

ADDING TO YOUR PLAN

ABOUT THIS DOCUMENT

This document gives you the important information you need when considering whether to pay contributions to your Personal Retirement Plan (PRP).

You should read this along with the accompanying letter to help you make a decision.

Legal & General Assurance Society Limited, as the insurer, is the provider of this product. We are not giving you a personal recommendation as to whether paying contributions from your next anniversary is right for you. If you think you need advice, you should speak to an adviser. If you don't have an adviser you can find one in your local area online at unbiased.co.uk or by calling **0800 023 6868**.

WHAT IS THE PLAN?

Your PRP is a With Profits Retirement Annuity Contract which offers you valuable guarantees. It's treated as a defined benefit pension scheme.

Each contribution you pay into your plan buys an amount of guaranteed yearly pension income and a tax-free cash lump sum equal to three times that amount, payable from your 70th birthday (the maturity date). The table in the accompanying letter gives you an example to help you work out of how much your total premium will buy.

As your PRP is a with profits plan, these amounts may increase due to the addition of annual bonuses, which are guaranteed from your maturity date.

We may also pay you an interim bonus and a final bonus when you take your PRP benefits, which would increase your yearly pension income and tax-free cash lump sum. Interim and final bonus rates can change so this part of your benefits is not guaranteed.

We take into account the costs of managing your plan when determining the bonus rates.

We'll send you yearly statements to help you keep an eye on your plan.

ACCESSING YOUR PRP

You can access your PRP at any time between your 60th and 70th birthdays and we will do a recalculation at the time to reflect the fact you're taking your benefits earlier than originally intended. If you don't access your PRP by your 70th birthday, we'll recalculate your benefits assuming the maturity date is your 75th birthday, when your plan will end.

We will write to you four months before your maturity date to explain what your options are. If you would like to take your benefits at any other age, please contact us.

ADDING TO YOUR PLAN

You can only change the amount you are paying in or make additional lump sum contributions on the policy anniversary date.

The minimum amounts we can accept are:

- £20 a month by Direct Debit,
- £200 a year by cheque,
- £500 for lump sum contributions by cheque.

If you are paying monthly by Direct Debit we will automatically renew your plan, at the same contribution level, unless you tell us otherwise.

You can suspend your contributions at any time. If contributions are suspended part way through the policy year, we will recalculate the amount of guaranteed yearly pension income and tax-free cash lump sum bought at the last anniversary date to reflect the actual level of contributions paid. Any benefits secured at earlier anniversary dates will remain unchanged.

You are the only person who can pay into your PRP. No third party, such as an employer or family member, can pay in. It's also not possible to pay transfer values into a PRP.

WAIVER OF PREMIUM BENEFIT

If you have waiver of premium benefit, this covers the payment of your regular contributions up to your 60th birthday if you've been unable to work for a continuous period of 26 weeks or more, and you meet our conditions to claim.

The cost of this benefit is taken from your contributions before they are used to buy a guaranteed yearly pension income and tax-free cash lump sum. Please see your benefit statement to check if it applies to you.

Changing or suspending your regular contributions may affect any waiver of premium benefit you have.

If you think you may be eligible to claim, please contact us.

TAXATION ON YOUR PLAN

There's no limit on how much you can contribute to your plan, however there is a limit on the tax relief available.

If you have no earnings, or earn up to £3,600 in a tax year, you can contribute £3,600 gross across all your pension schemes. If you earn more than £3,600 in a tax year, you can get tax relief on 100% of the earnings you contribute up to the Annual Allowance.

Contributions into a PRP are paid gross of tax. This means you will need to claim back any tax relief you are entitled to from HM Revenue & Customs (HMRC) through your yearly Self Assessment tax return.

Each year we'll automatically send you a tax certificate that you can submit to HMRC to claim back any tax relief you're entitled to. Please contact us if you require copies. We are unable to give you tax advice.

Annual Allowance

The Annual Allowance for the 2019/2020 tax year is £40,000. If the total gross contributions paid by you, your employer or a third party, into any UK Registered Pension Scheme you've taken out are over the Annual Allowance, you'll be subject to a tax charge. As your PRP is a defined benefit scheme, your gross contributions for this scheme will be based on the increase in the value of your benefits during the tax year.

In some circumstances a reduced Annual Allowance may apply.



More information is available at [gov.uk](https://www.gov.uk)

You should contact your adviser if:

- You expect your total gross contributions into all pension schemes to exceed the Annual Allowance in any tax year as unused allowances may be available from previous tax years;
- You have any additional questions, including whether your Annual Allowance will be reduced.

Lifetime Allowance

There are no restrictions on the value of the total benefits payable from all your Registered Pension Schemes. However, anything over a certain level, called the Lifetime Allowance, will be subject to a tax charge of up to 55% on the excess.

For most people their Lifetime Allowance will be the standard Lifetime Allowance. The standard Lifetime Allowance for the tax year 2019/2020 is £1.055 million. Certain circumstances may mean you have a different personal Lifetime Allowance - for example, if you've registered with HMRC for protection. Depending on the type of protection you have, any contribution to a plan may mean you lose your protection.



The information in this document is based on our understanding of current law relating to pensions. The law and tax rates may change in the future and the value of tax relief will depend on your individual circumstances.

CHARGES

The premium rates that we use to convert your contributions into a guaranteed yearly pension income and tax-free cash lump sum include an allowance for expenses, whether incurred now or in the future. We can change our premium rates and will notify you before your policy anniversary date if this applies.

As with other with profits plans, future bonus rates will allow for any differences between actual expenses and those we allowed for in the premium rates.

Further details about the With Profits Fund can be found in your annual bonus statement.

If you bought your plan through an adviser and they are listed with us as your servicing agent, any contributions you make may mean they receive additional payment(s) even though they haven't given you advice. Your contributions will buy the same level of guaranteed yearly pension income and tax-free cash lump sum regardless of whether we pay commission to your adviser.

If you get advice for making additional contributions, your adviser will tell you how much this will cost.

CANCELLATION RIGHTS

We'll send you a notice of your right to cancel if we accept:

- an increase in regular contributions of 25% or more; or
- a lump sum contribution.

You will then have 30 days to change your mind.

HOW TO COMPLAIN

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.

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



The Pensions Ombudsman

11 Belgrave Road
London
SW1V 1RB



020 7630 2200



enquiries@pensions-ombudsman.org.uk

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



The Financial Ombudsman Service

Exchange Tower
London
E14 9SR



0800 023 4567
0300 123 9123



complaint.info@financial-ombudsman.org.uk

Making a complaint to Legal & General, The Pensions Ombudsman or The Financial Ombudsman Service won't affect your legal rights.

CONFLICTS OF INTEREST

During your relationship with us a conflict 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 summary of our policy is detailed below and further details are available on request.

We:

- a) will consider the interests of all our customers and treat them fairly;
- b) will manage conflicts of interest to ensure that all customers are treated consistently and to prevent any conflicts of interest from giving rise to a material risk of damage to the interests of our customers;
- c) have in place procedures to ensure that staff identify and report any new conflicts;
- d) will keep a written record of any conflicts or potential conflicts;
- e) will disclose, if appropriate, any relevant conflict to a customer before undertaking business with that customer;
- f) will carry out an annual review to identify any new conflicts;
- g) will ensure new business developments identify any new conflicts of interest.

SOLVENCY AND FINANCIAL CONDITION REPORT (SFCR)

We are required to publish an annual Solvency and Financial Condition Report (SFCR) describing our business and its performance, our system of governance, risk profile, valuation for solvency purposes and capital management. Our latest SFCR is available on request.

CONTACT US

There are several ways to contact us.



Call us on **0370 010 0435**

Our lines are open Monday to Friday, 9am to 5pm.

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



Email us at **prp.team@landg.com**

If you're contacting us by email please remember not to send any personal, financial or banking information because email is not a secure method of communication.



You can write to us at:

Legal & General

PRP Team

PO Box 5457

Hove

BN52 9GG

If you would like a copy of this or any other item of our literature in larger print, Braille or in audio format, please contact our customer services team on the telephone number above.



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