

Cash-Out Retirement Plan Product summary



This guide is designed for professional financial advisers only. It is not intended for retail customers.

Contents

| | |
|---|----------|
| The Cash-Out Retirement Plan at a glance | 3 |
| Target market and unsuitable clients | 6 |
| L&G's approach to vulnerable customers | 8 |
| Get in touch | 9 |



If you're reading this online, click on the contents above to jump to the relevant section.

The Cash-Out Retirement Plan at a glance

The Cash-Out Retirement Plan is a flexible, fixed-term plan (commonly known as a fixed-term annuity). It can provide a regular, guaranteed income for a chosen term, ranging from 3 to 40 years for advised sales (3 to 25 years for non-advised sales).

The plan allows your client to access their pension fund under the flexi-access drawdown rules, through the Legal & General Retirement Pension Scheme.

Investment limits

| | |
|---|--|
| Minimum investment to start a plan | £10,000 – after taking any tax-free cash and deducting any adviser charge. |
| Maximum investment to start a plan | Any – any investment above £2m must be agreed by L&G before an application is submitted. |
| Investment method | Transfer from a UK Registered Pension Scheme only. Partial transfers of crystallised funds can not be accepted. Unable to combine a crystallised fund with any other fund, they must be held in its own arrangement. |
| Top-ups | Additional investments will need to be put in a new Cash-Out Retirement Plan, minimum to start a plan is £10,000. |

Age limits

| | |
|----------------|---|
| Minimum | 55 (rising to 57 in April 2028). |
| Maximum | 85 for non-advised, no maximum advised. |

Term

| | |
|------------------|---|
| Plan term | <ul style="list-style-type: none">• For advised sales 3 to 40 years.• For non-advised sales 3 to 25 years. |
|------------------|---|

Income

| | |
|--|---|
| The income amount is set at outset and depends on | <ul style="list-style-type: none">• The investment amount.• The term of the plan.• The income and death benefit options chosen.• The return we can offer when the plan is started. |
| Payment frequency | <ul style="list-style-type: none">• Monthly, quarterly, half yearly and yearly.• In advance or in arrears. |
| Level or increasing income | <ul style="list-style-type: none">• Fixed income – the same amount each year.• Increasing income – income will increase by a fixed percentage each year up to 10%, chosen at outset.• Inflation proof income (advised sales only) – income will increase in line with the Retail Prices Index (RPI) each year or 5% with RPI capped, referred to as Limited Price Indexation (LPI). |

Death benefits

| | |
|--|---|
| Guaranteed minimum payment period | <ul style="list-style-type: none">• Allows the income payments to continue to be paid to your client's beneficiary or to their estate until the end of the guaranteed minimum payment period.• For advised sales the guaranteed minimum payment period can be any number of full years or for the full term of the plan.• For non advised sales a full term guaranteed minimum payment period will always apply and can't be removed. |
| Spouse / Dependant's benefit (advised sales only) | <ul style="list-style-type: none">• A percentage of the income payments continue to be paid to a spouse, civil partner or financial dependant.• Percentage between 1–100%.• Paid to the selected individual until the end of the plan or their death, whichever is earlier. |
| Combined death benefits (advised sales only) | Your client can combine a spouse / dependant's benefit with a guaranteed minimum payment period, provided the guaranteed minimum payment period is shorter than the plan's full term. |
| Death benefit lump sum | The beneficiary will have the option to take any remaining income due, as a lump sum. We'll calculate this in the same way that we calculate a cash in or transfer value. The lump sum value will always be less than the total amount due in income payments. For more information please see the Terms and Conditions. |
| No death benefits (advised sales only) | If no death benefits are selected and your client dies before the end of the plan term, then there will be no further income payments. Choosing no death benefits will increase the amount of the income payments. |

Agent remuneration

Adviser charge

The amount to be paid can be stated as a percentage or pounds amount of:

- The tax-free cash sum.
- The amount after the tax-free cash has been taken off.
- A combination of both.

Commission

Commission (via an intermediary) or an introducer fee (via a Deal Partner arrangement) may be payable. Commission is only available where a personal recommendation has not been given. There are no scenarios where both an adviser fee and a commission fee are charged on an individual policy.



Target market and unsuitable clients

| Policyholder attribute | Target market | Unsuitable clients |
|--|--|---|
| Age | The product is available for any age from 55 (rising to 57 in April 2028) to 85 but we expect most customers to have purchased the plan before they're 70. | Under age 55 (apart from where the client has a protected lower retirement age or they are retiring on the grounds of ill health). |
| Fund size | The product is available for total net consideration of over £10,000 but we anticipate that most customers will have a net consideration above this amount. | Clients with total net considerations less than £10,000. |
| Length of investment | Clients who are looking for a guaranteed income between 3 and 25 years (up to 40 years with advice). | <p>Clients unable to commit to an investment of at least 3 years, or those who are looking for a lifetime income.</p> <p>Clients who are looking for an investment longer than 25 years without receiving advice.</p> |
| Likely attitude for risk and appetite for flexibility | <p>Clients who do not want the value of their investment to fluctuate. They want set returns to be able to budget in advance.</p> <p>Must be aware of inflation risk on fixed level of income.</p> <p>Advised clients may wish to increase the amount of income by selecting no benefits to continue to be paid in the event of their death before the end of the term.</p> <p>Clients must not require an income for life from this investment and understand that the investment will be fully exhausted at the end of the term.</p> | <p>Clients looking for potential capital growth levels that are more likely to be achieved through investment risk.</p> <p>Clients needing instant access to cash or in need of an emergency cash fund via their plan if they haven't chosen the appropriate death benefits.</p> <p>Clients who believe they can fully or partially cash in their income as and when they choose but haven't chosen the appropriate death benefits.</p> <p>Clients who believe they can change their features after the cancellation period ends.</p> |

| Policyholder attribute | Target market | Unsuitable clients |
|------------------------|--|---|
| Health | All health statuses although if your client is in ill health or has certain risks from their lifestyle (for example being a smoker), they may benefit from an enhanced income through an alternative product (for example annuities with enhanced rates). | If your client is eligible for enhanced rates, they should consider products offering enhanced rates first. |
| Source of funds | <p>Proceeds of a Defined Contribution pension (such as Personal/Stakeholder and Occupational Pension Schemes).</p> <p>Must be IVPP transfer only and from a UK Registered Pension Scheme. We can also accept funds from a dependant or beneficiary death benefits (inherited pensions, beneficiary drawdown) and benefits coming from pre-retirement divorce settlement (Non-Disqualifying Pension).</p> | <p>Non-pension funds.</p> <p>Defined Benefit pension, Guaranteed Minimum Pension or Guaranteed Annuity Rate transfers that don't meet regulatory requirements.</p> <p>Overseas residents.</p> |

L&G's approach to vulnerable customers

We understand that customers can experience vulnerability at any time in their lives. Circumstances can change suddenly or slowly, either temporarily or permanently. We are dedicated to identifying and supporting customers who need extra care.

We consider vulnerable customers at every stage of the customer journey. By learning from customer feedback and industry best practice, we continually enhance the support we provide to those who need it most.

We are committed to providing additional support to vulnerable Cash-Out Retirement Plan customers at every stage of the servicing journey.

How we support vulnerable customers:

- Vulnerability is a key consideration in all product design, literature, and process improvements.
- We use clear, straightforward language across every communication channel and avoid jargon.
- We have robust oversight and controls in place to ensure the fair treatment of vulnerable customers.
- We proactively record and share relevant vulnerability information (with consent, where needed) so every interaction is tailored to the customer.
- Regular training ensures all staff, both new and existing, have the skills to recognise and assist customers in vulnerable circumstances.
- Extensive consumer testing with diverse customer groups helps us confirm that our products, services, and communications are understandable and accessible.
- Intermediaries are expected to comply with their obligations to treat vulnerable customers fairly.

Get in touch

We have a range of information and support at
legalandgeneral.com/adviser/annuities

Meet our team at
legalandgeneral.com/adviser/annuities/distribution-team

Quote queries

We have a dedicated team of specialists available to assist you with any quote requests or to discuss any queries.

You can email the team at:
broker.annuityquotes@landg.com

You can call the team on:

0345 071 0040

Lines are open Monday to Friday, 9am to 5pm.

We may record and monitor calls. All our call centres are UK based.
Call charges may vary.

Legal and General Assurance Society Limited. Registered in England and Wales No. 00166055.
Registered office: One Coleman Street, London EC2R 5AA.

We are authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

Q0051397 02/26 CORP Product Summary – Non-ASD

