

For trustees

Key Features of the TargetPlan Trustee Transfer Plan

If your personal circumstances mean you need any additional support, or if you'd like a large print, Braille or audio version of this document, please visit aegon.co.uk/additionalsupport or call 0345 601 7721 (call charges will vary).

The Financial Conduct Authority (FCA) is a financial services regulator. It requires us, Scottish Equitable plc ('Aegon') to give you this important information to help you to decide whether the TargetPlan Trustee Transfer Plan is right for you. You should read this document carefully so that you understand what you're buying, and then keep it safe for future reference.

Scottish Equitable plc is regulated by the FCA in carrying out insurance business and is part of Aegon UK.

We don't offer personal recommendations.

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Is the TargetPlan Trustee Transfer Plan right for you?

This document is designed to help you to decide.

Important

Please read this Key Features document with:

- The fund fact sheets
- Any other documents provided to you by Aegon
- The enclosed TargetPlan Trustee Transfer Plan Policy Document

If there's anything that you don't understand, or if you're not sure whether the TargetPlan Trustee Transfer Plan is right for you, you should get advice from a financial adviser. There's likely to be a charge for this. If you don't have a financial adviser, you can find one in your area by visiting **moneyhelper.org.uk/choosing-a-financial-adviser**



Its aims

- To enable the trustee(s) of a money purchase occupational pension scheme to wind up the scheme by transferring the value of all remaining members' pension rights, into individual pension policies.
- To help the trustee(s) discharge their liability, particularly in respect of those members that cannot be traced.
- To provide each member with an account in their own name, with future choices and control over how their fund is invested and benefit options.



Your commitment

- To give members appropriate notice of the winding-up of the scheme and their rights to transfer to an alternative registered pension scheme, if they so wish.
- To take all reasonable steps to provide members with appropriate information.
- To accept any costs involved in setting up the new individual accounts.
- To accept that once the transfers have been completed, it'll not be possible to return the transfer payments to the scheme.



Risks

- The value of each member's investment can fall as well as rise and isn't guaranteed. The value of their pension pot when they come to take benefits may be less than has been paid in.
- The annuity rates used for converting the value of each member's account into an income are not guaranteed and can't be predicted.



Questions and answers

How does the Trustee Transfer Plan work?

- The trustee(s) decide to wind up the scheme and transfer the values of all members' rights into individual accounts.
- Once the transfer has been completed, each member will have an account in his or her own name and will no longer have any rights under the scheme.
- Each transfer payment will be invested in one or more funds selected at the outset by the trustee(s). For further information, please refer to the separate document, Your Investment Options.
- The benefits that members will receive will depend on the value of their account at the time they select benefits.



Questions and answers

How is the transfer value paid to Aegon?

- The transfer value would normally be paid electronically as cash. In certain circumstances it may be possible to arrange a transfer of stock (an in-specie transfer) in respect of some or all of the transfer value.

Can members pay contributions into their account?

- No, the account is designed to receive a transfer on the winding up of a registered pension scheme and it isn't possible to make contributions into the account.

Can members transfer additional benefits into their account?

- No, once the initial transfer to the account has been completed it isn't possible to transfer additional benefits to the account.

What investment funds are available?

- Please refer to the separate document, Your Investment Options, for a description of each of the investment funds that are available, including the annual charge that will apply and an estimate of any additional expenses that may apply.
- Depending on the nature of a fund, its assets may include (without limitation) company shares, government and corporate bonds, and cash.
- Once the initial transfer payments have been invested members can switch investment funds in the future.
- The future value of investments in the funds is directly related to the value of the underlying assets.



Questions and answers

- Each year we'll send members a statement giving the current value of their account.

What are the charges?

- 100% of the transfer payment for each member will be allocated to units, so there's no initial charge under the TargetPlan Trustee Transfer Plan.
- Each fund has a yearly management charge (annual management charge). These charges are expressed as an annual percentage but are calculated and deducted on a daily basis. If a fund invests in a collective investment scheme, it'll also bear its share of the costs of other services, such as the fees paid to the trustee/depositary, custodian, auditors and registrar. In addition, the fund may also bear the cost of any expenses associated with tax reclaims on behalf of the fund.
- The annual management charge, and any additional expenses, for each fund can be found on TargetPlan (our member portal).
- We may deduct administrative expenses that are incurred in the purchase or provision of an annuity.
- Should a member become party to divorce proceedings, we may make a charge to cover the administrative expenses we incur in dealing with an order or potential order.

Can a member change their funds?

- Yes, once the transfer has taken place a member may switch the investments in which their transfer value is invested.



Questions and answers

- If a member is invested in a LifePath fund, and changes their target retirement age, there will be an automatic switch of funds to the appropriate LifePath fund that matches the new chosen year of retirement.
- If a member is invested in a Lifestyle option, and changes their target retirement age, there will be an automatic switch of funds to target their new chosen year of retirement.

What benefit options are there?

Normally, members can take their benefits from age 55 (rising to 57 on 6 April 2028). When they want to take their benefits they can use the value of their account in a number of ways:

Lump sums

- A pension commencement lump sum (PCLS) of up to 25% of the value of the account can be paid and the amount is tax free. This proportion may be higher where members hold certain types of protection of pre 6 April 2006 lump sum rights. Where a PCLS is taken, the crystallised monies must be used to provide a pension, either drawdown or an annuity.
- Alternatively, up to 100% of the value of a member's account may be paid as an uncrystallised funds pension lump sum (UFPLS). 25% of the UFPLS will usually be tax free but the remainder would be added to any other taxable income in the tax year that they receive the UFPLS.
- There are two allowances which limit the total amount members can take as tax-free lump sums or the tax-free element of lump sums – the Lump Sum Allowance (LSA) and



Questions and answers

Lump Sum and Death Benefit Allowance (LSDBA). For more information, please visit [**gov.uk/tax-on-your-private-pension/lump-sum-allowance**](https://gov.uk/tax-on-your-private-pension/lump-sum-allowance)

- The LSA is £268,275. This limits the amount members can take as certain tax-free lump sums, unless they have a protection or enhancement which increases their lump sum allowance and means they benefit from a higher limit.
- The LSDBA is £1,073,100. This limits the total amount that can be paid as tax-free lump sums to members during their lifetime, and to their beneficiaries following their death, unless they have a protection or enhancement which increases their lump sum and death benefit allowance and means they benefit from a higher limit.
- Members may have higher allowances if they have a protection. For more information, please visit [**gov.uk/tax-on-your-private-pension/lump-sum-allowance**](https://gov.uk/tax-on-your-private-pension/lump-sum-allowance)
- Any lump sums taken once members have used up either of their LSA or LSDBA will be subject to income tax at the recipient's marginal rate. If they've used either of their lump sum allowances, they can't take any further PCLS payments and any further UFPLS payments will be subject, in full, to income tax at the recipient's marginal rate. If they've only used the LSA then any lump sum death benefits can still be paid tax-free up to the available LSDBA where certain conditions are met.



Questions and answers

- The value of any tax relief will depend on the member's individual circumstances, which may change.
- If the value of the member's fund is £10,000 or less they may be able to take their benefits as a small pot lump sum.
- This information is based on our understanding of current taxation law and HM Revenue & Customs (HMRC) practice, which may change.

Pension benefits

- The member can choose to use the value of their account to shop around to buy an annuity that meets their needs.
- The annuity may be level or increase to keep up with inflation each year and can have a guaranteed payment period.
- If a member suffers from ill health, they may be able to obtain a higher annuity from certain annuity providers.

As annuity rates can change substantially and rapidly, there's no guarantee that when a member purchases an annuity the rates will be favourable. This could mean that their pension thereafter may be less than they hoped for.

Alternative payments

- A member can request a transfer payment if they wish to access any benefit flexibilities (such as income drawdown benefits) available under other types of pensions provided by us or other providers.



Questions and answers

What rights and options will be available to members to assign or surrender benefits under their account?

- Members will not be able to assign any benefit payable under their Trustee Transfer Plan to another person, or surrender their account, except in the specific circumstances provided under regulation 3 of the Occupational Pension Schemes (Discharge of Liability) Regulations 1997.

What happens if a member dies before taking benefits?

- If a member dies before taking benefits, we'll normally pay the value of the member's account to beneficiaries in accordance with the member's nomination or, if there's no nomination, exercise our discretion to pay one or more of the member's beneficiaries.

When can benefits be paid?

- The TargetPlan Trustee Transfer Plan will be set up with the same normal retirement date (NRD) as the winding-up scheme, but members can normally elect to receive benefits at any age between 55 and 75. The minimum age of 55 will increase to 57 from 6 April 2028.
- It is possible for members to transfer to another registered pension scheme before NRD.

This information is based on our understanding of current legislation, which may change.

What about cancellation rights?

Once you've transferred funds to us you don't have the right to change your mind.

Members won't be given cancellation rights.



Other important information

Aegon is a brand name of Scottish Equitable plc.

Scottish Equitable plc, registered office:

Aegon Lochside Crescent
Edinburgh Park
Edinburgh
EH12 9SE

Registered in Scotland (No. SC144517). Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Financial Services Register number 165548.

Our service

- We can only offer pension products from Aegon.
- You'll not receive advice or a recommendation from us. We may ask some questions to narrow down the selection of products that we'll provide details on. You'll then need to make your own choice about how to proceed.

Client categorisation

Each transferred member will be categorised as a retail client which means they receive the highest level of protection possible.

We'll also treat you as a retail client. If you fall outside of the FCA definition of a retail client, whilst we'll continue to treat you as a retail client, including providing information in a more straightforward way, you may not be able to access the Financial Ombudsman Service and Financial Services



Other important information

Compensation Scheme. If you require further information regarding client categorisation, please speak to your financial adviser or contact us directly.

Complaints

We hope you never have cause to complain, but if you do, the first step is to contact your relationship manager. We'll deal with your complaint in accordance with our complaints procedure. You can contact us for a copy using the details below or find it on our website.



Aegon Workplace Investing, Sunderland, SR43 4DH



Phone us on: 0345 601 7721 (call charges will vary).



Email us at: **my.pension@aegon.co.uk**

Our email system and the way we deal with data internally is secure. However, we're unable to ensure the security of emails before they reach us so please consider this and do not include any personally sensitive, financial or banking information that has not been appropriately secured. If you have access to our online services, you may be able to log in and complete your action securely.

If you're not satisfied with how we've dealt with your complaint, you can then refer it to the Financial Ombudsman Service:



Phone: 0800 023 4567 or 0300 123 9 123



Website: **financial-ombudsman.org.uk**



Other important information

For pension related complaints you can also contact the Pension Ombudsman:



Phone: 0800 917 4487



pensions-ombudsman.org.uk

Making a complaint unless made to the Pensions Ombudsman will not prejudice your right to take legal proceedings.

Compensation

If the fund members are invested in is a Life Fund, members may be able to claim compensation under the Financial Services Compensation Scheme (FSCS) if we cannot meet our liabilities to our investors.

If an investment fund is chosen that invests in a collective investment scheme managed by another firm, the relevant members will not be eligible for any compensation under the FSCS if that firm is unable to meet its obligations. Visit the Financial Services Compensation Scheme website here **fscs.org.uk** We are also not eligible to make a claim on someone's behalf so the price of a unit in the investment fund will depend on the amount we receive from the firm.

For more information on all our funds and how we invest, you should visit our website or phone us on 0345 601 7721 (call charges will vary).



Other important information

Language and Law

All correspondence will be made in English. All communications from us will normally be by letter or telephone. The law of England and Wales will apply to any legal dispute. Full details of the legally binding contract between you and Aegon is contained or referred to in the terms and conditions.

Conflicts of interest

Aegon maintains a Conflicts of interest policy in accordance with all Financial Conduct Authority (FCA) Conduct of Business rules, to ensure we manage the risk of damage to customer interests. A conflict of interest may arise where an action taken by us could be seen to compromise or conflict with the best interests of our advisers, intermediaries and customers. If we identified a conflict of interest that we could not manage appropriately then we would decline to accept this business to ensure the fair treatment of our customers. We're transparent about where conflicts of interest can arise and our policy to deal with them. Please read our conflicts of interest policy at aegon.co.uk/content/dam/auk/assets/publication/legal/conflicts-of-interest-policy.pdf

Support we may give to third parties

To help third parties such as an employer or adviser give you an improved service, we may provide them with marketing and promotional support, technical services and training. We may also provide them with hospitality. Typically the value of this support is less than £75 per year, but can be more where, for example, additional training is required. If you want to find out



Other important information

more you can ask your financial adviser, if you have one, or employer or other third party to provide specific details of any benefits provided.

How we pay our employees

We pay our employees a base salary, and dependent on their role, a yearly bonus. The bonus paid is based on meeting a number of targets set at the beginning of the year. These include the level of profit the company makes from new and existing business. It's also dependent on non-financial targets, such as the quality of service we provide.

About us

Our story started over 190 years ago, when we were founded as Scottish Equitable in the UK. Today we are part of Aegon – an integrated, diversified, international financial services group.

Our UK team are focused in providing pension, savings and investment solutions for customers throughout their lifetime. We do that by working with financial advisers and employers.

Solvency Financial Condition Report

The Scottish Equitable plc Solvency Financial Condition Report (SFCR) is available on our website at aegon.co.uk/content/dam/auk/assets/publication/legal/auk-group-sfcr.pdf



Other important information

Risks relating to reinsured funds

Members bear all risks associated with investment in the insured funds. These risks include where we reinsure our obligations under the insured funds to a third party and that third party fails to meet its obligations owed to us. In such scenarios you would bear any losses arising from that third party's failure to meet its obligations. This also includes the risk of the default or fraud of any third party insurer or manager responsible for an insured fund, or any counterparty to any transaction in respect of an insured fund.

If you require further information on this you should speak to a financial adviser or contact us using the details that can be found at the end of this guide.

Status

Each TargetPlan Trustee Transfer Plan Policy Document issued under the Trustee Transfer Plan is intended to replace the benefits a member was entitled to under a registered pension scheme that has been wound up.

Want to know more?

Trustees

Please contact your relationship manager.

Members



0345 601 7721



my.pension@aegon.co.uk



aegon.co.uk/targetplan

aegon.co.uk

[X @aegonuk](https://twitter.com/aegonuk)

[in](https://www.linkedin.com/company/aegon-uk) Aegon UK



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