



# Fixed Term Retirement Plan Product summary



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

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# The Fixed Term Retirement Plan at a glance

The Fixed Term 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). Alternatively, your client can choose to receive no income at all during the plan term.

A guaranteed maturity value will be paid when the plan ends, if:

- your client is still alive, or
- they select a guaranteed minimum payment period that runs for the whole plan term.

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

<b>Minimum investment to start a plan</b>	£10,000 – after taking any tax-free cash and deducting any adviser charge.
<b>Maximum investment to start a plan</b>	Any – any investment above £2m must be agreed by L&G before an application is submitted.
<b>Investment method</b>	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.
<b>Top-ups</b>	Additional investments will need to be put in a new Fixed Term Retirement Plan, minimum to start a plan is £10,000.

## Age limits

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

## Term

### Plan term

- 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

- The investment amount.
- The term of the plan.
- The maturity value of the plan.
- The income and death benefit options chosen.
- The return we can offer when the plan is started.

### Payment frequency

- Monthly, quarterly, half yearly and yearly.
- In advance or in arrears.

### Level or increasing income

- 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

- 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. If the guaranteed minimum payment period is the same as the term of the plan, then the maturity value will also be paid at the end of the plan term.
- 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)

- A percentage of the income payments continue to be paid to a spouse, civil partner or financial dependant.
- Percentage between 1 to 100%.
- Paid to the selected individual until the end of the plan or their death, whichever is earlier.
- For non-advised sales, a spouse / dependant's benefit is not available because these plans include an inherent full term guaranteed minimum payment period, which supersedes any other death benefit.

## Death benefits

<b>Combined death benefits (advised sales only)</b>	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.
<b>Death benefit lump sum</b>	The beneficiary will have the option to take any remaining income and maturity value due, as a lump sum. We'll calculate this in the same way that we calculate a withdrawal, cash in or transfer value. The lump sum value will always be less than the total amount due in income payments and maturity value. For more information please see the Terms and Conditions.
<b>No death benefits (advised sales only)</b>	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 and the maturity value will not be paid. Choosing no death benefits will increase the amount of the income payments and maturity value.

## Withdrawing, cashing in early or transferring to another pension scheme

<b>Partial withdrawal</b>	<p>Your client can make up to three withdrawals from their maturity value if the guaranteed minimum payment period covers the full term of the plan.</p> <p>Withdrawals can be taken at any time during the plan term, with a minimum amount of £5,000 per withdrawal. Administration and dealing costs will be deducted, and the maturity value will be recalculated after each withdrawal.</p> <p>For non-advised sales, the guaranteed minimum payment period automatically runs for the full term.</p> <p>For advised sales, withdrawals are only available if the client selects a full term guarantee. If they do not, withdrawals will not be permitted.</p>
<b>Full surrender</b>	<p>Your client can only cash in their plan early or transfer it to another registered pension scheme if the guaranteed minimum payment period runs for the full term of the plan.</p> <p>For non-advised sales, the guaranteed minimum payment period automatically covers the full term.</p> <p>For advised sales, early encashment or transfers are only available if the client selects a full-term guarantee. If they do not, these options will not be permitted.</p>

If the guaranteed minimum payment period is equal to the plan term, the client has the option to take up to 3 withdrawals (£5,000 minimum for each), cash in their plan early or transfer the value to another registered pension scheme.

We'll calculate these by giving a value to the future income payments and maturity value due and deducting our administration and dealing costs. This value will be affected by the underlying assets and interest rates at the time which will go up and down. For more information please see the Terms and Conditions.

## 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 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
<b>Age</b>	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).
<b>Fund size</b>	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.
<b>Health</b>	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.
<b>Length of investment</b>	Clients who are looking for a guaranteed income between 3 and 25 years (up to 40 years with advice).	Clients unable to commit to an investment of at least 3 years, or those who are looking for a lifetime income.  Clients who are looking for an investment longer than 25 years without receiving advice.

Policyholder attribute	Target market	Unsuitable clients
<b>Likely attitude for risk and appetite for flexibility</b>	<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 and maturity value.</p> <p>Advised clients may wish to increase the amount of their maturity value and 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 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>
<b>Source of funds</b>	<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 Fixed Term 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](http://legalandgeneral.com/adviser/annuities)

Meet our team at  
[legalandgeneral.com/adviser/annuities/distribution-team](http://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](mailto: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.

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