

Product Summary

Pension Annuity



This is not a consumer advertisement. It is intended for professional advisers and should not be relied upon by private customers or any other person.

Contents

The Pension Annuity at a glance	3
Target market and potentially suitable clients	5
Unsuitable clients	7
Customers with vulnerability characteristics	8
We can help you	9

The Pension Annuity at a glance

The Pension Annuity pays a guaranteed regular income for life. It offers a range of payment options, such as level or increasing, and a variety of death benefit options. The Pension Annuity can be tailored to suit a customer's needs and goals.

If a customer has one or more qualifying lifestyle health risks, like smoking or high blood pressure, or if they suffer from more serious health problems, they could qualify for a higher income from our Pension Annuity.

Investment limits

Minimum investment	£5,000 – by transferring the value of an existing personal pension plan(s) and after tax-free cash and payment of any adviser charge.
Maximum investment	Any – any investment above £1m must have acceptance confirmed.
Age limits	Minimum – 55 (early for special occupation and ill health). Maximum – 85 for Immediate Vesting. No max otherwise.
Term	For life.
Income	The income amount is set at outset and depends on: <ul style="list-style-type: none"> • The investment amount • The income options chosen • The health and life expectancy of the individual
Income can be paid	Monthly, quarterly, half yearly and yearly In advance or in arrears
The income can escalate in payment	Fixed from 0.1% to 10% Indexation – in line with the Retail Prices Index or Limited Price Indexation (RPI capped at 5%)

Death benefits

Guaranteed minimum payment period	Allows the income payments to continue to be paid to your client's beneficiary(ies) or to their estate until the end of the guaranteed minimum payment period. The guaranteed minimum payment period can be up to a maximum of 30 years.
Joint life	<ul style="list-style-type: none"> • A percentage of the income payments continue to be paid to a spouse, civil partner or financially dependant partner • Percentage between 1-100% • Paid to the selected individual until their death
Value protection	<ul style="list-style-type: none"> • Protect a percentage of the initial amount used to buy the annuity • Percentage between 1-100% • Option to choose death of 1st or 2nd life (available for broker sales only)
Proportion	Available on annuities payable in arrears.
Overlap	Available when both guaranteed minimum payment period and joint life are chosen.
No death benefits	When no death benefits are selected, no further income payments will be paid following the death of your client. Choosing no death benefits will increase the amount of the income payments.

Agent remuneration

Adviser charge	<p>The amount to be paid can be stated as a percentage or pounds amount of:</p> <ul style="list-style-type: none"> • The tax-free cash sum • The amount after the tax-free cash has been taken off • A combination of both
Commission	Commission is only available where a personal recommendation has not been given. Please see our 'Terms of Commission' for further details – this is available on the Adviser Centre.

Target market and potentially suitable clients

Policyholder attribute

Target market

Potential eligibility

Age/stage of life

55+ are eligible.

55+ are eligible.

We expect about 80% of customers to be in the age range of 55-70.

Any age that qualifies as an early retirement age due to ill health or a protected retirement age.

Gender

Equally suitable for males and females.

Equally suitable for males and females.

Financial expertise

Low. May have built up a pension fund over a long period with minimal monitoring or ongoing changes.

Must be able to understand the terms of the Pension Annuity.

Would understand the basics of holding a current account and a savings account.

Must be able to understand the terms of the Pension Annuity.

Length of investment

Must be looking for an income that will last for the rest of their life.

Must be looking for an income that will last for the rest of their life.

Must not be looking for a fixed term plan.

Must not be looking for a fixed term plan.

Likely attitude to/ capacity for risk

Does not want the value of their investment to fluctuate. Wants set returns to be able to budget in advance.

Does not want the value of their investment to fluctuate. Wants set returns to be able to budget in advance.

Must be aware of inflation risk on fixed level of income.

Must be aware of inflation risk on fixed level of income.

Clients must know that a pension annuity is non-transferrable and that no amendments to features can be made unless cancelled within the cancellation period.

Clients must know that a pension annuity is non-transferrable and that no amendments to features can be made unless cancelled within the cancellation period.

Health	All health statuses. Those with ill health may be able to benefit from an enhanced rate.	All health statuses. Those with ill health may be able to benefit from an enhanced rate.
Tax status	All tax statuses.	All tax statuses.
Other financial products held	Current account Savings account Cash ISA	None, although likely to have a bank account. Also may be suitable to hold as part of a wider portfolio of investments.
Income/wealth	Majority likely to have pension pots in the range typically £10k-£250k. Likely that the sum has been built up over a long period in a pension fund.	Majority likely to have pension pots in the range typically £10k-£250k. (Those with higher pot sizes/wealth and a higher risk appetite are likely to find drawdown appealing). Likely that the sum has been built up over a long period in a pension fund.
Investment/protection aims	Guaranteed income.	Guaranteed income.
FRESCO segments	Asset rich greys Road to retirement Low income elderly Older working families	High income professionals Mid-life social renters Other segments where a lower retirement age is obtained
<p>The client segments we used are the ones used by the FRESCO segmentation tool. This describes people in terms of their product holdings and demographics as well as attitudes to financial services. If you would like more information about FRESCO segments please go to caci.co.uk</p>		

Unsuitable clients

Policyholder attribute	Description of why product may be unsuitable for some customers
Age/stage of life	Under age 55 (apart from where the client has a protected lower retirement age or they are retiring on the grounds of ill health).
Gender	N/A
Financial expertise	Clients who do not understand the product.
Length of investment	Clients who are not looking for a guaranteed lifetime income.
Likely attitude to/ capacity for risk	Clients looking for higher returns through taking higher risks. Clients who want to flexibly access their pension pot.
Health	N/A
FRESCO segments	<p>Segments where the client is unlikely to be of an age at which they can access their pension pot:</p> <ul style="list-style-type: none"> • Still at home • Starting out • Rising metropolitans • Poorer parents • Working singles and couples • Home owning families <p>The client segments we used are the ones used by the FRESCO segmentation tool. This describes people in terms of their product holdings and demographics as well as attitudes to financial services. If you would like more information about FRESCO segments please go to caci.co.uk</p>

Customers with vulnerability characteristics

We recognise that all customers within our target market are at risk of becoming vulnerable at any time. They may become more or less vulnerable, and so have an increased or reduced risk of harm or disadvantage throughout their lives.

We provide additional support to customers in vulnerable circumstances throughout the life of the product, from point of sale and throughout the servicing journey and use learnings to support and inform future initiatives.

- We consider vulnerability in all product design and process improvements.
- We consider vulnerability in all communication channels available to customers and focus on using clear/jargon free language.
- We have robust oversight and controls in relation to the treatment of customers in vulnerable circumstances.
- Vulnerabilities are recorded to ensure this information influences customer support activity.
- Training programmes ensure new and existing staff have the skills and capabilities to support customers in vulnerable circumstances.
- Consumer testing ensures our customers can understand and use the products and services available to them.
- Intermediaries are expected to comply with their obligations to ensure customers in vulnerable circumstances are treated fairly.

We can help you

We have a range of information and support at [legalandgeneral.com/adviser/retirement](https://www.legalandgeneral.com/adviser/retirement)

Meet our team at www.legalandgeneral.com/adviser/ri-contact

Quote queries

We have a dedicated team of specialists available to assist you with any quote requests or to discuss any queries.

You can email the team at broker.annuityquotes@landg.com

If you're contacting us by email please don't send any personal, financial or banking information as email isn't a secure method of communication.

You can call the team on
0345 071 0040

Lines are open Monday to Friday, 9am to 5pm.
We may record and monitor calls. All our call centres are UK based. Call charges will vary.

Legal & General Assurance Society Limited

Registered in England and Wales No. 00166055.

Registered office: One Coleman Street, London, EC2R 5AA.

Legal & General Assurance Society Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

Q0059835 07/23 Pension Annuity Product Summary - Non ASD