

Weighing up your options

Helping you decide if you should transfer your pension savings



Your employer has set up a pension plan with us, Royal London, to help you save for your retirement.

You now have the option to transfer the pension savings you've built up in your previous plan into your new plan with us.

This guide is about transferring the pension savings from your previous workplace pension plan only. If you have any other pension savings you may be able to transfer these too. You can find out more about this on page 17.

Pension transfers can be complicated. If you're not sure whether to transfer or not, we recommend you speak to a financial adviser. There's more information in the Find an adviser section to help you if you don't already have one.

You should read this guide carefully to make sure you understand your options.

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Getting started

There's a lot to think about when it comes to transferring your pension savings. So we've put together some of the key information to help you decide if it's right for you.

Some pension terms might leave you scratching your head, so we've explained them for you throughout this guide.

Helpful documents

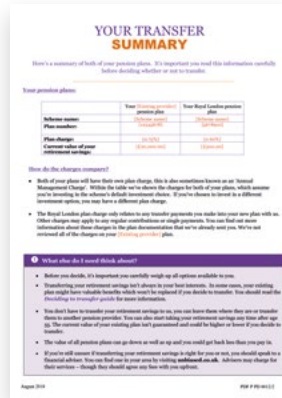
The following two documents will help you make your decision, so it's a good idea to have them to hand. You might also want to ask your previous provider for more information about your previous plan.



Your **key features** tell you more about the risks and benefits of the Royal London scheme.

We sent you this document in your welcome pack, but if you can't find it let us know and we'll send you a new copy.

Your previous provider can give you this information about their scheme too.



Your **transfer summary** tells you about the **annual management charge (AMC)** for both schemes to help you compare the charges.

You'll find this document in your transfer pack.

Annual Management Charge (AMC)

We apply a yearly charge for managing your plan, known as an annual management charge or AMC. It's taken automatically from the pension savings you've built up. We won't charge you anything on top of the AMC for transferring your pension savings to us.

Things to consider

Having your pension savings in one place could make it easier to keep track of them, but pensions can be complex products and everyone's circumstances are different. So while there could be benefits of transferring, it's important to take some time to understand the risks.

The value of all pension plans can go down as well as up and you could get back less than you pay in.

Features and benefits

We'll check your previous scheme to make sure it doesn't have either of these valuable benefits, as we can't accept transfers if you have these:

- **Guaranteed Annuity Rate (GAR)**
- **Loyalty bonus**

We won't check all the features of the previous scheme. You should also check if you have:

- **GARs** or **loyalty bonus** for your individual plan – we'll only check for these at scheme level, so you should find out if you still have these benefits for your individual plan.

- **Employer benefits** – these might be provided as part of your previous plan, you should speak to your employer for more information.

Continued on page 8 →



Your previous plan might have other valuable features or benefits that won't be replaced if you transfer. You can find out by asking your previous provider. We've put together some suggested wording to help you do this at royallondon.com/workplacetransfers

Guaranteed Annuity Rate (GAR)

This is a guaranteed minimum level of income that a pension provider will pay when you start taking your pension savings. This might be higher in your previous plan than the rates available in the market when you retire, so it's important to understand the risks and benefits of transferring if you have a Guaranteed Annuity Rate on your previous plan. We can't accept transfers from plans with a GAR.

Loyalty bonus

Some pension schemes reward customers with a loyalty bonus after a set number of years. This could be paid by giving back some of your annual management charge or as a lump sum when you come to take your pension savings, depending on the scheme. Usually if you choose to leave a pension scheme that has a loyalty bonus you'll lose this benefit. We can't accept transfers from plans with a loyalty bonus.

- **Protected tax-free cash**
- **Protected pension age**
- **Earmarking order**
- **Pension sharing order**
- **Crystallised funds**



Changes to minimum pension age

The government has consulted on an increase to the normal minimum pension age. If you decide to transfer, this could affect your ability to access your pension savings from age 55.

Changes to minimum pension age

The government has consulted on an increase to the normal minimum pension age from age 55 to age 57 on 6 April 2028 and the legislation for when or if access from age 55 will still be allowed after this date. Details are expected to be published in autumn 2021. If you decide to transfer your pension savings now, this could affect your ability to access your pension savings from age 55 after 6 April 2028 - instead you may have to wait until you're 57.

Crystallised funds

These are sometimes called 'crystallised benefits'. If you've already started taking your pension savings from your previous plan, they are 'crystallised' and you won't be able to transfer them.

Earmarking order

If you get a divorce you might split your assets with your former partner. A pension is one of the biggest financial assets you'll own and it's often included in a financial settlement. An earmarking order states how much of your pension should be paid to your ex-spouse or civil partner as either a monetary amount or as a percentage of your total pension savings when you come to take them. It could apply if divorce proceedings started on or after 1 July 1996.

Pension sharing order

A pension sharing order means that a share of your pension is given to your ex-spouse or civil partner at the time of a divorce. It could apply if divorce proceedings started on or after 1 December 2000.

Protected tax-free cash

The tax legislation for pension schemes changed on 6 April 2006. Under previous legislation you may have been entitled to tax-free cash of more than 25% of the fund. This higher amount can continue to be provided under current legislation if certain conditions are met. If the pension savings from your previous workplace pension scheme are transferred, it may be possible to keep this entitlement to more than 25% of the fund, again if certain conditions are met.

Protected pension age

You might have a pension age that's lower than the normal minimum pension age (currently age 55) in your previous workplace pension scheme. Under current legislation it's possible to protect this minimum pension age if you choose to transfer your pension savings and certain conditions are met.

Charges

- The yearly charges you pay could be lower or higher for your new plan. You can compare these using the transfer summary we've sent you.
- You might be charged to transfer away from the previous plan. We won't charge you anything on top of the **AMC** for transferring your pension savings to us.
- You might have made a single contribution into your previous plan which has different charges.
- You might have transferred pension savings from another plan into your previous plan which have different charges.
- You might be invested in a specific fund that has a different charge.
- Your plan might have a special deal where your own plan charge is less than the scheme charge shown on your transfer summary.



You can find the information you need about your previous plan's charges in the plan documents for your previous plan, or by contacting your previous provider. We've put together some suggested wording to help you do this at royallondon.com/workplacetransfers

Annual Management Charge (AMC)

We apply a yearly charge for managing your plan, known as an annual management charge or AMC. It's taken automatically from the pension savings you've built up. We won't charge you anything on top of the AMC for transferring your pension savings to us.

Investments

Unless you decide otherwise, we'll invest your pension savings in the new plan **default investment choice**. This will be different from the default investment in the previous plan and there's no guarantee it'll perform better. Investments can go down as well as up and you could get back less than you put in. You can find out more about the plan default investment in your plan documents.

If you decide to transfer and your previous plan is invested in **With Profits**:

- The value of your plan may be reduced by a **Market Value Reduction (MVR)**.

- You may lose a guaranteed future bonus.
- You may have a guarantee in place that removes the **MVR** when you reach retirement.

Your previous plan documents should tell you if you're invested in **With Profits**. It's important you understand what this means for you as it could affect your decision to transfer.

If you're not sure you should contact your previous provider to find out.

Default investment choice

When you save money into a pension plan, it's invested to help it grow. Your employer will usually choose a default investment and your pension savings will be invested here unless you decide otherwise. If you want more control, you can choose your own investments. Some investments carry an extra charge. If you decide to choose your own investments or need help deciding, it's a good idea to speak to a financial adviser.

Market Value Reduction (MVR)

A charge that may be applied to reduce the value of the With Profits fund if you take money out before your chosen retirement date. The MVR is applied to make sure that the amount you're paid isn't unfairly higher than your share of the With Profits fund.

With Profits

A type of fund that invests in UK and overseas companies, government stocks, property and other types of assets. Instead of receiving direct investment returns, like dividends or rents, With Profits customers receive bonuses.

Time to make a decision

Once you've weighed up the risks and benefits of transferring, you can decide what to do with your pension savings.

You have time to decide – this is called the 'offer period' and your transfer letter or email will tell you when it ends. You'll need to let us know if you're transferring your pension savings to your new plan by this date.

Once the offer period ends, you'll still have the option to transfer your pension savings from your previous plan. The process for this is slightly different to the one we've told you about in this guide. You can find out more about this and transferring any other pension savings on page 17.

Your options and next steps



Transfer your previous pension savings to your new Royal London plan

Follow the steps on the next page.



Leave your previous pension savings where they are

You don't need to do anything; we'll contact you when the offer period has ended.



Transfer your previous pension savings to another provider

You might want to shop around to find the best option for you. If you decide to do this, you should speak to a financial adviser.



Need advice?

If you're still not sure if transferring your pension savings is right for you or not, you should speak to a financial adviser. There's more information on page 19 to help you find an adviser in your area.

How to transfer your pension savings

Authorise the transfer of your pension savings

The simplest way to authorise the transfer of your pension savings is using our mobile app. Page 14 of this guide has details on how to do this. If you prefer to complete, sign and return the application form, please follow the process below.

Fill in your application form

1. Check the information we've filled in for you is correct.
2. Complete, sign and date the form.
3. Return your form to us in the pre-paid envelope provided if we sent you your transfer pack by post, or online at royallondon.com/gpp-transfer

Request discharge paperwork from your previous provider if we ask you to

1. We'll ask you for discharge paperwork if we're not able to request the transfer electronically from your previous provider. Your transfer letter or email will tell you if you need to do this.
2. Ask for discharge paperwork from your previous provider. You can find suggested wording to help you do this at royallondon.com/workplacetransfers
3. Sign your discharge paperwork and send it to us with your completed application form.



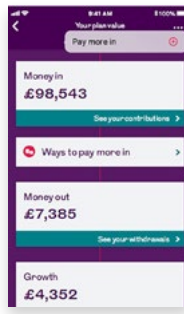
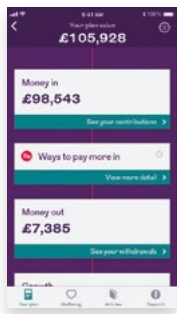
Use the checklist on page 16 to help you keep on track with your transfer.

Authorise the transfer of your pension savings using our mobile app

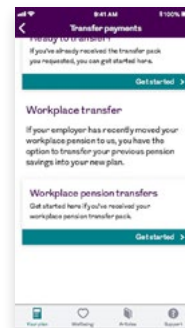
1. Log in to our mobile app using touch ID or your password. If you're not already registered, it's easy to start. You can download our mobile app for free via the app store or Google play - just have your plan and NI number handy.



2. On the **Your plan value** screen scroll to **Ways to pay more in** and select this option. If you previously dismissed **Ways to pay more in**, don't worry, you can still access the relevant area using the menu at the top right hand side of the screen.



3. Next click **Transfer payment - Find out more** then choose **Continue**.
4. Scroll to **Workplace pension transfers** and click **Get started**.



We can only accept authorisation for your transfer via our mobile app if it's the full plan value being transferred.

5. On the **Previous plan details** screen you need to complete this section with the details of your previous workplace pension plan. Insert the plan number and pension provider then confirm you want to transfer the full plan amount. Click **Next**.

6. Read our **Privacy notice**, making sure you scroll to the bottom and click to agree, then click **Next**.
7. Read our **Declarations**, making sure you scroll to the bottom and click to agree, then click **Submit**.

This process can take a number of weeks but we'll be back in touch once we've applied the transfer payment to your plan.

What to do if you change your mind

If you decide to transfer then change your mind, you have 30 days from when you receive your plan documents to let us know in writing.

If you change your mind about transferring, there are risks to consider:

- The previous pension provider may not accept the money back.
- If they'll accept it back, but the value of your plan has fallen by the time the transfer's cancelled, we'll send back the value of your new plan to the previous pension provider. This will be less than what you paid in.
- If the value of your plan has increased by the time the transfer's cancelled, the amount we'll send back to the previous pension provider will be your original transfer value.

Checklist

If you decide to transfer, the simplest way to do this is using our mobile app. Page 14 and 15 has details on how to do this. If you prefer to complete and return the application form then follow the steps below to keep you on track.



Ask for the discharge paperwork from your previous provider, if needed.



Check the information we've filled in for you on the application form is correct.



Fill in the highlighted sections of the application form.



Sign and date the application form.



Return your completed application form in the pre-paid envelope, if we sent your transfer pack by post or online at royallondon.com/gpp-transfer



Include the discharge paperwork from your previous provider, if we've asked for it.

Get in touch

If you have a question about the contents of your transfer pack, our dedicated transfer team can help.



Phone

0345 600 6042

Lines are open Monday to Thursday 8am-6pm and Friday 8am-5pm.



Email

dotv@royallondon.com



Address

Royal London
Royal London House
Alderley Park
Congleton Road
Nether Alderley
Macclesfield
SK10 4EL

Do you have any other pension savings?

If so, you may be able to transfer other plans to Royal London. You also have the option to transfer your pension savings from your previous provider after the offer period mentioned in this guide has ended. While we'd love to accept all transfers, some plans have valuable benefits or restrictions that stop us doing this. Find out more on the next page.

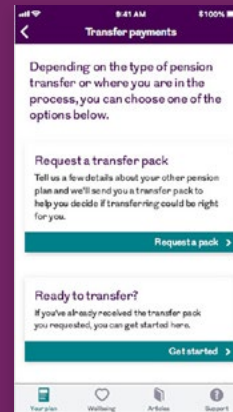
Request a transfer pack using our mobile app

Log in to our mobile app and tell us a few details about your other pension plan and we'll send you a pack to help you decide if transferring could be right for you.

Here's the steps to follow:

- Click **Ways to pay more in**.
- On the Transfer payment screen - click **Find out more** then click **Continue**.
- Next select **Request a pack**.
- On the Request a transfer pack screen, insert the relevant plan number and pension provider then click **Next**.
- Read the **Agreement** then click **I agree**. Next click **Submit** and **Done**.

We'll send your transfer pack once we've all the information we need from the other pension provider.



Some of the benefits or restrictions which might stop us being able to accept your transfer are:

- you've got a **guaranteed annuity rate**.
- there's **protected tax-free cash**.
- you've got a **defined benefit/final salary** plan.
- you've started to take your pension savings.

If you decide to transfer another plan to us, the process is slightly different to the one we've told you about in this guide.

Please get in touch to discuss next steps.



Phone

0345 600 6042

Lines are open
Monday to Thursday 8am-6pm
and Friday 8am-5pm.



Email

transfersin@royallondon.com



Address

Royal London
Royal London House
Alderley Park
Congleton Road
Nether Alderley
Macclesfield
SK10 4EL

Guaranteed Annuity Rate (GAR)

This is a guaranteed minimum level of income that a pension provider will pay when you start taking your pension savings. This might be higher in your previous plan than the rates available in the market when you retire, so it's important to understand the risks and benefits of transferring if you have a Guaranteed Annuity Rate on your previous plan. We can't accept transfers from plans with a GAR.

Protected tax-free cash

The tax rules for pension schemes changed on 6 April 2006. Under the old rules you may have been entitled to tax-free cash of more than 25% of the fund. This higher amount can continue to be provided under the current rules when you choose to transfer the pension savings from your previous workplace pension plan only. To be able to calculate the updated value when you start taking your pension savings, we need to know how much you had protected, and the total value of your pension savings on 5 April 2006.



Transferring other plans may not be in your best interests, and some plans can't be transferred, so we strongly recommend you speak to a financial adviser before making any decisions.

Find an adviser

If you're still not sure whether transferring your pension savings is right for you or not, you should speak to a financial adviser.

If you don't already have an adviser, you can find one in your area by visiting royallondon.com/find-a-financial-adviser

Advisers may charge for their services – though they should agree any fees with you up front.

We've put together some questions you might want to ask a financial adviser and how you can prepare for your first meeting with them at royallondon.com/workplacetransfers

Defined benefit/final salary

A defined benefit/final salary plan is an employer-sponsored pension plan where employee benefits are calculated using a formula that considers several factors, like length of employment and salary history.



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1 Thistle Street, Edinburgh EH2 1DG
royallondon.com

**We're happy to provide your documents in a different format, such as Braille,
large print or audio, just ask us when you get in touch.**

All of our printed products are produced on stock which is from FSC® certified forests.

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