

For customers | One Retirement

Changes to One Retirement Terms and conditions

Effective as at April 2015

We've made changes to the One Retirement Terms and conditions and we've detailed these in the table below.

A number of the changes to the terms and conditions are to cater for recent legislative change. These changes are commonly referred to as the 'pension flexibility' changes and cover changes announced in the March 2014 Budget.

Other changes we've made cover terms for a new investment option called Secure retirement income which we'll be launching in the near future.

We've made some other alterations to reflect process changes we've made to One Retirement. 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).

Where a clause has been added or deleted, all other clauses have been renumbered accordingly. Any reference to a clause is to the old clause number, unless otherwise stated. These changes take effect on and from 6 April 2015.

Page number references are to the December 2014 version of the One Retirement Terms and conditions. Due to an increase in the font size of these terms and conditions, the revised version has more pages.

Page(s)	Change
1	The effective date of the document has been changed from 'December 2014' to 'April 2015'.

Page(s)	Change
5 – 7	<p>Definitions changed:</p> <ul style="list-style-type: none"> ▪ Annual Allowance ▪ Discretionary fund manager ▪ Flexible drawdown <p>Definitions added:</p> <ul style="list-style-type: none"> ▪ Capped drawdown ▪ Flexi-access drawdown ▪ Secure retirement income ▪ UFPLS <p>Definitions removed:</p> <ul style="list-style-type: none"> ▪ Flexible drawdown declaration ▪ Minimum income requirement
9	<p>Number 'v' has been removed from clause 5.2.6 as we no longer receive rebates from fund managers.</p>
10	<p>A new paragraph has been added to clause 5.3.2 to confirm that the cash maintenance and forced disinvestment process does not apply to any investment that you have in Secure retirement income unless it is to meet certain payments we are required to make such as taxes due or on the order of a court.</p>
	<p>Clause 5.3.5 has been amended to give more flexibility. This clause now confirms that we will choose the start date for the cash maintenance process based on the reason for starting it. This allows us to more accurately target the cash maintenance process to the reason for it taking place.</p>
14	<p>Clause 7.4 has been updated to reflect changes we have made when appointing of a discretionary fund manager including that all investments through discretionary fund managers are through model portfolios, and what happens when you stop using them (the last clause in 7.4).</p>
	<p>The second part of the first paragraph of clause 7.5 has been removed as it was a repetition of what is stated elsewhere in that clause.</p>
15	<p>Clause 7.5.1 has been updated to confirm that in exceptional circumstances, investments may not be tradeable online and we will inform you how you can trade if this happens.</p>
	<p>New clause 7.5.4 added to make it clear that investments are subject to conditions imposed by us or the investment manager from time to time, and that you will be told about any conditions that apply when you look to purchase an investment (or as soon as we can if we are not aware of the restriction at that time).</p>
	<p>Clause 7.6.3 has been deleted as it no longer applies. All investments that paid rebates, which we placed in your cash facility, have been removed from the Service and replaced with "clean" investments that do not pay rebates. We contacted all those affected by this during the processes of converting these investments.</p>
	<p>Clause 7.9 has been updated to confirm that where we cannot carry out an instruction, the money will remain in your cash facility until we receive an alternative instruction.</p>

Page(s)	Change
16	Clause 7.13.1 has been amended to make it clear that rebalancing can also be used with model portfolios.
	Clause 7.13.2 has been amended to clarify that rebalancing can be set up after a product wrapper is established, and that it will commence the month following the setting up of the rebalancing.
	Clause 7.13.3 has been amended as we no longer have a 0.01% tolerance, your investments will always be rebalanced as detailed in the rebalancing instruction.
	Clause 7.13.7 has been updated to confirm that Secure retirement income is one of the types of investment not included in a rebalancing instruction.
17	Clause 7.14.2 has been amended to confirm that any change to a model portfolio not only switches the investments but also realigns any rebalancing instruction to the new model portfolio.
18	Clause 9.1.1 has been updated to include where a withdrawal is instructed by your adviser on your behalf
	A new clause 9.1.6 has been added to make it clear that payments out will be after deductions of outstanding charges, taxes or similar outstanding payments.
19	A new paragraph has been added to clause 9.3.2.2 to confirm that the annual charge is not applied to any investment in Secure retirement income that you have, as Secure retirement income has its own charging structure. The value of Secure retirement income is still included in the total value that is used to calculate the annual charge percentage that is applied to your One Retirement account.
20	A new paragraph has been added to clause 9.3.3.1 to confirm that the customer fee is not applied to any investment in Secure retirement income that you have, as Secure retirement income has its own charging structure.
	A new clause 9.3.4.4 has been added to confirm that the drawdown fee will not be deducted from any investment in Secure retirement income, and that if you only have investments in Secure retirement income, there will be no drawdown fee. However, please note that if there is any money remaining in the cash facility after payment of your requested drawdown income, this will be treated as uninvested cash. The effect of this is that the drawdown fee will be payable, even if you have no other investments than Secure retirement income and the uninvested cash.
	A new clause 9.3.5 has been added confirming that we may charge for processing a request for an uncrystallised funds pension lump sum. Where we introduce such a charge, we will give you sufficient notice of its introduction.
21	A new clause 9.4.5 has been added to confirm that if there is not enough money in your cash facility to pay any adviser charge, the cash maintenance process will apply. However, if the only asset you have is Secure retirement income, this will not happen as the cash maintenance process does not disinvest from Secure retirement income: in these circumstances, no adviser charge will be paid.

Page(s)	Change
22	<p>Clause 9.4.8.3 has been amended to confirm that the discretionary investment manager charge does not include any investment held in Secure retirement income.</p>
	<p>Clause 9.4.12 has been amended to clarify that we can also stop payment of the charges mentioned if you or your adviser advise us you no longer want to remain invested in the model portfolio of the discretionary fund manager.</p> <p>In addition, we have removed the confirmation that we will advise you of the action we have taken as this does not apply to this clause.</p>
23	<p>Clause 10.1.4 has been amended to confirm that instructions to take benefits will be in a manner prescribed by us (as opposed to always being in writing), this is to enable us to offer online or other methods of requesting benefits. In addition, this clause confirms that if we allow your adviser to make this request on your behalf, you have given your adviser the appropriate authority to do this.</p>
	<p>New clause 10.2 has been added. This covers unsecured funds pension lump sum ('UFPLS'), confirming that you can request a partial or full UFPLS from age 55, a low protected pension age or if you meet the ill-health conditions. Any request is subject to such terms that we may impose, for example you provide us with the information we need, any minimum amount of withdrawals, payment of charges.</p>
	<p>Clause 10.4.1 has been amended to remove the references to forms to enable other methods of application (for example online) to be made.</p>
	<p>Clause 10.4.2 has been amended as we no longer pay 'on or around the sixth business day of the month' but on dates selected by you in the range we give you when you ask for payment of drawdown income.</p>
	<p>New clause 10.5.3 (after renumbering) has been added after old 10.4.2, this confirms that any change to a drawdown payment will occur in the month after the month in which it has been requested.</p>
	<p>Clause 10.4.3 has been amended as we will only pay regular drawdown income monthly unless you and we agree otherwise (this does not affect any existing arrangements that are payable at a different frequency, for example quarterly).</p>
	<p>Clause 10.4.6 now confirms that the maximum drawdown that you can receive depends on whether you have 'capped or 'flexi-access' drawdown.</p>
24	<p>New clause 10.4.10 (after renumbering) has been added confirming that payment of income from any investment you have in Secure retirement income will be paid into the cash facility. It also states what will happen if this income from Secure retirement investment is more or less than the amount of drawdown pension you have requested.</p>
	<p>Clause 10.6 has been deleted and replaced with a clause that confirms that any flexible drawdown that you have on 5 April 2015 will automatically be converted to flexi-access drawdown on 6 April 2015. This is a change forced by legislation. If it applies to you then you should speak to your adviser for more information.</p>

Page(s)	Change
24	<p>Clause 10.7.2 has been amended to confirm that we need sufficient evidence of death before we can to process any claim or payment in relation to the death benefits.</p> <p>A new paragraph has also been inserted into this clause confirming that where there is a joint life within an investment in Secure retirement investment, that joint life is the nominated person on death unless they have been specifically removed.</p>
29	<p>Clause 14.6.2 has been amended to confirm that we can also provide your personal information to your discretionary fund manager where you have provided them with the right to receive it.</p>
One Retirement Insured Funds Policy	
34 – 35	<p>Definitions altered:</p> <ul style="list-style-type: none"> ▪ Dependant’s drawdown pension ▪ Drawdown pension <p>Definitions added:</p> <ul style="list-style-type: none"> ▪ Aegon guarantee charge ▪ Aegon product charge ▪ Anniversary date ▪ Capped drawdown ▪ Flexi-access drawdown ▪ Guaranteed minimum death benefit ▪ Guaranteed pre-income increase rate ▪ Income base ▪ Income basis ▪ Income rate ▪ Initial Income Base ▪ Joint life ▪ Monthly date ▪ Secure retirement income
38	<p>Clause 6.3 has been updated to confirm that investments are traded online but in exceptional circumstances, investments may not be tradeable online and we will inform you how you can trade if this happens.</p> <p>A new Clause 7 has been added. This clause details how investments in the new Secure retirement income option will operate. Secure retirement income will be available in the near future through your adviser. If you are interested in this, please speak to your adviser for more information.</p>
Basic Scheme Information	
43 – 47	<p>There have been some updates to the basic scheme information sheet. These changes are to provide current year limits and also include some information on the pension flexibility changes such as the money purchase annual allowance, the introduction of unsecured funds pension lump sum, the introduction of flexi-access drawdown pension, and the conversion of flexible drawdown to flexi-access drawdown</p>