

## Member Booklet

**For use with:**

- Personal Pension 2000 Plan
- Group Personal Pension 2000 Plan

This is an **important document**. Please keep it safe for future reference.

ReAssure Ltd, Registered Office: Windsor House, Telford Centre, Telford, Shropshire, TF3 4NB  
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# Introduction

## Explanation of terms

A number of terms are used frequently in this booklet. An explanation of their meanings can be found in the glossary at the end of this booklet.

## 1. Membership of the Scheme

Your membership of the ReAssure Number Fourteen Personal Pension Scheme ('the scheme'), and your entitlement to benefits under it, is confirmed by a policy schedule or schedules (see below) issued to you with this booklet. You should keep both the booklet and the schedule(s) in a safe place. This booklet sets out the terms applying to your plan(s). The way in which the scheme operates is explained in 'About the Scheme'.

Please quote the number(s) on the policy schedule(s) when you make any enquiries about your benefits under the scheme. Any enquiries about your pension plan(s) should be addressed, unless you have been notified otherwise in writing by ReAssure, to:

ReAssure  
Windsor House  
Telford Centre  
Telford  
Shropshire  
TF3 4NB

## 2. Changes in circumstances

Some of the features described in this booklet apply differently to people in different circumstances.

You must tell ReAssure if:

- (i) you cease to be resident in the United Kingdom; or
- (ii) you cease to have relevant UK earnings or having ceased to have relevant UK earnings, you start to have them again; or
- (iii) you cease to be entitled to receive tax relief on your contributions to the scheme.

You have the later of 30 days or the end of the current tax year to tell us about this change.

## Payments into the scheme

### 1. Payments into your plan

Payments made into your plan for pension benefits may be any one or more of the following:

- regular contributions
- single contributions
- transfer payments

The types of payment that can be made to your plan are described in your Key Features document. Regular and single contributions may be paid to the scheme by you or on your behalf by your employer or another person. They must be paid in a form and by a method acceptable to ReAssure. You may also make transfer payments to the scheme. You can find out what forms and methods are acceptable by contacting ReAssure.

The conditions applying to each type of payment are set out in the following sections.

### 2. Regular contributions

Regular contributions into a plan can commence from a date, which is agreed between you and ReAssure. The amount of regular contributions can be changed at any time before your selected retirement date. Regular and single contributions, and transfer payments, can be paid until you reach age 75. Your selected retirement date can be changed at any time, however it cannot exceed age 99.

The current minimum level is £10 a month or £100 a year gross for regular contributions. There are other limits in relation to how much tax relief you can claim. More information about this is available in Sections 6 and 7.

Regular contributions applied to With Profits cannot be increased at any time in the five years immediately prior to your selected retirement date.

Regular contributions will be payable at the frequency, that is monthly, quarterly, half-yearly or yearly, agreed between you and ReAssure, ending with the last payment falling due before your selected retirement date.

### 3. Yearly regular contributions

Yearly contributions will be paid each year on the anniversary of their commencement. Any contributions paid at any other time will be treated as single contributions. Increases in yearly contributions may only be made from such an anniversary.

### 4. Stopping regular contributions

You can stop paying regular contributions at any time. If you do stop, you may restart paying regular contributions at any time you agree with ReAssure. The terms applying to future payments made to your plan may be different from the terms that originally applied. Please see 'Changing the terms of the plan' for more information.

Management charges will continue to be deducted in accordance with 'Amount and deduction of management charges' even though you may have stopped paying contributions.

## **5. Single contributions**

You may arrange for payment of a single contribution at any date agreed between you and ReAssure. Any single contribution must be at least equal to the minimum acceptable to ReAssure at that time. No single contribution paid on or after your selected retirement date, or in the five years immediately before that date, may be invested in With Profits. The current minimum level is £500 gross for single contributions. The terms applying to future payments made to your plan may be different from the terms that originally applied. Please see 'Changing the terms of the plan'.

A single contribution may be made by you or your employer, or by another person on your behalf.

## **6. Transfer payments**

Transfer payments may be made in accordance with the scheme rules from another Registered Pension Scheme or Qualifying Recognised Overseas Pension Scheme. They will be treated as a single payment paid to the scheme on the date we receive them.

No transfer payment paid on or after your selected retirement date, or in the five years immediately before that date, may be invested in With Profits. The current minimum level is £500 gross for transfer payments.

The terms applying to future payments made to your arrangement may be different from the terms that originally applied. Please see 'Changing the terms of the plan'.

## **7. Tax relief on contributions**

Until you reach age 75, you are entitled when making a contribution to the scheme to deduct an amount in respect of tax relief at the basic rate of income tax applicable at the time the contribution is paid. Any contribution you pay will therefore be treated as paid after deduction of this relief. An amount equal to the tax relief deducted will be reclaimed by ReAssure from HMRC, and ReAssure will treat the contribution as having been paid in full at the date the net contribution was paid. The amount after basic rate tax relief is added is called the gross contribution.

Any relief against higher or additional rates of tax to which you may be entitled must be claimed when making your yearly tax return.

Tax relief will not be added in respect of any contributions paid by your employer. These are gross amounts.

Note: You are only entitled to claim tax relief in respect of a tax year in which you are a relevant UK individual.

This means:

- (i) you must have relevant UK earnings chargeable to income tax; or
- (ii) you must be resident in the UK for at least part of the tax year; or
- (iii) you must have been resident in the UK in one of the preceding five tax years and when you joined the scheme; or
- (iv) you or your spouse or registered civil partner must have in the tax year general earnings from overseas Crown employment subject to UK tax.

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## Limits on tax relief and tax charges on contributions

(a) In respect of each tax year, any contributions paid by you or by a third party on your behalf must not exceed the maximum on which we can claim basic rate tax relief. This is the higher of:

- i. £3,600 (or such other amount as may be permitted by HMRC); and
- ii. 100% of your relevant UK earnings.

This limit does not apply to any contributions paid by your employer.

(b) If you are subject to the standard Annual Allowance (AA) you can receive tax relief on contributions made by you, or on your behalf, up to 100% of your earnings, subject to a cap of £40,000.

(c) If in any tax year your Threshold Income is more than £200,000 and your Adjusted Income is more than £240,000, your AA will reduce by £1 for every £2 of Adjusted Income over £240,000 subject to a maximum reduction of £36,000. This is known as the tapered AA. The maximum reduction means anyone with an Adjusted Income of £312,000 or more will have an AA of £4,000 rather than £40,000.

(d) From your 55<sup>th</sup> birthday, if you make any taxable withdrawals from this plan or any other money purchase pension product under pension flexibility rules, your contributions into a money purchase pension (not final salary or average salary defined benefit pension) for any tax year will have a lower AA limit of £4,000. This is known as the money purchase annual allowance (MPAA).

(e) If you are subject to the MPAA for money purchase saving, the balance of your AA may be available for any defined benefit saving.

(f) If you are subject to the MPAA and the tapered AA in the same tax year, the taper will apply to the balance of the allowance remaining for any defined benefit saving. This means if your adjusted income is £312,000 or more, you will not have any AA remaining for defined benefit saving.

(g) If you contribute more than whichever AA applies in any tax year, a tax charge known as the Annual Allowance Charge may apply depending on your circumstances.

(h) We will notify you and HMRC if total contributions to the Scheme paid in a PIP by you, your employer and any third parties on your behalf exceed the AA (or MPAA if applicable).

(i) If total contributions paid by you, your employer and any third parties on your behalf exceed whichever AA applies to you for any tax year, you must report details to HMRC through the self-assessment process as you may be liable for the Annual Allowance charge.

(j) All monetary limits and thresholds quoted in this provision are correct for the current tax year, but may be changed by HMRC for future tax years.

## 8. Refund of contributions

Once a contribution has been paid to the scheme, and the 30 day cancellation period has ended, it will not be refunded if you were entitled to receive tax relief on it. If you were not entitled to receive tax relief, ReAssure may refund your contribution. The amount refunded to you may reflect any change in investment value. Before any refund is made, you will be required to provide proof, satisfactory to ReAssure, that the contribution did not qualify for tax relief. Please contact ReAssure to find out what proof is required.

Any refund must be made within the six tax years following the tax year in which the contribution was made.

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## Application of pension payments

### 1. Buying units

Each payment into the scheme for pension benefit will be used to buy units in one or more of the funds described in 'Funds and their operation'. The number of units to be allocated will be calculated by applying a percentage of each payment at the unit price (as described in 'Funds and their operation') of the relevant fund calculated on the valuation date that next follows the due date (or the date received if later) of the payment by ReAssure.

At the outset this percentage will be at least 100% of each payment. However, ReAssure reserves the right to change the percentage in the future in accordance with ReAssure's 'Right to make changes'. ReAssure will notify you in writing of any changes before any payment is made which is affected by the change.

Where a payment is not cleared, any units credited in respect of that payment will be cancelled.

Crediting units operates only as a means of linking your plan to the funds for the purpose of calculating the value of your pension fund. However, the legal and beneficial interest in the units and the underlying assets of the fund do not belong to you.

### 2. Selection of funds

Initially the fund or funds in which units are to be credited to your plan will be those which you have agreed with ReAssure in your application, or those notified to you by your employer. If you have selected more than one fund, your contributions will be applied towards units in each fund in the proportions that you have specified.

Allocation of future contributions will continue on the same basis unless you choose otherwise. You may at any time instruct ReAssure in writing (or by any other means that has been notified to you by ReAssure as being acceptable) that the allocation of contributions between funds is to be changed for future contributions. You may not, however, redirect future contributions to With Profits at any time on or after the date falling five years before your selected retirement date.

### 3. Switches between funds

You may instruct ReAssure in writing (or by any other means that has been notified to you by ReAssure as being acceptable) at any time to exchange units already credited to your plan for units of equal value in a different fund or funds specified by you. This option, which is often called 'switching', is subject to the conditions described below:

- (i) The policyholder may elect to have units switched between funds whenever he or she chooses. This means that units allocated to the plan will be cancelled, and the value of the units using the unit price will be applied to the allocation of units in any other investment fund available for plans of this type. The number of units to be allocated will be calculated using the unit price on the valuation date on or following receipt of written instruction at Head Office.
- (ii) Charges, as set out in the Key Features document or otherwise notified to you in writing, will be deducted before any such switch takes place. We will only alter these charges to reflect actual changes in administration costs. Following a switch, future contributions will be allocated to the plan in the specified fund(s) in such proportion as you may specify.

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- (iii) ReAssure reserves the right to defer switching of units in exceptional circumstances as set out in section 1 of 'Calculation of pension fund' below.
- (iv) If a switch involves encashing With Profits units then the value of With Profits units that is to be surrendered may be increased to take account of any interim bonus and/or final bonus applicable at that time, and the value of the units may be reduced by a market value reduction to be decided by ReAssure.
- (v) You may not switch money into With Profits within five years before your selected retirement date or at any time on or after it.
- (vi) You may switch funds at any time. The first 20 switches in each policy year are free and after that, we may charge £10 for each switch. A market value reduction may apply, as described in (iv) above, if you are switching out of With Profits.

Future contributions will continue to be allocated to the fund or funds that you last specified, unless you tell ReAssure that this is also to change (see 'Selection of funds' above).

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## Retirement benefits

### 1. Commencement of your benefits

You may choose to take benefits from your selected retirement date, or from any other date as long as you've reached the minimum pension age of 55.

It may be possible for you to take your benefits earlier than the minimum pension age if you provide ReAssure with satisfactory medical evidence from a registered medical practitioner that you have stopped work because you are (and will continue to be) incapable of carrying on your occupation because of physical or mental impairment.

The options available when you take your pension benefits will depend on:

- HMRC rules and practice, and
- the scheme rules, and
- the practice adopted by the company, and
- whether you are eligible

at that time. The current options are summarised in the following paragraphs.

#### (a) Lifetime annuity through the Open Market Option (OMO)

A lifetime annuity pays you a regular income for the rest of your life. You can buy a lifetime annuity from another annuity provider. The amount of lifetime annuity will depend on the type of pension income you choose, annuity rates available at the time and the size of your fund. If you choose this option we will pay the value of this plan to your chosen annuity provider. If you choose to include a tax-free lump sum under (b) the value we pay to your chosen annuity provider will be the plan value less the tax-free lump sum. Your annuity income will be taxed.

#### (b) Tax-free cash lump sum

If you choose a lifetime annuity under (a) you may usually take up to a quarter of the value of this plan as a tax-free cash sum. The lump sum will not be paid before the date on which the pension starts. The value used to provide your lifetime annuity under option (a) will be your plan value reduced by the amount of the tax-free lump sum.

#### (c) Uncrystallised Funds Pensions Lump Sum

You may take either part of or the whole of the value of this plan as a cash sum. A quarter of the payment will be free of tax.

#### (d) Small lump sum

If the total value of your pension benefits under this plan is not more than £10,000 (or such other amount as may be permitted by HMRC), you may take the whole of the value of this plan as a cash sum. A quarter of the payment will be free of tax.

This option will only be available if you have not already exercised the same option on more than two other individual pension pots (excluding any benefits held in an occupational pension scheme or public sector scheme).

#### (e) Transfer for flexi-access drawdown

You can transfer the full value of your pension plan to another pension scheme or plan that

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includes an option to designate your pension fund to provide flexi-access drawdown benefits. Flexi-access drawdown allows you to take withdrawals from your pension savings flexibly, and your withdrawals will be taxed.

You will normally have the option in the new scheme or plan to receive a tax-free lump sum before you designate funds for flexi-access drawdown. This option will be a Benefit Crystallisation Event (BCE) in your new scheme or plan.

A BCE is when the value of your pension savings is measured to work out how much can be paid without a tax charge based on your Lifetime Allowance. If you take your benefits before age 75 under options (a), (b) and (c) these will be BCEs under this plan. We will measure them against the Lifetime Allowance and deduct any tax that may be due. Option (e) is a BCE under the new scheme or plan, so your new provider will complete the Lifetime Allowance check.

The income from options (a) and (e), and the lump sum from options (c) and (d), are subject to income tax. The rate of tax due will depend on how much other taxable income you receive at the time.

## **2. What happens if you reach age 99 without taking your pension benefits?**

You don't have to take your pension benefits by age 99. However, if you don't take your pension benefits before you're 75, a BCE will occur on your 75<sup>th</sup> birthday. If this happens, we will measure the value of your benefits on your 75<sup>th</sup> birthday against your Lifetime Allowance and deduct any tax that may be due.

## **Benefits on transfer or death**

### **1. Transfer out**

You may choose, at any time before benefits are first paid from your pension fund, to have a transfer payment paid from the Scheme to another Registered Pension Scheme or to a Qualifying Recognised Overseas Pension Scheme acceptable under the Finance Act. So long as the transfer is to another Registered Pension Scheme the transfer will not give rise to any tax charge.

The amount payable as a transfer payment will be the available pension fund at that date calculated in accordance with the appropriate section of 'Calculation of Pension Fund'.

In certain circumstances a transfer may need to be delayed. The reason for this is explained in section 1 of 'Calculation of Pension Fund'.

No further benefit will be payable under the scheme in respect of any part of the pension fund which has been paid as described above. Once such a payment has been made, no further contributions may be paid by or in respect of you.

### **2. Death before payment of pension**

If you die before payment of your pension has started, or before benefits are first paid from your pension fund, the pension fund (including, in the case of investments in With Profits, any interim bonus and/or final bonus which is or are due) will be applied to provide the benefit or benefits described in sections 3 and/or 4 below.

### **3. Pension for a surviving spouse/registered civil partner or dependant**

You can choose to provide a pension for your surviving spouse/registered civil partner or for a dependant named by you by giving ReAssure written instructions to that effect before your death. ReAssure is not bound by your request and may decide to apply some or all of the pension fund in accordance with section 4.

Where you have not instructed ReAssure to pay such a pension, your pension fund will be paid in accordance with section 4.

Your surviving spouse/registered civil partner or other dependant (as applicable) will be able to purchase the permitted pension annuity from ReAssure or another insurer.

A pension annuity which is paid to your child cannot provide a pension beyond the child ceasing to qualify as a dependant.

### **4. Payment of lump sum death benefit**

Any part of the pension fund which is not applied to provide a pension under the previous section, will be paid as a lump sum in such proportions and to such recipient(s) as ReAssure decides.

The class of potential recipients comprises broadly:

- (i) any trust which you have made available for inclusion within the class of potential recipients. You may wish to set up a trust for this purpose, in which case ReAssure recommends that before doing so you seek appropriate advice in order to manage any inheritance tax issues that might arise;

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- (ii) any person(s), charity, association or other body you have nominated for inclusion in the class of potential recipients;
- (iii) your widow(er) or surviving registered civil partner;
- (iv) your dependants;
- (v) your antecedents and descendants;
- (vi) your legal personal representative or any person or body entitled under your will to any interest in your estate;
- (vii) any person who, or body which, ReAssure believes you would have wished to benefit.

If ReAssure determines that it has insufficient information to enable it to pay the lump sum under this section, it will not be obliged to pay it.

**Notes:**

- ReAssure is not bound to distribute any lump sum death benefit payable under this section in accordance with any nomination you make.
- You may establish a trust or make a nomination at any time when you are a member. You may also make a nomination in your application for membership, to take effect on your becoming a member. You must be 18 or over to establish a trust or make a nomination.
- You must notify the identity of the trustees to ReAssure in writing before the date of your death for ReAssure to be bound by it.
- Any nomination must be made in writing and received by ReAssure before your death.
- If any person you have nominated is under 18 at the date of your death, ReAssure may make payment to that person's parent or guardian, or to any other it decides, for the benefit of that person.
- Once made, you cannot revoke a nomination. However, you may, at any time, replace your nomination with a new nomination.
- Any trust or nomination cannot benefit you or your estate.
- If a trust is declared it will override any nomination.

If a person you have nominated dies, you should make a new nomination.

## Taxation of benefits

This section is only intended to summarise the operation of pensions tax legislation which can be complex and is subject to change from time to time.

### 1. Income

Any income payable under the scheme to you or anyone else is taxable as pension income. Tax will be deducted at the appropriate rate based on the PAYE coding of the relevant individual as notified by HMRC.

### 2. Lump sums

If you take part of your pension fund as a cash sum, in accordance with section 1 of Retirement Benefits, then any amount you take over and above the maximum you are allowed tax free will be subject to a tax charge. The amount of the charge will be dependent on your personal circumstances.

If you die on or after your 75th birthday, any lump sum death benefit payable will be subject to a tax charge. If paid to your estate this will be a special lump sum death benefit tax charge. If paid directly to a beneficiary it is taxed at their marginal rate.

A lump sum benefit described in section 4 of 'Benefits on transfer or death' is not normally liable to Inheritance Tax under present legislation.

### 3. Pension fund

If, when you take any pension benefits up to the age of 75, the total amount being used to provide benefits for you, together with any amounts previously used under all Registered Pension Schemes to provide benefits, exceeds your Lifetime Allowance, you will be liable to a tax charge on the amount by which the value has exceeded your Lifetime Allowance. The value given to benefits for this purpose is determined by law and depends on the type of benefits which have been paid. In most cases, the value will be the amount of your funds that are used for the payment of the benefit.

A similar tax charge will be payable if the amount payable as a lump sum on your death in accordance with section 4 of 'Benefits on transfer or death' exceeds your remaining Lifetime Allowance.

If at age 75 some or all of your pension fund has not been used to provide a pension annuity, there will at that point be a test (which, if you have already taken benefits from your pension fund, may be a second test) against your Lifetime Allowance. Special rules dictate the amount which is tested against your Lifetime Allowance in these circumstances.

The amount of any tax charge will depend on the way in which you take the benefits relating to the excess over the Lifetime Allowance. Currently, if you take the excess as a lump sum the charge will be 55% and if you use it to provide an income it will be 25%. Any income will be taxed as described in section 1 above as well.

### 4. Tax charges

ReAssure will not be liable for any tax charge or unauthorised payment (as defined in the Finance Act) made by or for the scheme. If any such charge is payable from your pension fund, ReAssure shall be entitled to take steps to recover the amount of fees or tax charges it pays on your behalf from your pension fund.

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## Calculation of pension fund

### 1. Possible delays in calculating the value of your pension fund or switch values

ReAssure reserves the right to defer cancellation of units from the date we receive your instruction to cancel. ReAssure will only do this in exceptional circumstances, where we feel such action is required to protect your interests and those of other policyholders. Such a deferment would apply where market conditions negatively affect ReAssure's ability to realise the assets of the fund to meet the liabilities for cancellations. For example, if the fund should hold assets in the form of buildings or land. The period of deferment will not be longer than six months. In any event, this provision does not apply to the payment of death benefits. We will always aim to act in a reasonable manner, with the protection of policyholder interests in mind.

### 2. Fund at selected retirement date

If you take your pension benefits at the selected retirement date, the value of this policy will be the units allocated to this plan multiplied by the unit price on your selected retirement date.

In the case of any investment in With Profits any interim bonus and/or final bonus which is or are due will be included in that value.

### 3. Fund after selected retirement date

If payment of your benefit or any part of it does not start until after your selected retirement date, units in investment linked funds (which are described in 'Funds and their operation') will remain in those funds. With Profits units will cease to participate in profits after the addition of any interim bonus and/or final bonus which is or are due on that date, and must be switched out of With Profits as described in 'Funds and their operation'.

You may pay additional single contributions to investment linked funds at any time up to age 75 on terms to be specified by ReAssure at that time.

At any subsequent date on which benefits become payable, the amount available to provide those benefits will be calculated as in section 2 above, at that date.

### 4. Fund before selected retirement date

If you die before you take your pension benefits, the value of this plan will be the number of units allocated to this policy multiplied by the unit price on the next valuation date after the day that ReAssure receives written notice of your death.

If any benefit becomes payable at any date before your selected retirement date for any other reason (including a transfer out in accordance with section 1 of 'Benefits on transfer or death'), With Profits units may be reduced by a market value reduction to be decided by ReAssure.

### 5. Fund where benefits are taken at different dates

If benefits under your plan become payable at more than one date, then the amount available to provide benefits at each date will be calculated separately in respect of the benefits payable at each of those dates. This amount will be calculated in accordance with sections 2, 3 or 4 depending on whether the relevant date falls on, before or after your selected retirement date.

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## **6. Current unit price**

The unit price for each fund is calculated daily.

The unit price shall be calculated by reference to the value of the fund reduced by all mortgages, charges, liabilities and provisions in respect of the assets. The results are divided by the number of units in issue at that time and rounded by not more than 0.1p.

## Funds and their operation

### 1. Funds and units

(a) ReAssure maintains a number of investment funds, which are divided into units. ReAssure shall retain legal and beneficial ownership of the underlying assets, and shall have discretion on the investment content of the funds. ReAssure may at its discretion add to or reduce the number and type of funds which are available for investment. ReAssure may choose to alter the funds available for investment for a number of reasons:

- i) To add funds in order to improve customer choice.
- ii) To remove funds where a fund is no longer feasible to operate.
- iii) To consolidate funds where multiple funds are suitably similar as to be redundant.

This list is not intended to be exhaustive.

- (b) ReAssure will introduce money into or withdraw money from each fund at any time subject to the respective creation or cancellation of the appropriate number of units.
- (c) ReAssure may at any time borrow money from any source in connection with the operation of any funds and shall have power to charge the assets of the funds as security. The liability of ReAssure for repayment of such borrowing and any interest due and any expenses incurred shall be deemed to be a liability of the funds.
- (d) Income from the assets of a fund shall accrue to and form part of the fund.
- (e) ReAssure shall be entitled to deduct from each fund:
- the costs of acquiring, disposing of and valuing the assets of the fund; and
  - appropriate amounts for any expenses, duties, levies and other charges, including those under (f) below. Details on charge deductions are set out in Key Features or can be obtained from ReAssure in writing.
- (f) A management charge, as set out in the Key Features, is deducted from each fund daily. ReAssure will take the number of units that equal the value of those charges using the unit price on that day. Any alteration to the rate of charge shall be applied to all policies of the same class. If the assets of a fund include a holding of units of another fund, the fund charge shall be reduced appropriately. ReAssure would only alter the rate of management charge to reflect actual changes in the administration costs relating to the fund and/or the policies invested therein.
- (g) The unit price for each fund is calculated daily.
- (h) The unit price shall be calculated by reference to the value of the fund reduced by all mortgages, charges, liabilities and provisions in respect of the assets. The results are divided by the number of units in issue at that time and rounded by not more than 0.1p.
- (i) ReAssure may withdraw a fund at any time in which case you can switch the value of the units allocated to this policy under that fund to another fund without charge. If you fail to make a choice of another fund, ReAssure shall choose it for you. ReAssure would only withdraw a fund in situations where the fund is no longer feasible to operate. This may occur if for example, too few policyholders are invested.
- (j) ReAssure may stop accepting future contributions or transfer values into a fund at any time in which case you can choose another available fund without charge. If you fail to choose another fund, ReAssure shall choose it for you. ReAssure would only stop accepting contributions into a fund if we felt that this was in the customers' best interests; for example, if an external fund imposed additional charges on money entering the fund.

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## **2. With Profits**

The price of a With Profits unit will always be 100p.

With Profits units will participate in the profits of ReAssure. Further information on ReAssure's approach to managing With Profits investments is contained in ReAssure's 'Introduction to Unitised With Profits' guide, which is available on request.

At your selected retirement date, units must be switched out of With Profits. You may choose which of the other funds available under the Scheme Policy your investment is switched into by notifying ReAssure in writing of your choice. If you do not notify ReAssure of your choice of fund or funds, your investment will be switched into the ReAssure Managed Fund.

If any benefit becomes payable at any date before your selected retirement date for any reason apart from death, the value of your With Profits units may be reduced by a Market Value Reduction to be decided by ReAssure.

## Amount and deduction of management charges

### 1. Amount of management charges

Unless you have been notified otherwise in writing by ReAssure, the Annual Management Charge applicable to you is currently made up of three components:

- Basic Annual Management Charge
- Temporary Annual Management Charge
- External Funds Annual Management Charge.

The Annual Management Charge is taken daily by cashing in units.

ReAssure will take the number of units that equal the value of those charges using the unit price on that day. Any alteration to the rate of charge shall be applied to all policies of the same class. If the assets of a fund include a holding of units of another fund, the fund charge shall be reduced appropriately. ReAssure would only alter the rate of management charge to reflect actual changes in the administration costs relating to the fund and/or the policies invested in it.

Unless you have been notified otherwise in writing by ReAssure, the rates of Basic Annual Management Charge and Temporary Annual Management Charge applicable to you at the date this booklet was produced are shown in (i) and (ii) of this section.

If you have been automatically enrolled into your pension the charges will not exceed the auto enrolment charge cap (currently 0.75%).

#### (i) Basic Annual Management Charge

This is a tiered Annual Management Charge so the rate of charge reduces for larger pension funds.

Pension Fund Value Bands	Rate of Basic Annual Management Charge applicable to Band
under £25,000	1%
£25,000 up to £50,000	0.9%
£50,000 and above	0.8%

#### (ii) Temporary Annual Management Charge

If your initial investment is less than £15,000, an additional Temporary Annual Management Charge of 0.5% a year will apply for the first 10 years of your plan or until your pension fund first reaches £15,000 at the start of a plan month, whichever is sooner. For this purpose, plan months are counted from the date your plan starts as described above.

For example:

If, during the first 10 years of your plan where your pension fund has never reached £15,000 at the start of a plan month, your fund is worth £5,000 throughout the year and is invested in ReAssure funds, the total of the charges will be:

Basic Annual Management Charge	1.0%
Temporary Annual Management Charge	0.5%
<b>Total Annual Management Charge</b>	<b>1.5%</b>

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If, during the first 10 years of your plan, the value of your pension fund reaches £15,000 at the start of a plan month the temporary charge will cease to apply. After the first 10 years, the temporary charge will cease to apply regardless of the value of your pension fund.

(iii) External Funds Annual Management Charge

If you have chosen to invest in a fund or funds which are not managed by ReAssure, then ReAssure may make an additional External Funds Annual Management Charge in respect of your investment in such fund(s). The rate of this additional management charge will be as notified to you in writing by ReAssure.

In the future ReAssure may need to change the pension fund value bands or the level of charges or introduce new charges. Where ReAssure needs to do this we will make these changes in line with 'ReAssure's right to make changes' below. Management charges will be deducted from units in accordance with the following section.

## **Changing the terms of the plan**

### **1. ReAssure's right to make changes**

If during the term of the plan there should be a change in taxation or any other legislation affecting the plan or, as a result of legislation or otherwise, investment in shares or property is disallowed or restricted, or it becomes impractical or unfair between policyholders for ReAssure to carry out the procedures laid down in this plan, ReAssure reserves the right to make any relevant and reasonable changes to the terms of the plan to reflect the changes in law or taxation. ReAssure will write to you to tell you about any significant legislative or other changes which will affect this plan.

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## About the scheme

### 1. Operation of the scheme

The scheme has been established by a declaration of trust and is operated by the trustees in accordance with the scheme rules. These rules include the provisions, which are required in order for the scheme to be a Registered Pension Scheme.

Benefits under the scheme are payable by the trustees. Any benefits provided are secured under the scheme policy. The scheme policy is covered by the Financial Services Compensation Scheme.

ReAssure imposes certain conditions and restrictions on the operation of the scheme besides those contained in the scheme rules; these are set out in this booklet. If there is any conflict between this booklet and the scheme rules, the scheme rules will apply.

You may also apply to ReAssure (at the address in the Introduction) to see a copy of the formal documents if you wish. You may also request a copy of the formal documents to keep. In this case, a charge will be payable before the copy is provided to you.

ReAssure Limited is the present trustee and administrator of the scheme. References to 'ReAssure' in this booklet are to ReAssure in that capacity or as insurer of the scheme, whichever is applicable in the circumstances.

### 2. Scheme status

The scheme is a Registered Pension Scheme under Part 4 of the Finance Act. Its reference with HMRC is 00605343RA. Statements in this booklet about tax treatment of contributions and benefits are dependent on the scheme continuing to be a Registered Pension Scheme. They also depend on there being no change in the law affecting the tax treatment resulting from such registration.

### 3. Conditions applying to all plans

Payment of any benefit will be subject to you providing:

- (i) at the date of application for any benefit and at the date of any proposed increase in its amount, such information that ReAssure may reasonably require; and
- (ii) such information as ReAssure may reasonably require of the occurrence of the event giving rise to payment of the benefit, and of the identity of the person or persons to whom it is payable.

Where the calculation of any benefit or the cost of any benefit is dependent on the age of any person, payment of the benefit will be subject to the production of such evidence of that person's date of birth as ReAssure may require. If the evidence shows that the date of birth is different from that previously stated, ReAssure will be entitled to adjust the amount of benefit payable to that which would have applied if the correct date of birth had been stated at the commencement of your plan.

Payment or continued payment of any pension under the scheme will be subject to the production of such evidence as ReAssure may from time to time require of the identity and survival of the person or persons in respect to whom the pension is payable.

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#### **4. General information**

- (i) If ReAssure decides to waive a term or condition of this booklet, this does not mean that it has made a permanent change to the terms or conditions. ReAssure can still apply the term or condition that it waived on a future or separate occasion.
- (ii) ReAssure accepts responsibility for any losses to your plan if such losses are the direct result of ReAssure's fraud, negligence or willful default or that of its directors, officers, employees, contractors or agents.
- (iii) ReAssure will not be liable to you for any losses you may suffer because of any investments made through the scheme, including any losses that are caused by a reduction in the value of those investments.
- (iv) ReAssure will not be liable for any omissions or errors it may make as a result of any omissions from or errors in any data, information or evidence provided by you, your employer or your adviser.
- (v) ReAssure does not guarantee the performance or profitability of the funds (or any part of them) held for your plan.
- (vi) ReAssure agrees to comply with the Data Protection Act 2018 and will act as a data controller for any personal data included in it. You can find a copy of our privacy notice at [www.reassure.co.uk/privacy-policy](http://www.reassure.co.uk/privacy-policy).
- (vii) English law applies to the scheme and this plan. You agree that the courts of England and Wales will decide any dispute or claim about your membership of the scheme and/or this plan.

#### **External bodies**

Your attention is drawn to the following central bodies dealing with occupational and personal pension schemes.

#### **The Pension Tracing Service**

Details of this scheme, including a contact address for the trustees, have been given to the Pensions Tracing Agency, which provides a tracing service for ex-members of schemes with pension entitlements, and members' dependants, who have lost touch with earlier employers. Enquiries should be addressed to:

Pension Tracing Service  
The Pension Service 9  
Mail Handling Site A  
Wolverhampton  
WV98 1LU  
Telephone: 0800 731 0193  
Website: [www.gov.uk/find-pension-contact-details](http://www.gov.uk/find-pension-contact-details)

#### **MoneyHelper**

MoneyHelper is a government service that can offer free impartial help and information.  
Telephone: 0800 011 3797  
Website: [moneyhelper.org.uk](http://moneyhelper.org.uk)

#### **The Pensions Ombudsman**

The Ombudsman has the power to investigate and decide upon complaints and disputes involving occupational and personal pension schemes. Any complaints or disputes regarding the administration of the Scheme should therefore be sent to:

The Pensions Ombudsman

10 South Colonnade  
Canary Wharf  
E14 4PU  
Telephone: 0800 917 4487  
Website: **[www.pensions-ombudsman.org.uk](http://www.pensions-ombudsman.org.uk)**

However, the Pensions Ombudsman has agreed with the Financial Conduct Authority that where the personal pension provider is regulated by the Financial Conduct Authority (FCA) that complaints and disputes involving the selling of personal pensions will be dealt with by the Financial Ombudsman Service. As ReAssure is regulated by the FCA any complaints and disputes of this nature should be referred to the Financial Ombudsman at the following address:

The Financial Ombudsman Service  
Exchange Tower  
Harbour Exchange  
London  
E14 9SR  
Telephone: 0800 023 4567  
Website: **[www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)**

Making a complaint will not affect your legal rights.

## Glossary

**Actuary:** means the actuary (or actuaries), appointed by ReAssure from time to time in accordance with rules made by the Financial Conduct Authority.

**Annual Allowance:** means the maximum amount you, your employer and any other third party can pay into all your Registered Pension Schemes in respect of each tax year without incurring a tax charge. The amount of Annual Allowance that applies for each tax year is set by HM Revenue & Customs (HMRC). This is defined in section 228 of the Finance Act 2004.

**Benefit Crystallisation Event (BCE):** means an occasion where the value of your pension savings is measured to work out how much of your Lifetime Allowance (LTA) has been used and can be paid without a tax charge. A BCE is most likely to occur when your pension savings are converted into pension benefits. The full list of events is shown in section 216 of the Finance Act 2004.

**Dependant:** means

- a person who was married to or in a registered civil partnership with you at the time of your death; or
- your natural/adopted child provided he/she (i) is under the age of 23 or (ii) was in the opinion of ReAssure dependent upon you at the date of your death because of mental or physical impairment;

or

- a person who falls into neither of the above categories and who at the date of your death was, in the opinion of ReAssure, (i) financially dependent on you or (ii) in a financial relationship of mutual dependence with you, or (iii) dependent on you because of mental or physical impairment.

**External fund manager:** means an investment management company other than a ReAssure company.

**Final Bonus:** is a bonus that is paid to make up any difference between what ReAssure has guaranteed to pay and the overall amount that ReAssure decides is fair to pay for investments in With Profits. It may be payable when benefits are paid, or at your selected retirement date if this is earlier, or when With Profits units are switched for units in another fund. Final bonuses are only paid in respect of investments in With Profits. They can change from year to year and can be zero if, for example, investment conditions change significantly.

**Finance Act:** means the Finance Act 2004 and associated regulations as amended from time to time and any statutory re-enactment or modification of it.

**Fund(s):** means a fund or funds maintained by ReAssure and/or its associated companies for the purposes of the Scheme Policy.

**Interim Bonus:** is a bonus which may be added to cover any period of time for which an annual bonus has not yet been declared. It can be added when either benefits are paid or when With Profits units are switched for units in another fund part way through a calendar year. Interim bonuses are only paid in respect of investments in With Profits and they can be changed at any time.

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Annual bonus is a bonus which may be added to investments in With Profits at the end of each year. Annual bonus rates can change from year to year.

**Lifetime Allowance:** means the total amount of pension savings you can build up without incurring a tax charge. When a BCE occurs, your pension savings will be measured against the Standard Lifetime Allowance that applies in that tax year unless you have registered with HMRC for a higher personal Lifetime Allowance under any of the protection rules. The amount of Standard Lifetime Allowance that applies for each tax year is set by HMRC. This is defined in section 218 of the Finance Act 2004.

**Pension Fund:** means the total value of your investments in your plan(s).

**Pensions Act 2008:** The Pensions Act 2008 established new duties for UK employers. These duties require employers to provide some or all of their workers with access to a workplace pension scheme that meets certain legal requirements. Employers will have to automatically enrol certain workers into the pension scheme and pay contributions on their behalf. Contributions must meet the minimum levels set out in the Act. You will have been told by either your employer or ReAssure if this applies to you.

**Plan:** means a part of the scheme that provides benefits for you. You are allowed to have more than one plan.

**Policy Schedule:** means the document issued to you with this booklet when you joined the Scheme or began a new plan under it.

**Qualifying Recognised Overseas Pension Scheme:** means an overseas pension scheme that meets certain requirements in order that it can be recognised by HMRC. A Qualifying Recognised Overseas Pension Scheme can receive the transfer of UK pension benefits without incurring an unauthorised payment and scheme sanction charge.

**Registered Pension Scheme(s):** means a scheme that is registered under Chapter 2 of Part 4 of the Finance Act 2004.

**Relevant UK earnings:** a full definition can be found at [gov.uk/hmrc-internal-manuals/pensions-tax-manual/ptm044100](http://gov.uk/hmrc-internal-manuals/pensions-tax-manual/ptm044100).

**Scheme Policy:** means the insurance policy or policies issued to the trustees by ReAssure Limited securing the benefits in the scheme.

**Scheme Rules:** means the scheme documents (as amended from time to time) which govern the scheme.

**Selected Retirement Date:** means the date agreed between you and ReAssure, on which payment of your pension is due to begin. It will be shown on your policy schedule. You may, with the agreement of ReAssure, change your selected retirement date to an earlier or later date than that specified in your policy schedule, so long as the new date is no later than your 99th birthday and is permitted under pensions' law.

However, if you have investments in With Profits you can only change your selected retirement date if the new selected retirement date is at least five years after the date of change.

If you do change your selected retirement date then the new date becomes your selected retirement date for all purposes under your plan.

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This means that, if you subsequently take your benefits before your new selected retirement date, the conditions set out in Section 4 of 'Calculation of Pension Fund' will apply.

**Transfer in:** means a payment received from another Registered Pension Scheme or Qualifying Recognised Overseas Pension Scheme and is not classed as a contribution.

**Unit:** means a With Profits Unit or a notional share of a fund used as a means for calculating benefits.

**Valuation Date:** means any day on which the value of an investment-linked fund will be calculated on the basis set by the actuary. This is currently each working day. The frequency of the valuations will not be less than once in each calendar month.

**Working Day:** means any day from Monday to Friday inclusive, excluding English public holidays.