retire. The plan is designed to give you an additional income when you retire on top of any State Pension that you're entitled to.

HOW DO I PAY INTO THE PLAN?

Your employer will normally deduct your regular payments from your salary and pass them on to us (usually every month) along with any additional amount that they are paying in for you.

If you want to make any additional one-off payments, you can do this at any time by cheque or from your employer's payroll if they allow this.

Every year, we will send you a statement showing what has been paid in and what your pension pot is worth.

Your employer may offer you a 'salary sacrifice' scheme. If they do, and you choose to take this option, you effectively 'give up' some of your **gross salary** and your employer then pays this amount into your pension plan.

The aim of doing this is so that you and your employer pay less National Insurance. Salary sacrifice may also increase your take home pay when compared to making the same payments into your plan yourself.

Please note that the tax assumptions that we've made in this document are based on you making regular payments into your plan. If your employer offers a salary sacrifice option, they will provide you with full details separately.

WHAT WILL HAPPEN TO MY TAKE-HOME PAY?

When you make regular payments into your plan from your salary, your take-home pay will be reduced. However, it won't normally reduce by the full amount that is paid into your plan.

This is because under current law, the money that people pay into a pension plan receives tax relief from the government. This means that the basic rate income tax that you would normally pay if you took your money as paid salary will be added to your pension pot.

For example, if you are a basic rate taxpayer, for every £25 a month that is paid into your plan your take-home pay would only reduce by £20. This is based on the basic rate of tax for the 2012/13 tax year which is 20%.

HOW DOES TAX RELIEF WORK?

We will automatically claim basic rate tax relief from the government for you and add it to your pension pot. However, if you pay one of the higher rates of income tax, you will need to claim the extra yourself through your annual tax return. If you do not pay income tax because your earnings are below the income tax threshold, we are still able to claim tax relief for you and add this to your pension pot. If you make any one-off payments, we will also claim the tax relief on these payments at the basic rate for you.

HOW MUCH CAN I PAY INTO MY PLAN AND STILL GET TAX RELIEF?

Generally, you can pay the equivalent of your entire annual salary each year (or up to £3,600 if that's more) and still get tax relief.

However, the government has put in place an 'annual allowance' which, for the 2012/13 tax year is £50,000. It includes any money that you pay in and any money that an employer pays in on your behalf to this plan and any other pension plans you may have.

If you exceed the annual allowance you will pay tax on the total amount that is paid above it.

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For more information about tax relief and the annual allowance, please see your Member's Policy Booklet.

CAN I CHANGE THE AMOUNT THAT I PAY IN?

Yes. You can increase or reduce the amount that you pay in at any time although your employer may restrict the number of times you can do this each year.

It is also possible to stop making contributions altogether. However, you should be aware that our charges mean that the value of your pension pot could be less than has been paid in, particularly if you stop paying in during the early years of your pension plan.

You can make one-off lump sum payments into your plan at any time.

WHAT HAPPENS TO THE MONEY I PAY IN?

The money that you (and your employer) pay into your plan builds up your pension pot. We invest your pension pot on your behalf in one or more of our investment funds.

The aim of an investment fund is to grow the value of your pension pot.

Under the plan, there are a variety of investment funds that you can choose from. However, if you are not comfortable making decisions about investing, we'll automatically invest your pension pot for you in the 'default option' for your employer's pension scheme.

You will not have to pay any capital gains tax or income tax on any investment growth. However, we cannot reclaim the tax paid on dividends from UK companies.

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To find out more about investing or to see details of the investment funds that you can choose from, please see the accompanying booklet called 'Choosing your investment fund'.

WHAT HAPPENS WHEN I REACH MY PLAN RETIREMENT DATE?

You'll have many different choices to make when you come to retire about how you want your income to be paid. The actual income you get may be higher or lower than the income we've shown in the example illustrations that begin on page 14.

We will write to you several months before your plan retirement date with more information about the options you have.

WHAT COULD MY PENSION POT BE WORTH AND HOW MUCH INCOME COULD I GET?

How much your pension pot will be worth when you come to retire and what kind of income you will get will depend on a number of factors. These include:

- **How much you and your employer pay into your plan.** The more you pay in, the more money there is likely to be in your pension pot.
- **When you choose to open your pension pot.** In most circumstances, you can't open your pension pot until you reach age 55. However, the longer you leave your pension pot invested, the longer it will have to grow.
- **How the investment fund or funds that your pension pot is invested in perform.** How your pension pot grows depends how well the investment funds you invest in perform.
- **How much it costs to buy a pension income (called an 'annuity') when you retire.** The cost of buying a certain level of income can change over time. This could mean your pension pot may not buy you the income that you hoped for or need.

To help you get an idea of what your pension pot might be worth and what kind of income you could get, you will find some example illustrations beginning on page 14.

Under current government rules, when you reach your plan retirement date, you can take up to a quarter of the value of your pension pot as a tax-free cash sum.

WILL I PAY ANY TAX WHEN I OPEN MY PENSION POT AND TAKE AN INCOME?

You will only pay tax on your pension pot if the total value of this and any other opened pension pots you have are worth more than the lifetime allowance. For the 2012/13 tax year the lifetime allowance is £1.5 million. This means that if the total value of your opened pension pots exceeds £1.5 million you will pay a tax charge of up to 55% on the excess.

When you buy a pension annuity, the income you receive is taxable.

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For more information about the lifetime allowance, please see your Member's Policy Booklet.

WHAT DO YOU CHARGE FOR RUNNING MY PENSION PLAN?

There is an Annual Management Charge for running your pension plan. We take this every month by selling units from your pension pot. The Annual Management Charge is made up of two parts:

1. **Basic Annual Management Charge (BAMC)** which covers the cost of administering your plan and the cost of administering any investment fund that is managed by Legal & General.
2. **External Funds Annual Management Charge (EFAMC)** which covers the costs of running certain investment funds that are not managed by Legal & General. The current amount that you will pay is 0.15% a year of the value of your pension pot that is invested in a fund to which the EFAMC applies. The default option is managed by Legal & General and so the EFAMC does not apply if you invest in this option. To find out which investment funds the EFAMC applies to, please see the 'Choosing your investment fund' booklet.

The government sets the maximum Annual Management Charge that you will pay. Currently, this is 1.5% of your total pension pot for each of the first 10 years of your plan and then 1% each year after that.

The BAMC has been agreed with your employer who will be able to give you details.

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For more information about our charges and how they work, please see your Member's Policy Booklet. Please note that the Temporary Annual Management Charge mentioned in your Member's Policy Booklet does not apply.

AFTER I'VE JOINED, CAN I CHANGE MY MIND?

Yes. After you have joined the plan, we will send you a letter containing details of what you will need to do if you decide to cancel and ask for any money back that you have paid. The letter includes a form, called a 'cancellation notice'. If you decide to cancel, you will need to complete this notice and post back to us at the address shown on the notice within 30 days of receiving it.

IF I CANCEL, WHAT HAPPENS TO THE MONEY IN MY PENSION POT?

This will depend on how the money in your pension pot was paid in:

Regular payments

If you have made a regular payment from your salary, this will be returned to you in full. Any payment made by your employer will be returned to them.

If you paid into your plan through salary sacrifice your employer will have told you about this separately. Any money paid into your pension pot this way will be returned to your employer in full. If this applies to you, please speak to your employer about what will happen next.

One-off payments

If you have made a one-off payment into your plan this will be returned to you. If you have made a one-off contribution through bonus sacrifice this will be returned to your employer. However, the amount we return will reflect any fall in the value of the investment fund or funds that your pension pot was invested in.

Transfer payments

If you have transferred money from another pension scheme to this plan, we will do everything we can to return this amount to your previous scheme. However, the administrators of your previous scheme don't have to accept it. If they don't, any money that you transferred will remain in this plan. The amount that we will return will reflect any fall in the value of the investment fund or funds that your pension pot was invested in.

If you do not take this opportunity to cancel and you want to do so at a later stage, you won't be able to get any money back until you are able to open your pension pot.

The only exception to this is if you make any further payments by transferring money from another pension plan. Each time you do this, you will have 30 days from the date of us receiving each transfer payment to cancel and ask us to return this transfer payment to your previous scheme.

Please note that this money cannot be returned directly to you and that you will not be able to get back any further regular payments or one-off payments that you make.

Please note that when we return any money to you, to your employer or to a previous pension scheme, we will also return any charges that have been taken.

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For more information about what happens if you choose to cancel, please see the cancellation notice we will send you as well as your Member's Policy Booklet.

WHAT HAPPENS IF I DIE BEFORE I OPEN MY PENSION POT?

In most cases, if you die and provided you are over 18, the money that you have built up in your pension pot can be paid as a lump sum to the person or people of your choice or to an organisation such as a charity.

To tell us who you would like your pension pot to be paid to, please complete a 'nomination of beneficiary form' and return it to us. If you've not already been given a copy of this form, please ask us for one.

Please note that how any money is paid will depend on your own circumstances. Your Member's Policy Booklet, which you will receive after joining (and which is also available on request), provides you with full details.

HOW CAN I GET MORE INFORMATION ABOUT THE PLAN AND WHETHER IT'S SUITABLE FOR ME?

If you have any queries, want more information, or are unsure if this plan is right for you, then we recommend that you speak to a qualified financial adviser. You can find one in your local area at **www.unbiased.co.uk**. Please note that advisers will usually charge for their services.

Alternatively, you can contact us. However, please remember that we can't give financial advice and we can only give information on our own products.

HOW CAN I CONTACT YOU?

You can write to us at the following address:

Workplace Savings
Legal & General Assurance Society Ltd
Knox Court
10 Fitzalan Place, Cardiff
South Glamorgan
CF24 0TL

Or, if you prefer, you can call us on
0845 070 8686

Please note that call charges will vary. We may record and monitor calls.

EXAMPLE ILLUSTRATIONS.

WHAT MIGHT I GET BACK FROM MY PLAN?

In this section, we've given you some examples to show you what your pension pot may be worth when you come to retire and what level of pension income you might receive.

Using these examples, you can think about your own goals: Will the amount that you're saving be enough to give you the pension income that you want or need when you retire? If not, then you may want to consider increasing what you pay into your plan and/or opening your pension pot at a later date.

As well as showing you what you might get from your plan, we also explain how our charges could affect what your pension pot is worth.

Please remember that these are just examples and the exact amount you'll get will depend on a number of things including:

- The actual contributions paid into your plan;
- How much the investment fund or funds that you put your pension pot into grow;
- The actual charges taken from your plan;
- The cost of buying a pension income (called an 'annuity') when you retire.

It's also important to remember that inflation will reduce what you can buy with all of the amounts we show.

HOW DO I USE THE ILLUSTRATIONS?

There are three examples. Each one is based on a different contribution (the total amount, including any applicable tax reliefs, that you and your employer pay into your pension plan).

The examples are:

1. £50 a month (page 17)
2. £150 a month (page 22)
3. £250 a month (page 27)

You should think about how much is going to be paid into your pension plan and how long you'll be paying in for before you open your pension pot and take a pension income. You can then look at the example that most closely matches your situation.

If none of these examples are close to what will be paid into your pension plan, you can always add or divide the figures we show to get to the level of contributions that applies to you. For example, if the total amount being paid into your plan is going to be £100 a month, simply double what is shown in the example for £50. Although doing this won't give you an exact answer (because the effect of charges will be different for other contribution levels) it will give you an idea of what you might receive.

WHAT DO THE ILLUSTRATIONS SHOW ME?

Each example is broken into two sections:

1. The first section is called 'What might my pension pot be worth when I retire?'. Here, you will see a series of tables that show you what could happen to your pension pot over various periods of time and what you might get back at the end. We show what you might receive if you were to start paying into your pension plan today at four different ages: 25, 35, 45 and 55. As you will see, the earlier you start paying in, the higher the pension income you could get when you come to open your pension pot.

   Here we show examples for two options. The first option shows examples of what you might get if you were to use all your pension pot to buy a pension income. The second option shows examples of what you might get if you choose to take 25% of your pension pot as a tax-free cash sum and use the rest to buy a pension income.

   In each example, we have shown what level of pension income you could buy if you invested in an investment fund called the 'Legal & General (PMC) Multi-Asset Fund' and the fund grows by 4.2%, 6.2% or 8.2% each year. We've used lower growth rates than the Financial Services Authority's standard growth rates (which are 5% for the lower rate, 7% for the mid rate and 9% for the higher rate), as we believe these are more appropriate to show the potential growth you might get from this investment fund.

2. The second section of each example is called 'How will the charges affect what my pension pot is worth?'. Here we show how the value of your pension pot will be affected by the various charges. There are two columns:

   - The first shows what the value of your pension pot could be if there were no charges;
   - The second shows what the value of your pension pot could be when our charges are taken.

For each example, we have assumed the following:

- That you will open your pension pot and take a pension income when you reach age 66. You may choose to retire earlier or later than this. However, please remember that the sooner you open your pension pot, the less time there will be for your pension pot to build up. This could reduce the amount of pension income that you receive;
- That your contributions will remain the same throughout the term of your pension plan.
- That all contributions will be invested in the Legal & General (PMC) Multi-Asset Fund and will remain invested in this fund throughout the duration of your pension plan. Please remember that you can choose to invest in a different fund or funds. These may have different charges and assumed growth rates to those we've shown here. For more information about the funds that you can choose from, please see your 'Choosing your investment fund' booklet;
- That all charges taken from your plan will remain the same throughout the term of your pension plan.

We have also assumed that when you retire:

- You will buy a pension income (an annuity) that will be paid at the start of each month, for the rest of your life and for no less than five years.
- Your pension income payments will remain the same each year.
- When you die, no income will be paid to any surviving spouse or registered civil partner.

EXAMPLE 1 – PAYING IN £50 A MONTH.

In this example, we have assumed that the total amount paid into your plan (that is what you and your employer pay in along with any tax reliefs) will be £50 a month. We've also assumed that the total amount being paid in will remain the same until you retire at age 66.

The charges that we've applied are an Annual Management Charge of 1.0% each year for the lifetime of your plan.

WHAT MIGHT MY PENSION POT BE WORTH WHEN I RETIRE?

The table below shows how much your pension pot might be worth when you retire at age 66.

Total projected pension pot of:	If you start your plan today on your	IF YOUR FUND GROWS EACH YEAR AT		
		4.2%	6.2%	8.2%
	25th birthday	£49,800	£81,700	£138,000
	35th birthday	£31,300	£44,700	£65,000
	45th birthday	£17,800	£22,300	£28,300
	55th birthday	£7,880	£8,820	£9,890

Please remember that:

- These are examples and are not the minimum or maximum amounts that you could get back;
- It is possible that the value of the investment funds in your plan could go down. This means that you could get back less than you paid in;
- Inflation will reduce what you can buy with the amounts we show.

The tables on the following page show what you might get if you open your pension pot at age 66.

Your total projected pension pot could provide you with:

	If you start your plan today on your	IF YOUR FUND GROWS EACH YEAR AT		
		4.2%	6.2%	8.2%
Option 1 A full pension every year for your lifetime of:	25th birthday	£2,000	£4,280	£9,090
	35th birthday	£1,300	£2,400	£4,360
	45th birthday	£765	£1,230	£1,940
	55th birthday	£350	£500	£692

OR

	If you start your plan today on your	IF YOUR FUND GROWS EACH YEAR AT		
		4.2%	6.2%	8.2%
Option 2 A tax-free cash sum of:	25th birthday	£12,400	£20,400	£34,500
	35th birthday	£7,840	£11,100	£16,200
	45th birthday	£4,450	£5,590	£7,080
	55th birthday	£1,970	£2,200	£2,470
PLUS a pension every year for your lifetime of:	25th birthday	£1,500	£3,210	£6,820
	35th birthday	£977	£1,800	£3,270
	45th birthday	£573	£926	£1,450
	55th birthday	£262	£375	£519

HOW WILL THE CHARGES AFFECT WHAT MY PENSION POT IS WORTH?

The table below shows what your pension pot might be worth at the end of the first, third, fifth and final year of contributing to your plan. The charges that we've applied are an Annual Management Charge of 1.0% each year for the lifetime of your plan.

The figures we've shown here are based on a growth rate each year of 6.2%.

At the end of year	If you start your plan today on your	Total paid in to date	WHAT YOUR PENSION POT COULD BE WORTH	
			If no charges are taken	After all charges are taken
1	25th birthday	£600	£619	£616
	35th birthday	£600	£619	£616
	45th birthday	£600	£619	£616
	55th birthday	£600	£619	£616
3	25th birthday	£1,800	£1,970	£1,940
	35th birthday	£1,800	£1,970	£1,940
	45th birthday	£1,800	£1,970	£1,940
	55th birthday	£1,800	£1,970	£1,940
5	25th birthday	£3,000	£3,500	£3,410
	35th birthday	£3,000	£3,500	£3,410
	45th birthday	£3,000	£3,500	£3,410
	55th birthday	£3,000	£3,500	£3,410
When you reach retirement at age 66	25th birthday	£24,600	£107,000	£81,700
	35th birthday	£18,600	£54,500	£44,700
	45th birthday	£12,600	£25,300	£22,300
	55th birthday	£6,600	£9,380	£8,820

The charges we've taken into account in the last column of the table on page 20 effectively reduce the investment growth rate each year from 6.2% to:

REDUCED GROWTH RATE AFTER OUR CHARGES ARE TAKEN	
If you started your plan today on your	**Reduced growth rate**
25th birthday	5.1%
35th birthday	5.1%
45th birthday	5.1%
55th birthday	5.1%

WARNING – The charges mean that the value of your pension pot could be less than has been paid in, particularly if contributions stop during the early years of your pension plan.

EXAMPLE 2 – PAYING IN £150 A MONTH.

In this example, we have assumed that the total amount paid into your plan (that is what you and your employer pay in along with any tax reliefs) will be £150 a month. We've also assumed that the total amount being paid in will remain the same until you retire at age 66.

The charges that we've applied are an Annual Management Charge of 1.0% each year for the lifetime of your plan.

WHAT MIGHT MY PENSION POT BE WORTH WHEN I RETIRE?

The table below shows how much your pension pot might be worth when you retire at age 66.

	If you start your plan today on your	IF YOUR FUND GROWS EACH YEAR AT		
		4.2%	6.2%	8.2%
Total projected pension pot of:	25th birthday	£149,000	£245,000	£414,000
	35th birthday	£94,000	£134,000	£195,000
	45th birthday	£53,400	£67,100	£85,000
	55th birthday	£23,600	£26,400	£29,600

Please remember that:

- These are examples and are not the minimum or maximum amounts that you could get back;
- It is possible that the value of the investment funds in your plan could go down. This means that you could get back less than you paid in;
- Inflation will reduce what you can buy with the amounts we show.

The tables on the following page show what you might get if you open your pension pot at age 66.

Your total projected pension pot could provide you with:

	If you start your plan today on your	IF YOUR FUND GROWS EACH YEAR AT		
		4.2%	6.2%	8.2%
Option 1 A full pension every year for your lifetime of:	25th birthday	£6,010	£12,800	£27,200
	35th birthday	£3,900	£7,220	£13,100
	45th birthday	£2,290	£3,700	£5,820
	55th birthday	£1,050	£1,500	£2,070

OR

	If you start your plan today on your	IF YOUR FUND GROWS EACH YEAR AT		
		4.2%	6.2%	8.2%
Option 2 A tax-free cash sum of:	25th birthday	£37,400	£61,200	£103,000
	35th birthday	£23,500	£33,500	£48,800
	45th birthday	£13,300	£16,700	£21,200
	55th birthday	£5,910	£6,610	£7,420
PLUS a pension every year for your lifetime of:	25th birthday	£4,510	£9,640	£20,400
	35th birthday	£2,930	£5,410	£9,830
	45th birthday	£1,720	£2,770	£4,370
	55th birthday	£788	£1,120	£1,550

HOW WILL THE CHARGES AFFECT WHAT MY PENSION POT IS WORTH?

The table below shows what your pension pot might be worth at the end of the first, third, fifth and final year of contributing to your plan. The charges that we've applied are an Annual Management Charge of 1.0% each year for the lifetime of your plan.

The figures we've shown here are based on a growth rate each year of 6.2%.

At the end of year	If you start your plan today on your	Total paid in to date	WHAT YOUR PENSION POT COULD BE WORTH	
			If no charges are taken	After all charges are taken
1	25th birthday	£1,800	£1,850	£1,840
	35th birthday	£1,800	£1,850	£1,840
	45th birthday	£1,800	£1,850	£1,840
	55th birthday	£1,800	£1,850	£1,840
3	25th birthday	£5,400	£5,930	£5,830
	35th birthday	£5,400	£5,930	£5,830
	45th birthday	£5,400	£5,930	£5,830
	55th birthday	£5,400	£5,930	£5,830
5	25th birthday	£9,000	£10,500	£10,200
	35th birthday	£9,000	£10,500	£10,200
	45th birthday	£9,000	£10,500	£10,200
	55th birthday	£9,000	£10,500	£10,200
When you reach retirement at age 66	25th birthday	£73,800	£323,000	£245,000
	35th birthday	£55,800	£163,000	£134,000
	45th birthday	£37,800	£76,100	£67,100
	55th birthday	£19,800	£28,100	£26,400

The charges we've taken into account in the last column of the table on page 25 effectively reduce the investment growth rate each year from 6.2% to:

REDUCED GROWTH RATE AFTER OUR CHARGES ARE TAKEN	
If you started your plan today on your	Reduced growth rate
25th birthday	5.1%
35th birthday	5.1%
45th birthday	5.1%
55th birthday	5.1%

WARNING – The charges mean that the value of your pension pot could be less than has been paid in, particularly if contributions stop during the early years of your pension plan.

EXAMPLE 3 – PAYING IN £250 A MONTH.

In this example, we have assumed that the total amount paid into your plan (that is what you and your employer pay in along with any tax reliefs) will be £250 a month. We've also assumed that the total amount being paid in will remain the same until you retire at age 66.

The charges that we've applied are an Annual Management Charge of 1.0% each year for the lifetime of your plan.

WHAT MIGHT MY PENSION POT BE WORTH WHEN I RETIRE?

The table below shows how much your pension pot might be worth when you retire at age 66.

Total projected pension pot of:	If you start your plan today on your	IF YOUR FUND GROWS EACH YEAR AT		
		4.2%	6.2%	8.2%
	25th birthday	£249,000	£408,000	£690,000
	35th birthday	£156,000	£223,000	£325,000
	45th birthday	£89,000	£111,000	£141,000
	55th birthday	£39,400	£44,100	£49,400

Please remember that:

- These are examples and are not the minimum or maximum amounts that you could get back;
- It is possible that the value of the investment funds in your plan could go down. This means that you could get back less than you paid in;
- Inflation will reduce what you can buy with the amounts we show.

The tables on the following page show what you might get if you open your pension pot at age 66.

Your total projected pension pot could provide you with:

	If you start your plan today on your	IF YOUR FUND GROWS EACH YEAR AT		
		4.2%	6.2%	8.2%
Option 1 A full pension every year for your lifetime of:	25th birthday	£10,000	£21,400	£45,400
	35th birthday	£6,510	£12,000	£21,800
	45th birthday	£3,820	£6,170	£9,710
	55th birthday	£1,750	£2,500	£3,460

OR

	If you start your plan today on your	IF YOUR FUND GROWS EACH YEAR AT		
		4.2%	6.2%	8.2%
Option 2 A tax-free cash sum of:	25th birthday	£62,300	£102,000	£172,000
	35th birthday	£39,200	£55,900	£81,300
	45th birthday	£22,200	£27,900	£35,400
	55th birthday	£9,850	£11,000	£12,300
PLUS a pension every year for your lifetime of:	25th birthday	£7,520	£16,000	£34,100
	35th birthday	£4,880	£9,020	£16,300
	45th birthday	£2,860	£4,630	£7,280
	55th birthday	£1,310	£1,870	£2,590

HOW WILL THE CHARGES AFFECT WHAT MY PENSION POT IS WORTH?

The table below shows what your pension pot might be worth at the end of the first, third, fifth and final year of contributing to your plan. The charges that we've applied are an Annual Management Charge of 1.0% each year for the lifetime of your plan.

The figures we've shown here are based on a growth rate each year of 6.2%.

At the end of year	If you start your plan today on your	Total paid in to date	WHAT YOUR PENSION POT COULD BE WORTH	
			If no charges are taken	After all charges are taken
1	25th birthday	£3,000	£3,090	£3,080
	35th birthday	£3,000	£3,090	£3,080
	45th birthday	£3,000	£3,090	£3,080
	55th birthday	£3,000	£3,090	£3,080
3	25th birthday	£9,000	£9,880	£9,730
	35th birthday	£9,000	£9,880	£9,730
	45th birthday	£9,000	£9,880	£9,730
	55th birthday	£9,000	£9,880	£9,730
5	25th birthday	£15,000	£17,500	£17,000
	35th birthday	£15,000	£17,500	£17,000
	45th birthday	£15,000	£17,500	£17,000
	55th birthday	£15,000	£17,500	£17,000
When you reach retirement at age 66	25th birthday	£123,000	£538,000	£408,000
	35th birthday	£93,000	£272,000	£223,000
	45th birthday	£63,000	£126,000	£111,000
	55th birthday	£33,000	£46,900	£44,100

The charges we've taken into account in the last column of the table on page 30 effectively reduce the investment growth rate each year from 6.2% to:

REDUCED GROWTH RATE AFTER OUR CHARGES ARE TAKEN	
If you started your plan today on your	**Reduced growth rate**
25th birthday	5.1%
35th birthday	5.1%
45th birthday	5.1%
55th birthday	5.1%

WARNING – The charges mean that the value of your pension pot could be less than has been paid in, particularly if contributions stop during the early years of your pension plan.

OTHER INFORMATION.

LAW AND LANGUAGE

The information that we've included in this document is based on our understanding of current law relating to pensions.

This contract is governed by English law. The terms and conditions and all communications will only be available in English. All communications from us will normally be by letter or phone.

WHO REGULATES YOU?

We are authorised and regulated by the Financial Services Authority. We are entered on the Financial Services Authority register under number 117659.

You can check this at:

www.fsa.gov.uk

or telephone them on

0845 606 1234

Alternatively, you can write to them at:

25 The North Colonnade
Canary Wharf
London E14 5HS

HOW DO YOU VALUE INVESTMENT FUNDS?

We value investment funds frequently to enable us to treat all policyholders fairly.

Your Member's Policy Booklet contains further details about how we value funds. We will send this to you after we have accepted your application. For more information please see 'A guide to how we manage our unit-linked funds', which is available on request.

WHAT HAPPENS IF LEGAL & GENERAL RUNS INTO FINANCIAL DIFFICULTIES?

We are covered by the Financial Services Compensation Scheme (FSCS). The FSCS is designed to pay customers compensation if they lose money because a firm is unable to pay them what they owe for any reason. Your ability to claim from the scheme and the amount you may be entitled to will depend on the specific circumstances of your claim. You can find out more about the FSCS (including amounts and eligibility to claim) by visiting its website

www.FSCS.org.uk

or calling

0800 678 1100

The FSCS may arrange to transfer your policy to another insurer, provide a new policy or if these are not possible, provide compensation. FSCS compensation covers payment up to 90% of the value of a valid claim per firm. There is no upper financial limit on the claim. However, the rules of the FSCS may change and the FSCS may take a different approach on the application of these rules to a firm depending on the circumstances of the failure of that firm.

HOW DO I MAKE A COMPLAINT?

If you wish to complain about any aspect of the service you have received from Legal & General, or if you would like us to send you a copy of our internal complaint handling procedure, please contact us using the details set out in the 'How can I contact you?' section on page 13.

Complaints regarding our administration that we cannot resolve can initially be referred to:

The Pensions Advisory Service
1 Belgrave Road
London
SW1V 1RB

0845 601 2923

enquiries@pensionsadvisoryservice.org.uk

www.pensionsadvisoryservice.org.uk

and may then be referred to:

The Pensions Ombudsman
1 Belgrave Road
London
SW1V 1RB

020 7630 2200

enquiries@pensions-ombudsman.org.uk

www.pensions-ombudsman.org.uk

Sales related complaints that we cannot resolve can be referred to:

The Financial Ombudsman Service
South Quay Plaza
183 Marsh Wall
London
E14 9SR

0300 123 9123

complaint.info@financial-ombudsman.org.uk

www.financial-ombudsman.org.uk

Making a complaint to The Pensions Advisory Service or the Financial Ombudsman will not prejudice your right to take legal proceedings.

CONFLICT OF INTEREST

During the term of your plan conflicts of interest may arise between you and us, our employees, our associated companies or our representatives. A conflict of interest is where our duties to you as a customer may conflict with what is best for ourselves. To ensure we treat customers consistently and fairly, we have a policy on how to identify and manage these conflicts.

A copy of the conflicts of interest policy is available on request from the address shown in the 'How can I contact you?' section on page 13.

CUSTOMER CATEGORY

The financial services regulator requires us to put our customers into groups so that we can treat them according to their level of knowledge about investments. These groups are:

- Retail client,
- Professional client, or
- Eligible counterparty.

We treat all customers who invest in our pensions as retail clients. This gives you the greatest level of protection under the regulations and ensures you get full information about any products you buy.

If you know a lot about pensions, maybe because you work in the industry, you can be treated as a professional client or eligible counterparty under the regulations. This won't affect the way we deal with you but it may affect your ability to refer complaints to the Financial Ombudsman Service or to make a claim under the Financial Services Compensation Scheme.

If you would like a copy of this or any item of our literature in larger print, Braille or in audio format, please contact us at:

Workplace Savings
Legal & General Assurance Society Ltd
Knox Court
10 Fitzalan Road, Cardiff
South Glamorgan
CF24 0TL

Or you can call us on
0845 070 8686

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

This document is a guide to the key features of this product. You will find full details in the Member's Policy Booklet which we will send to you when we accept your application. Alternatively, you can request a copy from us at the address shown in the 'How can I contact you?' section on page 13.

All information is correct at the time of going to print.

TERMS EXPLAINED

ANNUITY

An annuity is a product that provides you with a pension income when you come to retire. You can use the value of your pension pot to buy an annuity from us or another annuity provider. You will then receive an income for the rest of your life. How much income you'll get depends on a number of things including how much your pension pot is worth and the actual cost of an annuity at the time you come to buy one. Don't forget that you can buy an annuity from whichever provider you choose and it pays to shop around for the right deal for you.

DEFAULT OPTION

The default option is an investment which we or your employer and their advisers believe will meet the needs of most members. If you don't want (or feel unable) to make your own investment decisions, your pension pot will automatically be invested in the default option. Your employer will be able to tell you what the default investment is for your plan. You can find out more about the Legal & General Stakeholder Pension Scheme registered default option and all the available investment funds in our 'Choosing your investment fund' booklet, included as part of this pack.

INVESTMENT FUND

Your pension pot is invested in one or more investment funds. Investment funds are controlled by a fund manager and invest in a range of different things with the aim of helping your money grow or preserving its value. You can find out more about investment funds in the booklet 'Choosing your investment fund'.

PENSION POT

Your pension pot is the value of the total amount of money that you have in your plan. When you reach your plan retirement date, you will 'open' your pension pot and use the value at that time of the money you've built up over the years to provide a cash sum and an income during your retirement.

REGISTERED PENSION SCHEME

So that you can benefit from the tax advantages of saving in a pension plan, the scheme needs to be registered with HMRC. The Legal & General Group Stakeholder Pension Scheme is a Registered Pension Scheme.

PLAN RETIREMENT DATE

Your plan retirement date is when you will be able to open your pension pot and take an income from your plan. However, you can choose to open your pension pot at any time from the age of 55. Please remember, that the earlier you choose to open your pension pot, the less time there will be to build it up. This could have a significant effect on the amount of pension income you receive.

TAX RELIEF

When it comes to your pension plan, tax relief simply means that you won't pay income tax on any money that you pay in. For example, you will usually pay income tax on your salary. However, any salary that you pay into your pension plan instead of taking it in your pay packet will be free of income tax. So if you're a basic rate taxpayer, every £100 that you receive in your pay packet would be worth £125 if you paid it into your pension plan. Even if your earnings aren't high enough for you to pay income tax, we'll claim the basic rate of income tax from HMRC and add this to your pension pot.

Similarly, if you make any lump sum payments into your plan, we'll claim the basic rate tax back for you. So if you made a £200 lump sum payment, we would claim an extra £50 on your behalf so £250 would be paid into your plan (this is based on the current basic rate of tax for 2012/13 which is 20%).

If you're a higher rate tax payer, you will need to claim any additional tax back either through your tax return or by contacting HMRC.

Tax treatment will depend on your individual circumstances.

UNITS

Investment funds are divided up into units. When you choose to invest in a fund, your money is used to buy units in it. The price of units can rise and fall. The total value of your pension pot can be calculated by multiplying the number of units you hold by the price of each unit.

www.legalandgeneral.com/workplacebenefits

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W13783 12/12 H136815