

Legal & General WorkSave Pension Plan

Product Summary: April 2023



Product Summary

This document is intended for professionals only and is designed to provide essential information to assist you in fair value assessment of this product.

Product Governance

The Legal & General WorkSave Pension Plan (WPP) is provided by Legal & General (Portfolio Management Services) Limited (PMS), who is also the Scheme Administrator.

PMS, with the oversight of the Independent Governance Committee (IGC), is responsible for making sure the features, services and investment options offered through the WPP are appropriate for employers that utilise the pension arrangement for their employees, and, ultimately, the policyholders (members) with whom we have a direct contractual relationship with.

The [Statement of Investment Principles](#) sets out what we aim to achieve with the investment options offered and shows how our investment policies guide the way in which members' money is invested.

Fair Value Assessment

Outcome



Pass

The Legal & General Independent Governance Committee (IGC) oversees the WPP and assesses the product for fair value for members. They produce an [annual assessment](#) for the calendar year.

The outcome from the IGC satisfies us that this product provides fair value.

We will update this document if this is no longer the case, at the earliest opportunity.

Note: the IGC does not oversee the SIPP arrangement. Legal & General is conducting a fair value assessment of the SIPP arrangement and will provide further information in due course.

Assessment approach

The IGC regularly assesses the performance and value of the Scheme and will publish their value for money assessment annually covering a period of January to December.

In assessing value for money, the IGC considers whether members are getting a good deal by reviewing eight different aspects of the scheme:

- Default strategies and investment choice
- Investment performance
- Member service and administration
- Costs and charges
- Member engagement and communications
- Accessing the pension
- Environmental, social and governance (ESG) investing

Target Market

Criteria	Target market	Potential eligibility
Age	16 – 75 Can remain invested up to 99 years.	
Stage of life	<p>Employees</p> <ul style="list-style-type: none"> Over the age of 16. Automatic enrolment Right to opt in <p>Retirees</p> <ul style="list-style-type: none"> Existing employee members who reach retirement age 	<p>Death beneficiaries</p> <ul style="list-style-type: none"> Who wish to select a product that provides the flexibility to take an income via regular and/or single payments as and when required.
Residency	UK residents	
Tax status	Any	<p>UK taxpayers and non-taxpayers receive tax relief on their own contributions, whether these are collected by the employer via net-pay or salary sacrifice arrangements. This is subject to the following limitations:</p> <ul style="list-style-type: none"> No tax relief is received if salary is below the starting threshold for income tax and the contribution is made via salary sacrifice. Tax relief on contributions paid by members who become non-UK residents and non-taxpayers is subject to a cap of 5 years and £3,600 per year. Exceptions apply. <p>Benefits on death are paid on a discretionary basis and are excluded from the deceased member’s estate for IHT purposes.</p>
Other financial products held	Not applicable	

Criteria	Target market	Potential eligibility
Customer profile / employment status	<p>Employees - automatic enrolment (AE) Mass market customers employed by a participating employer.</p> <p>Consolidation Existing members with multiple pension pots.</p> <p>Retirement Maturing existing members seeking to retain their pension account for flexible income payments.</p>	<p>Death beneficiaries Beneficiaries of existing members seeking to leave assets invested within a pension environment.</p> <p>Employees – non-AE</p> <ul style="list-style-type: none"> - Any customer employed by a participating employer and wishing to join the pension scheme. - Over the age of 16 or aged over state pension age and less than 75 - Earning less than the lower earnings threshold with right to join a pension scheme - Earning over the upper earnings threshold with right to join a pension scheme.
Financial expertise	No financial expertise is necessary to join and contribute to this product, however some level of financial knowledge is required if the member wishes to make an active fund choice.	
Attitude to risk	Members must be prepared to accept <i>some</i> risk to capital.	
Ability of the customer to understand the Product	No prior understanding of pensions is necessary.	
Income / wealth	<p>Employees => the current earnings threshold set out in automatic enrolment legislation.</p> <p>Retirees Existing members seeking on-going investment and flexible income.</p> <p>Consolidation Existing members with multiple pension pots.</p>	<p>Employees The current earnings threshold set out in automatic enrolment legislation.</p> <p>Those earning less than the current earnings threshold must have the right to join an employer’s pension scheme.</p> <p>There is no product minimum contribution when part of a group pension scheme.</p>

Criteria	Target market	Potential eligibility
Length of Investment	<p>There is no minimum period or term of investment.</p> <p>Investments can be held during both pre, and post retirement phases up to age 99.</p>	
Investment aims	<p>Those seeking to:</p> <ul style="list-style-type: none"> • save for retirement • provide an income, cash lump sums or a combination of both at any time from retirement age (or earlier where serious ill health or protected retirement age). • not be reliant on state benefits in retirement. • grow their investment over the medium to long term. • provide a potential income or cash lump sum for a spouse, registered civil partner or dependents if they should die before them. 	
Required flexibility in retirement planning	<p>Those seeking to:</p> <ul style="list-style-type: none"> • Take savings in one or more cash lump sums. • Take a flexible regular income. • Consider open market option. • Take a combination of these, or. • Retain their investments for future growth in retirement. • Purchase an annuity (guaranteed income). 	<p>Those seeking to:</p> <ul style="list-style-type: none"> • Provide a flexible income for a beneficiary in the event of their death (via beneficiary Flexi-Access Drawdown).
Customers with vulnerability characteristics	<p>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.</p> <p>We provide additional support to customers in vulnerable circumstances throughout the life of the product, from enrolment and throughout the servicing journey and use learnings to support and inform future initiatives.</p> <ul style="list-style-type: none"> • 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. • Robust 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. 	

Product Features

Summary of key member features and services

Insured funds	<p>Access to a wide choice of investment options including:</p> <ul style="list-style-type: none">• Legal & General funds such as index-trackers, Target Date Funds, actively managed funds, and our innovative Future World Fund range with its positive ESG stance• Funds from specially selected external fund managers
Self-invested arrangement	<p>Where offered under a member's scheme, an option to invest in a wide range of self-invested assets, including rolling over shares from their employer's share plans, as accepted under the SIPP permitted investment schedule.</p>
Contributions	<ul style="list-style-type: none">• Regular contributions employer and employee (Four-weekly and monthly payment frequencies)• Single contributions employer and employee• Transfers-in including<ul style="list-style-type: none">○ defined contributions○ defined benefits under £30,000○ defined benefits over £30,000*,○ with profits*, and○ any guaranteed assets*○ Divorce pension credits^, <p>* Can only be accepted where a financial adviser has provided a positive advice recommendation ^ Can only be accepted into an existing member's pension pot</p>
Fund switching / redirect	<p>Member can switch existing fund(s) and/or redirect future contributions at any time.</p>
Salary sacrifice	<p>If an employer wishes to use a salary sacrifice arrangement for pension contributions, we can accept these as employer contributions.</p>

Pension access options

As a flexible income:

- Members can use flexi-access drawdown to take regular and/or occasional income payments.

Tax-free cash lump sum:

- Members will normally be able to take a tax-free cash lump sum of 25% of the fund being crystallised. If a member has a protected higher amount, we can accommodate this.

As an Uncrystallised Fund Pension Lump Sum:

- From age 55, some or all of a pot can be paid as a lump sum. 25% of the lump sum payment is tax-free with the remaining amount being taxable.

As an annuity:

- Members can opt to buy a lifetime or fixed term annuity (guaranteed income) from Legal & General or another annuity provider.

Transferring out:

- Option to transfer to another pension provider to access their retirement options.

Ill-health / serious Ill-health

- If the member is unable to work due to ill-health / serious ill-health, it is possible that they can take their benefits if the HMRC requirements are met. This option does not have a minimum age requirement.

Manage Your Account

Allows members the ability to view and manage their pension pot online 24/7.

Online resources and tools

A range of online education materials and useful tools to help members manage their workplace pensions.

An online financial wellbeing hub which provides practical tools and information to help support with budgeting and planning for key events throughout their lives.

Pension tracing and consolidation

Our pension tracing and consolidation service is available through Manage Your Account.

There are some circumstances where we are not able to accept transfers without a positive recommendation to transfer from a financial adviser.

Beneficiary options

Members can tell us who they would like to receive the value of a pension pot in the event of their death. The options are described to the member's beneficiary at the time they claim and include cash lump sum, guaranteed annuity, and beneficiary flexi-access drawdown.

Tax relief

We operate tax relief on a 'Relief at Source' basis. When we receive member regular and/or single contributions, we immediately add basic rate tax relief, and it will be invested in the relevant fund(s).

For higher rate and additional higher rate taxpayers, they will need to reclaim their additional tax relief through their self-assessment tax return.

Facilitated adviser charging

A service that enables members to meet the cost of professional financial advice from their pension pots.

Note – this does not apply to the SIPP arrangement.

Retirement planning advice

Where an employer's pension scheme allows, we can support members with Legal & General Financial Advice (LGFA) retirement planning advice where they are resident in the UK, have a Legal & General workplace pension with a pension pot value of £20,000 or more, and are age 45 or over.

Charges will apply. The amount payable will depend on the members' advice needs.

Costs and charges

Summary of costs and charges (Insured funds)

Annual Management Charge (AMC)	<p>This charge covers the cost of running the arrangement. Members will receive a personalised illustration that will show the charges that apply to their arrangement.</p> <p>We work out the charge daily and take it once a month by selling units in the fund or funds they are invested in. This charge can be paid as a separate fee by the employer, or a mixture of employer paid fee and reduced AMC.</p>
Fund Management Charge (FMC)	<p>The FMC is the combined total of the Investment Management Charge (IMC) and Additional Expenses (AE). This charge varies from fund to fund.</p> <p>The FMC is taken by adjusting the unit price of the fund in which the member is invested. Depending on the type of plan, it could be calculated and taken from the fund either every working day or first working day of each calendar month.</p>
Additional Expenses	<p>Additional expenses are variable expenses which often cannot be known in advance. They consist of things like share registration fees, fees payable to auditors, legal fees, and custodian fees.</p> <p>Additional expenses can vary throughout the year. Additional expenses will be deducted from the fund and will be reflected in the unit price.</p>
Switch fees	<p>Currently, there is no charge for switching and no limit to the number of switches.</p> <p>Legal & General will notify members in advance if this changes in the future.</p>
Transaction costs	<p>Transaction costs reflect the costs incurred by the fund manager, and paid by the fund, as a result of buying or selling assets. These costs are included within the fund 'dealing price' each day, so they will not be shown as a separate charge on member statements.</p> <p>Transaction costs vary depending on a number of variable factors such as the funds bought/sold, market valuations, type of underlying assets being traded, and the daily flow of money within the fund. Because of this we are unable to confirm the actual transaction costs applicable in advance.</p>
Retirement planning advice	<p>If members want to use the Legal & General financial advice service, additional charges will apply. The amount members pay for advice will depend on their advice needs.</p> <p>Members can ask us to facilitate payment of financial adviser charges by deducting the value directly from their WPP pension pot. Members must have enough money in their pot to pay for this.</p> <p>Please note that this service does not apply to self-invested assets.</p>

Self-investment arrangements only

Installation charge	There is a one-off £200 plus VAT charge for setting up the SIPP. This charge is waived if regular contributions are being made to the insured arrangement.	
Annual Management Charge (AMC)	There is a 0.5% plus VAT charge on the value of self-invested assets, capped at £375 plus VAT a year. The AMC is calculated on the value of the self-invested assets on the day of the first investment and annually on the value at each anniversary of that date.	
Transaction charges	Purchase or sale	£20 plus VAT (of UK and overseas securities, Investment Trusts, Exchange Traded Funds, Unit Trusts, Open Ended Investment Companies (OEICs), UK Real Estate Investment Trusts (UK REITs))
	Corporate action	£20 plus VAT (An event that will bring an actual change to the share e.g. stock splits, dividends, mergers and acquisitions and rights issues)
	In-specie transfers	£20 plus VAT (of OEICs, unit trusts, stocks and shares)
	Appointing an investment manager	£110 plus VAT (discretionary fund manager)
Additional valuation charge	£20 plus VAT Members receive one free valuation of self-invested assets each year. Legal & General will charge for any extra valuations of self-invested assets. Members can request a free fund value valuation by phone or email.	
Stockbroker charges	There are additional stockbroker charges for setting up and running the stockbroker trading account plus making transactions. For full details on the SIPP charges see the Fees Charges Schedule	

Supplementary information

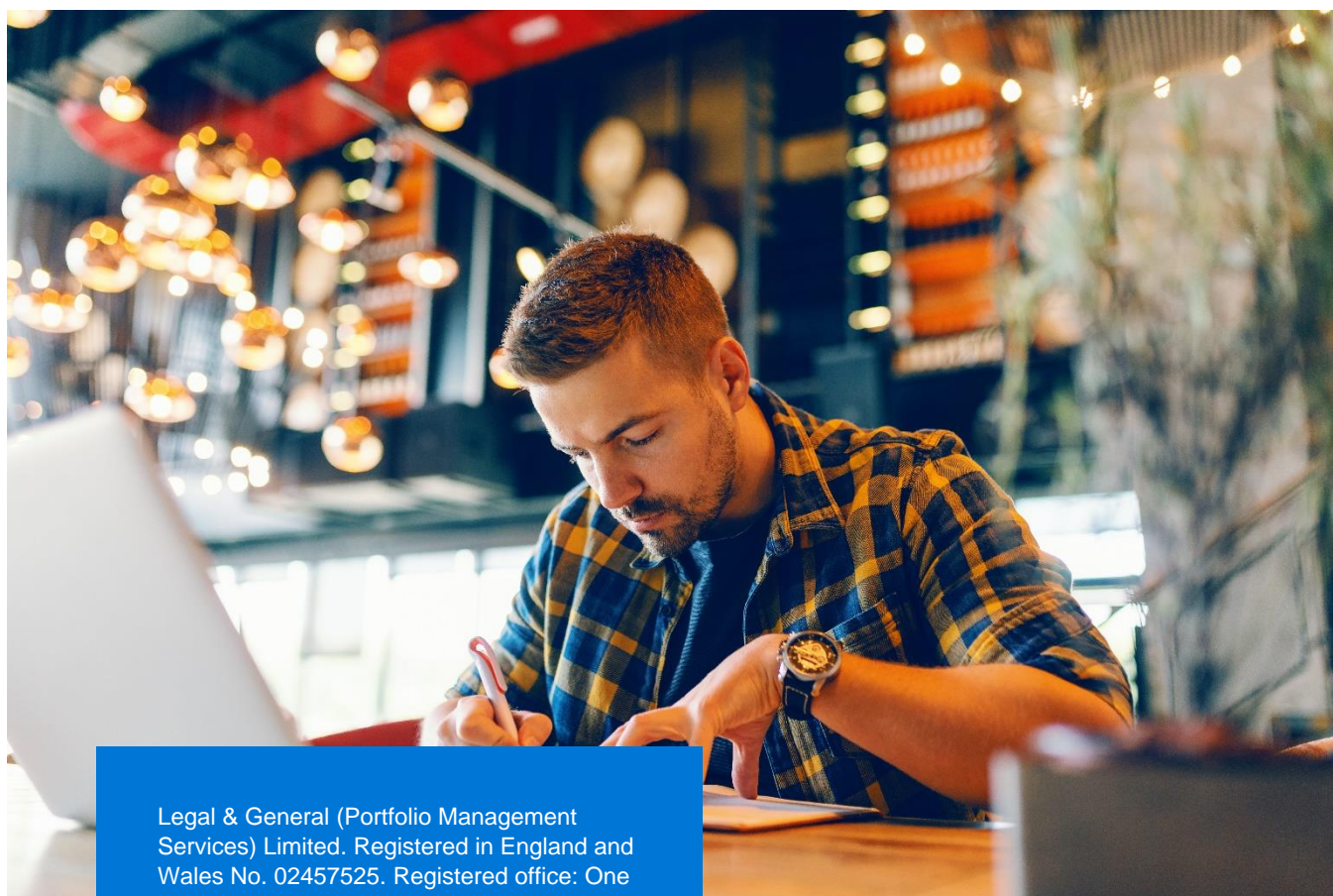
Insured fund arrangement

In this type of arrangement, investments are held in insured funds, which are held in a policy issued by an insurance company (in this case Legal & General Assurance Society Limited).

For full details of the available funds offered please visit Legal & General fund centre [WorkSave Pension Plan \(Gen 3\)](#) and [WorkSave Pension Plan \(Gen 25\)](#).

SIPP Permitted Investment Schedule

Full details of the investments that are permitted within the SIPP and which can be purchased through our nominated stockbroker, can be found in the [SIPP Permitted Investment Schedule](#).



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