



## KEY FEATURES OF THE **PENSION TRUSTEE BOND**

### **keyfacts**®

The Financial Conduct Authority is a financial services regulator. It requires us, ReAssure, to give you this important information to help you decide whether our Pension Trustee Bond is right for you. You should read this document carefully so you understand what you are buying and then keep it safe for future reference.



**ReAssure**

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## PLEASE READ THIS **DOCUMENT CAREFULLY**

The purpose of this Key Features Document is to give you a clear and balanced summary of the information you need to help you make a decision about the Pension Trustee Bond.

Reading financial literature can be daunting, so we try to make our brochures and other documents as clear as possible, with no 'small print'. If technical expressions are unavoidable, we also include an explanation in plain English. We test our literature regularly to make sure that it can be understood by our customers.

Please read this Key Features Document in conjunction with the enclosed Key Features Illustration and keep it with your Pension Trustee Bond documents.

*thank you*

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## **ABOUT REASSURE**

Originally founded in 1963, ReAssure is a life and pensions company which buys and administers closed books of business from other companies.

## **YOUR POLICY IS IN SAFE HANDS**

Although you may not be that familiar with ReAssure, we're not a small company. We have approximately 2 million policies on our books, and look after investments of approximately £41 billion for our customers. This experience, together with our award winning customer service and 99% claims paid records in 2019 makes us a safe and trusted home for all types of policies.

## **OUR BUSINESS**

Our strategy is to be a major life and pensions consolidator in the UK market by offering companies who wish to exit from closed books of business the opportunity to do so, and to provide excellent customer service to our acquired policyholders.

# AIMS

## WHAT THE PENSION TRUSTEE BOND IS AND WHAT IT AIMS TO DO FOR YOU

The Pension Trustee Bond is an investment contract available to trustees of personal pension or occupational pension schemes. It gives you the opportunity to invest lump sum payments on behalf of the scheme into a wide range of unit-linked funds in a tax-efficient way. There is no fixed investment term. 

The Pension Trustee Bond aims to give you investment flexibility to meet the requirements of the scheme.

You can:

- Choose how you want your payments to be invested, from a wide variety of unit-linked funds. You can spread and adapt your investment as you wish, according to your financial goals and your attitude to risk. 
- Change your fund choice at any time for both new and existing payments.
- Fully or partially cash in the Pension Trustee Bond at any time.

 See Q9 'What are 'unit-linked' funds?'

 See Q8 'What funds can we invest in?'

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# YOUR COMMITMENT

## WHAT YOU HAVE TO DO AS THE INVESTOR

You should make sure that you understand the features and risks of this product so you can decide whether it is likely to meet your needs and expectations in terms of income, capital growth and taxation planning. You should be aware that there may be other solutions available which may equally satisfy your income requirements in later life. Your financial adviser will help you understand if this product is suitable for you.

You must make a payment at the start of at least £3,000.

You need to choose the fund or funds in which to invest your money. Your financial adviser can help you decide what funds are appropriate. 

To ensure that the Pension Trustee Bond and your chosen funds continue to meet your needs and attitude to risk, you should monitor their performance regularly, consider new funds that become available and make whatever changes (fund switches) may be necessary. Your financial adviser will be able to help you with this.

You will need to keep us informed about any future change of address or contact details so we can maintain efficient records for your benefit. You must also write to us and let us know if any of the trustees change. 

 See Q8 'What funds can we invest in?'

 See 'Contact details' on page 13

# RISKS

## FACTORS THAT COULD AFFECT YOUR PENSION TRUSTEE BOND

Most types of investment involve some risk. The Pension Trustee Bond gives you access to a wide variety of investment funds, the value of which may fall as well as rise. This means that we cannot guarantee the value of your fund or the amount of income you receive. It may be less than forecast in the enclosed personal Key Features Illustration, or less than you invested, for the following reasons.

### CHOICE OF FUNDS

The funds available for you to invest in all have specific objectives and associated risks. These differ according to the assets held within them. For example, if you choose 'emerging market' funds that are invested in parts of the world with less well established economies, their value could be subject to considerable price variations – known as 'volatility'. Similarly, some funds, such as those investing in property, can be difficult to sell and you might not be able to sell or switch from such funds when you want. Your personal Key Features Illustration accompanying this document describes the objectives and risks that relate to the funds you have chosen.

If you don't review the choice of funds within your bond regularly and monitor their performance, they may fail to meet your expectations. 

If the funds in your plan do not match your attitude to risk (willingness to accept potential losses), they may not perform as you anticipate.

### CHARGES AND ASSUMPTIONS

The effect of charges may be higher than illustrated. For example you might decide to switch to higher priced funds than those in your personal Key Features Illustration, or investment management costs may increase in the future. 

In the personal Key Features Illustration we have to make assumptions about what will happen during the period from when your pension starts, until your intended pension age. These assumptions are unlikely to match exactly what actually happens, for example:

- if you cash in your bond earlier than anticipated there will have been less time for potential growth
- the growth on your fund may be lower than assumed.

 See Q8 'What funds can we invest in?'

 See Q10 'Where can we find details of the charges?'

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### TAX CHANGES

Tax rules could change in the future.

### REGULATION CHANGES

The rules and laws surrounding pension schemes could change in the future.

### CANCELLATION RISK

If you pay a lump sum and decide to cancel within 30 days, the amount returned may be less than was paid in. 

The section **Your commitment** on page 6 will help you understand how you can manage some of these risks.

 See Q12 'Can we cancel the contract?'

# QUESTIONS AND ANSWERS

## Q1. COULD THE PENSION TRUSTEE BOND BE RIGHT FOR US?

The section **Aims** on page 5 details the benefits available to Pension Trustee Bond holders.

If your scheme does not restrict you as trustees to invest in only a named provider's insurance products and you want to access the ReAssure pension fund range in a tax-efficient way then the bond could be right for you.

Because the bond does not have a fixed term, you can keep it for as long as you like. If your scheme's objectives or attitude to risk change, you can switch your fund choices accordingly and without an administrative charge.

It is important that you regularly review the ongoing suitability of your bond to ensure, for example, that your investment choice remains in line with your attitude to risk and continues to meet the requirements of your scheme.

You should also assess the impact of any changes in the law and new savings products available on the market.

If you have any doubts about the suitability of this bond for your needs, and you have not already received investment advice, please contact your financial adviser.

## Q2. IS OUR MONEY GUARANTEED?

No, the value of your investment in the bond can go down as well as up and you may not get back the original amount invested. Please see the **Risks** section on page 7.

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### **Q3. WHAT MIGHT OUR BOND BE WORTH?**

You can find details of how your Executive Pension plan may grow and the tax-free cash and pension income you might receive in the enclosed personal Key Features Illustration.

The projections shown are based on a range of assumptions about future growth rates and charges, none of which are guaranteed.

Your bond value and amount you get back will depend on:

- how much has been paid into your bond
  - how long your money has been invested
  - the date you cash it in
- the investment performance of your chosen fund(s)
- our charges

As the accompanying Key Features Illustration takes no account of inflation, it's important to remember that rising prices can be damaging to your standard of living. The effect of inflation on your future buying power should not be underestimated as it will reduce what you can buy in the future. For example, if inflation runs at 5% each year then £100,000 in today's prices will only be worth £37,689 in 20 years' time.

### **Q4. WHEN CAN WE USE THE BOND AND WHAT CHOICES WILL WE HAVE?**

Because the bond doesn't have a fixed end date, you can keep your bond for as long as you wish. You can, however, fully or partially cash in your bond at any time. Any partial encashment will be subject to our minimum criteria, details of which can be found in your Pension Trustee Bond Trustees' Guide.

### **Q5. HOW MUCH CAN BE PAID INTO OUR BOND?**

You must make an initial payment of at least £3,000 to set up your bond. After that you can pay further lump sum payments of at least £1,000 at any time.

### **Q6. HOW CAN WE PAY CONTRIBUTIONS?**

All payments must be made by cheque unless otherwise agreed.

### **Q7. WHAT ABOUT TAX?**

#### **FUNDS**

ReAssure is not normally liable to any form of UK tax on the funds you can choose to invest in under your bond, and neither are you. In some instances UK tax is deducted on investment income, but we recover this from HM Revenue & Customs (HMRC) and reinvest for your benefit, except for tax withheld from dividends on UK shares.

The tax position may change in the future.

You may be subject to additional taxes or costs which are not accounted for within the bond. Please contact your financial adviser for further details.

## Q8. WHAT FUNDS CAN WE INVEST IN?

The bond offers you a choice of more than 400 unit-linked funds, managed by more than 40 fund management groups\*. 

You can decide how actively you want to be involved in making investment decisions. If you want complete control and to select individual funds yourself, you can choose from our 'self select' range of funds. Or if you want to delegate fund choice decisions, you can use our MultiManager funds. These are managed by investment experts who select, combine and monitor multiple fund managers into single funds, giving you a fully managed investment solution. Your financial adviser can help you choose the most suitable funds for your circumstances and needs. You can select up to 99 funds initially, and then as many as you wish from the range available once your bond has started. You can change your choice of funds for both new and existing payments at any time. 

You can get information about individual funds from your financial adviser or from us at [www.reassure.co.uk/fund-centre](http://www.reassure.co.uk/fund-centre)

\* Fund management groups are investment management companies that employ the expertise of specialist fund managers to run their portfolio of investments on behalf of both private and institutional investors. Examples are BlackRock, Invesco Perpetual and J.P. Morgan.

 See Q9 'What are 'unit-linked' funds?'

 See Q11 'Do you charge for fund switches?'

## Q9. WHAT ARE 'UNIT-LINKED' FUNDS?

Unit-linked funds are offered by life assurance companies as a way of making a range of investment opportunities available to their customers within an insurance product, including pension contracts.

Unit-linked funds invest in a wide range of investments. These can include shares, as well as collective investment schemes, such as unit trust funds. Collective investment schemes pool investors' money and then invest it in a variety of assets, such as gilts, bonds, shares, property and so on. This means you are not relying on the performance of one single asset. The assets that unit-linked funds invest in are known as 'underlying funds' or 'underlying assets'.

Some unit-linked funds restrict the underlying assets of their investments, whether held directly or via a collective investment scheme, to a particular class, eg UK equities, whilst others will hold a range of asset classes to meet a specific objective. Each of the unit-linked funds in our range is made up of units of equal value. We work out the value of your bond daily, based on the total number of units you have in each fund. If the value of the underlying fund rises or falls, so will the value of ReAssure's unit-linked funds and your bond.

The charges and tax applied to unit-linked funds are different from those applied to the underlying funds, which is why the prices quoted in the press will be different.

For example, if you choose to invest in the Invesco Perpetual High Income Fund through the bond the charges and tax treatment will not be the same as investing directly with Invesco Perpetual in their High Income Fund.

In spite of these differences, the growth of your pension fund is directly linked to the performance of the underlying funds in which ReAssure has invested your money. 

 For more information please refer to **ReAssure's guide to investment in our unit-linked funds**, available from us or your financial adviser

## Q10. WHERE CAN WE FIND DETAILS OF THE CHARGES?

The enclosed personal Key Features Illustration gives details of the charges made for managing your bond and the investments within it, how the charges are taken, and the effect they could have on the value of your bond over its full term.

These could include:

- ReAssure charges to cover the cost of setting up and administering your bond
- fund management charges to cover the cost of managing your chosen funds
- adviser remuneration costs to pay for the advice you receive from your financial adviser.

These charges may increase if the costs associated with your bond, or the funds within it, increase. If we have to do this we will let you know.

## Q11. DO YOU CHARGE FOR FUND SWITCHES?

We do not normally make an administration charge for fund switches. However, we reserve the right to introduce a charge in the future, if the administration costs make this necessary. If we have to do this we will let you know.

## Q12. CAN WE CANCEL THE CONTRACT?

After your application has been accepted, you have the right to cancel. Once you have received all appropriate documentation, you will then have 30 days to change your mind if you wish. You can do this by writing to us at the address shown. 

If you decide not to go ahead with the bond we will return any money paid. However, if a lump sum is invested and your chosen funds for that payment have reduced in value when we receive the cancellation request, we will only refund the reduced value of your chosen funds. You should understand that this reduction could be substantial for higher-risk investment funds.

 See 'Contact details' on page 13

## Q13. HOW WILL WE KNOW HOW OUR BOND IS DOING?

You can request a statement at any time which will show you how your bond is performing.

You can also call our Valuation Line at any time on **0808 171 2600** for an up to date valuation or you can request it through your financial adviser.

## OTHER INFORMATION

### CONTACT DETAILS

If you need any further information about this product, please contact your financial adviser in the first instance. If you wish to contact us direct, you can do so in the following ways:

Phone: 0808 171 2600

E-mail: [ask@reassurelife.co.uk](mailto:ask@reassurelife.co.uk)

By writing to: ReAssure  
Old Mutual House  
Portland Terrace  
Southampton SO14 7AY

### ABOUT THE TERMS AND CONDITIONS

This Key Features Document gives a summary of the Pension Trustee Bond. It does not include all the definitions, exclusions, or plan Terms and Conditions.

For a copy of the plan Terms and Conditions which are referred to as your Trustees' Guide, or for more information about the fund range, please ask your financial adviser or contact us directly. We reserve the right to amend certain contractual terms, some without prior notice, as explained in the Trustees' Guide.. If we do so we will let you know in writing.

The bond you are applying for is subject to the Laws of England and Wales. If your application is accepted, we will send you your Trustees' Guide.

All our literature and future communications to you will be in English.

This document is based on ReAssure's interpretation of the law as at June 2010. We believe this interpretation is correct, but cannot guarantee it. Tax relief and the tax treatment of investment funds may change.

### REGULATORY PROTECTION

Under Financial Conduct Authority (FCA) rules, we classify all our investors as 'retail clients' which means you benefit from the highest level of regulatory protection.

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## COMPLAINT PROCEDURES

Customer satisfaction is very important to us, but if you do have any cause to complain about the services provided, either by your financial adviser or by ReAssure, there are clear procedures laid down by the Financial Conduct Authority (FCA) to ensure that your complaint is dealt with fairly.

If your complaint relates to the advice you have been given you should write in the first instance to your financial adviser. If it concerns the service you have received from ReAssure, please write to the Compliance Officer at the address on page 13 and we will do everything we can to resolve your complaint.

If you are not satisfied with the response you receive, you can complain to:

Financial Ombudsman Service  
Exchange Tower  
London E14 9SR

Complaining to the Financial Ombudsman Service will not affect your legal rights.

## COMPENSATION AND INVESTOR PROTECTION

The Financial Services Compensation Scheme (FSCS) acts as a safety net for customers of financial services providers. If ReAssure Life Limited cannot meet its liabilities, the FSCS may arrange to transfer your policy to another insurer, provide a new policy or, if these actions are not possible, provide compensation. For long-term insurance (such as pension plans and life assurance), the level of compensation you can receive from the Scheme is as follows:

- the Scheme covers payment to 100% of the value of a policy in liquidation.

Further information about compensation arrangements is available from the Financial Services Compensation Scheme website [www.fscs.org.uk](http://www.fscs.org.uk)

## **KEY FEATURES ILLUSTRATION**

The enclosed Key Features Illustration shows how your plan may perform in future, what charges apply and what effect those charges could have on what you get back.

Further details about the plan are included in the Terms and Conditions, available from your financial adviser.

ReAssure Life Limited is a provider of long-term life assurance. It is authorised and regulated by the Financial Conduct Authority (FCA).

ReAssure's products are available only through professional financial advisers.

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