



Changes to Aegon Retirement Choices (ARC) Terms and conditions

You can find the more extensive changes to the *ARC Terms and conditions* in the table below. All other changes are minor and don't affect the meaning of the terms and conditions (for example an updated clause reference, making something clearer or incorrect word replaced with the correct one).

The majority of the changes are to include workplace savings auto-enrolment and changes to the charges clauses. We've not shown any minor general changes or small changes we've made to include workplace savings auto-enrolment (for example referring to being provided with a SIPP through your employer due to auto-enrolment).

Where a clause has been added or deleted, all other clauses have been renumbered accordingly. Any reference to a clause is to the new clause number, unless otherwise stated. All references to an adviser or employer are to one who uses ARC. These changes take effect from 11 November 2013.

Page(s)	Change
1	The effective date of the document has been changed from 'December 2012' to 'November 2013'.
5	Clause 2 has been changed to confirm that all references to a clause of the terms and conditions is a reference to a clause of the general section, unless stated otherwise.
5 – 9	Definition added: Aegon default fund
5 – 9	Definitions changed: Contribution, Default fund, Employer, Financial dependant to 'Dependant' and all such references through the terms and conditions, FSA to 'FCA', ISA, and SIPP.
9 – 10	Clause 3.3 has been amended to incorporate the inclusion of workplace savings and self-service within the service.
9	A new second paragraph has been added to clause 3.3.2 to confirm that, if a product wrapper is provided through your employer, you will be able to transact online at the gate you are given by your employer.
11	Clause 5.3.1 has been amended by the addition of wording to the first paragraph to refer to investments in the default fund where your product wrapper is provided through your employer.

Page(s)	Change
13	What was the last paragraph of clause 6.2.2 has been made a clause in its own right (clause 6.2.3 Contribution limits).
21	Clause 9.5 has had a paragraph added to confirm that where you are auto-enrolled or enrolled, you have opt out rights instead of cancellation rights.
23	<p>Clause 10.3.2.4 has been amended to make it clearer how the annual charge is calculated by confirming that it is calculated each month with only that month's part of the annual charge being deducted, before it is recalculated the following month and every month after that.</p> <p>What was the second sentence of the old clause 10.3.2.4 has been moved and is now clause 10.3.2.5.</p>
23	<p>There are three new paragraphs at the end of clause 10.3.2.6. These confirm that:</p> <p>If you have a discount to your annual charge through your adviser, this will not change whilst you remain with that adviser even if we agree a new level of discount with them.</p> <p>If we have agreed a time related deal with your adviser, this will only last for the length of that deal and, at the end of that deal, you will receive the discount we have agreed with your adviser.</p> <p>You will not receive a discount at any time that you do not have an adviser or employer who offers access to ARC.</p>
23	Clause 10.3.2.7 has been added to confirm that you may be on a different scale to our standard tiered scale, and we will tell you where this applies.
23 - 24	<p>Clause 10.3.3 has been added. This details how a 'customer fee' works, if it applies to your product wrappers. A customer fee is part of our charging structure that may be offered in relation to a group scheme taken out through your employer. It will only apply where we agree this with an employer when setting up a scheme for them. If a customer fee applies, it will apply to all your product wrappers and will increase annually on 1 January by the increase in Average Weekly Earnings.</p> <p>We will tell you if a customer fee applies to you.</p>
24	Clause 10.3.4 Charging logic has been added. This details when your charging structure may change. Your charging structure will change when you join a new employer, join a new adviser, or we agree a new charging structure with your employer. The charging structure that we have agreed with your employer will always

Page(s)	Change
	override the charging structure we have agreed with your adviser. Please note that a charging structure does not include any discount to the annual charge, which is detailed separately in clause 10.3.2.6.
25	Clause 10.4.3 has been amended to clarify that we will tell you if your adviser charge changes. We previously referred to you being told in the contract note that we send you but some changes to your adviser charge are detailed elsewhere.
27	The first paragraph of clause 10.5 has been amended to confirm that we can only facilitate consultancy charge if your employer and the scheme adviser entered into a legally binding agreement, for payment of consultancy charge, before 10 May 2013 and that we will not be able to facilitate it at all if any regulatory or legislative changes confirms that we cannot facilitate it.
31	Clause 13.8 (Law and jurisdiction) has been re-written to make it clearer and easier to follow.
	SECTION C – SIPP
38	Clause 2.3 has been amended to confirm that when you joined the SIPP you gave a declaration that you met HMRC rules (and this clause details those declarations). Where your employer auto-enrolled or enrolled you into the SIPP, your employer has given these declarations on your behalf. It also reiterates that you need to tell us when your position changes (as detailed in the declarations you made).
39	Clause 3 deals with contributions to the SIPP. This has been updated to cover auto-enrolment and enrolment under the Pensions Act 2008. More particularly, clause 3.5 has been added to give detail of such contributions and confirms that, where you are auto-enrolled or enrolled, and your employer does not pay the overall minimum contribution that the law requires to be paid to your SIPP, you will need to make up the difference between the employer contribution (there is a separate minimum level of contributions that the employer must make) and the total minimum.
40	Clause 4 has been updated to reflect changes required to deal with default funds that relate to auto-enrolment and enrolment, together with some other amendments.
40	Clause 4.2 has been amended as follows: i has been altered to confirm that if your employer or the

Page(s)	Change
	<p>scheme adviser do not choose a default fund, the Aegon default fund will be the default fund</p> <p>ii has been amended to show that the default fund does not apply to transfers, which will be placed in the cash facility unless they are part of a block transfer (see clause 4.3 of section C referred to below). See clause 6 of section C for general information on transfers</p> <p>iii has been amended to confirm that if your employer or the scheme adviser alters the default fund, your contributions to the default fund will be invested in accordance with the instruction we receive from them</p> <p>iv has been added to confirm that if the Aegon default fund is altered then all contributions to the previous Aegon default fund will now be invested in the new Aegon default fund</p> <p>v has been added to confirm that if you have given an investment instruction and your contributions increase then the fund(s) that you have chosen in your investment instruction will be your own default fund(s)</p> <p>vi has had a new paragraph added at the end to confirm that if your default fund is the Aegon default fund, and this changes, all previous investments into this fund will move to the new fund</p>
40	<p>A new clause 4.3 has been added to confirm what a bulk transfer is – it is a transfer from another registered pension scheme that is arranged through your employer and where 2 or more employees transfer at the same time. All such transfers will be placed in the default fund unless you have already given an investment instruction for the transfer in which case it will be invested in line with that instruction. A corresponding amendment has been made to clause 6.6 of section C to reflect this.</p>
	<p>ARC Insured Funds Policy</p>
44	<p>Definitions changed:</p> <p>Financial Dependant to 'Dependant', Financial dependant's drawdown pension to 'Dependant's drawdown pension' and Financial dependant's drawdown pension commencement date to 'Dependant's drawdown pension commencement date' and all such references through the ARC Insured Funds Policy.</p>