

# Summary of main changes to terms and conditions

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# Introduction

Since you joined the pension plan, we have changed how we manage it on a day-to-day basis to take into account changes in legislation, regulation and taxation. We consider that all of the changes that have been made are in your benefit and have no negative impact.

From time to time we update the member's booklet to reflect these changes. The original copy we sent to you doesn't include everything that is in the current booklet and so we are sending you a copy of the current version.

Below is a summary of the main changes. You should read the entire booklet but the following will help you focus on the important differences.

## GENERAL INFORMATION

We've made clearer the information about joining, opting out or cancelling.

Page	Section title	What's changed
4	Joining by automatic enrolment	In paragraph two we confirm that if you are auto enrolled you can opt out at any time and explain what happens if you do.
4	Joining by contractual enrolment	In paragraph two we make clear your right to cancel.
5	Joining by application	Makes clear that you need to answer all relevant questions on the application form before we can accept it. It also makes clear your right to cancel.
5	Eligibility	We clarify the eligibility criteria for joining the scheme.

## PAYING IN

We've made some changes to reflect how the scheme works.

Page	Section title	What's changed
6	Regular contributions	In paragraph one we've made an update to explain that regular contributions are paid to us on a date and frequency that is agreed between us and your employer.
6	Stopping regular contributions	In the second paragraph under the bullet points we've added wording to state that you must stop making contributions once you reach age 75, although your employer can continue. This is because you will no longer benefit from tax relief on your contributions. You can alter your selected retirement date to any date before your 99th birthday.

## DEFAULT INVESTMENT OPTIONS

Where your plan is used for automatic enrolment we are obliged by legislation to set a default investment option. This means we'll choose where to invest your money so that you don't have to make a choice. You may, of course, choose alternative investments.

Additions and changes to the terms and conditions to facilitate this requirement can be found in the following sections:

Page	Section title	What's changed
9	For those joining by automatic enrolment	In this section we explain that when you are enrolled we will automatically invest your contributions into the default investment option for your plan. We explain how the default investment option is selected and who is responsible for doing so.
21	Change of default investment option	This section makes it clear the default investment option may change in the future and explains what will happen if it does.

## INSURED FUNDS

Page	Section title	What's changed
10	Units	We clarify how units are allocated to your plan and used to calculate the value of your pension. We've simplified the wording to explain that if benefits are payable after you die your beneficiary and any successor beneficiary will be told which unit price we will use at the time that they claim.
11	Errors in calculating unit prices	We've added more clarity over what happens if an error is made in calculating a unit price and the actions that we will take.

## SELF-INVESTED PENSION ASSETS

We have made some changes to the terms and conditions to provide greater detail on the way we manage your self-invested pension assets.

**Please note that this section will only apply if you have actively chosen to use the self-investment option within your plan.**

Updated wording can be found in the following sections:

Page	Section title	What's changed
12	Member's SIPP bank account	In the second paragraph under the bullet points we explain more about the interest payable on your SIPP bank account.
12	Permitted investments	This section outlines that a list of the assets that we accept as permitted investments is detailed in the permitted investment schedule. From time to time we may add or remove investments from the permitted investment schedule. We explain why we might do this and what actions we will take if this happens.
13	Discretionary fund managers	This section outlines that you can appoint a discretionary fund manager to manage some or all of your self-invested arrangements. If you do this they will need to apply to us to fulfil this role.
13	Information and voting rights	This section has been expanded to provide details of voting rights for those with self-invested arrangements.

## TAKING YOUR BENEFITS

Changes in legislation introduced by the government (often referred to as 'Pension Freedoms') and subsequent rule changes by the Financial Conduct Authority have increased the number of choices available to you when considering how to access your retirement savings.

The relevant additions and changes to the terms and conditions can be found in the following sections:

Page	Section title	What's changed
14	Choosing your options	<p>Wording has been added to let you know that we'll write to you 4 months before your selected retirement date to tell you your options.</p> <p>We explain that you don't have to limit your choice to one option or provider. You can mix and match your options for each arrangement you have. Or you could use only part of your arrangement and leave the rest to be decided on later.</p> <p>You should also shop around to find what's best for you. You don't have to stay with us.</p>

## TAXATION OF YOUR BENEFITS

We have made some changes to provide a summary of how you will be taxed when you come to take your benefits.

Updated wording can be found in the following sections:

Page	Section title	What's changed
15	Taxation of your benefits	This section summarises how you will be taxed depending on how you take your benefits.
15	Getting help with your options	We explain how to get help with your options and where you can find the latest information on tax rates and allowances.

## OPTIONS WHEN YOU DIE

We've simplified this section as the options available to your beneficiary and any successor beneficiary will be described to them at the time they claim.

Page	Section title	What's changed
17	Options when you die	We remind you that you can tell us who you would like to receive the value of your pension pot when you die. We explain that you should complete a nomination of beneficiary form but we point out that although we will use your form to guide our decision, we aren't bound by it.

## CHARGES

We've re-written this section to make the explanation of the charges you will pay clearer and more transparent. These will depend on how you are invested, how you take your money and any administrative requests you make to us.

Page	Section title	What's changed
18	Additional expenses (AE)	We explain that additional expenses may apply and what they are.
19	Facilitated adviser charging	<p>We've introduced a facility which enables us, under certain circumstances, to deduct money directly from your insured arrangement to pay a fee to a financial adviser where they are providing you with a personal recommendation relating to the benefits you have within the scheme.</p> <p>We explain how to find details of how to do this.</p>

## MAKING CHANGES

The conditions around when Legal & General are able to make changes to your plan have been re-written. We've also brought all of the reasons why we might make changes together in one place to make it clearer for you.

We've added more clarity around the following points:

Page	Section title	What's changed
20	Fundamental change to funds	We explain that we will notify you if we make a change to one of our internal funds or become aware of a change to an external fund which we consider fundamental.
20	Fund closure	We've expanded the list of reasons why we might need to close a fund and outline that we can make adjustments to the way you are invested if this happens.
20	Suspension of a fund	We've introduced wording to explain what happens if there is a temporary issue with a fund and we have to suspend it.
20	Changes to lifestyle profiles	This section outlines that we may change the range of lifestyle profiles available to you in the future and what happens if we do so.
22	Our right to make changes	We've expanded the list of reasons why we make changes to create a more exhaustive list.
25	Your personal information	We've added a clearer explanation of how we use your personal information, the importance of keeping your information up to date and the circumstances in which we may need to share your data.
26	Law and jurisdiction	We've made it clearer on where you may be able to bring legal proceedings depending on where you live in the UK.
26	Communicating with you	This section outlines how we might communicate with you and that we may make future updates to this document and others available online. If this happens we will let you know that they are available and how to access them. You will always have the option to request paper copies.
26	Annual statements	Every year we create a statement for you setting out what you've paid in and how much your pension is worth. We've added wording to explain that this will be available online on our secure customer website Manage Your Account and we will let you know when it is available to view. You can tell us if you would prefer a paper copy.

## INVESTOR PROTECTION

We've designed our pension to offer as much protection as we can.

Page	Section title	What's changed
28	Investor protection	This section outlines that the scheme is run by us with all of your assets held by the trustee. We describe your right to apply to the Financial Services Compensation Scheme for compensation if you need to.

# Contact us



**0345 070 8686**

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