For customers

Key features of One Retirement

keyfacts®

Contents

The Financial Conduct Authority (FCA) is a financial services regulator. Scottish Equitable plc is regulated by the FCA in carrying out insurance business and is part of Aegon UK. The FCA requires us, Aegon, to give you this important information to help you to decide whether the One Retirement plan is right for you. You should read this document carefully so that you understand what you're buying, and then keep it safe for future reference. We do not offer personal recommendations.

Here you can find out the main points about One Retirement.

You'll also get a personal illustration, so you can see the benefits you may receive in the future. Please take some time to go through both these documents to make sure you understand what the product is and how it works. Keep them safe with your other One Retirement documents – you may want to look at them again.

This guide refers to our product terms as at June 2019.

Other documents you should read:

One Retirement terms and conditions

This provides details of the terms and conditions that apply to your One Retirement account. You can find a copy of these on our website.

Charges guide

A guide outlining all the charges that may apply. You can find a copy of this on our website.

Fund factsheets and Key Investor Information Documents

These are available for each of your chosen funds and detail the fund's objectives, performance and risk rating. Your financial adviser will be able to give you the ones that are relevant for you, or you can access them through our investment list at aegon.co.uk/oneinvestmentlist

Its aims

- To build up a sum of money, in a tax-efficient way, that can give you pension benefits from age 55.
- To allow you to invest your pension fund and take benefits flexibly, subject to HM Revenue & Customs (HMRC) regulations.

Your commitment

- To make contributions and/or requesting a transfer to your One Retirement account that are within our contribution levels. If you don't maintain contributions, your fund value may be lower than shown in your illustration.
- To maintain a minimum balance of 0.25% of your fund value in your cash facility and make sure there's enough money in it to cover all your charges and income withdrawals.
- To regularly review your One Retirement account with a financial adviser. This will let you check that you're on track to achieve your goals.
- To tell us if your circumstances change. For example, if you're no longer resident in the UK or you no longer have UK earnings.
- To allow your plan to grow at least until age 55 before you take the benefits.

Risks

Here we tell you about the key risks that you should be aware of.

Product risks

- The value of your One Retirement plan can fall as well as rise, and isn't guaranteed. You may get back less than you pay in. All investments have distinct risks associated with them, which you should be fully aware of. You can find more information on the factsheet for your chosen fund, available at aegon.co.uk/oneinvestmentlist or by speaking to your financial adviser. Please make sure you're fully aware of these risks before you invest.
- Investments with minimum dealing amounts or other restrictions may mean you're unable to make withdrawals at the time you want to make them.

Inflation

- The value of the money you invest and what you can buy with it will fall, unless the performance of the product meets, or exceeds, the rate of inflation.

Questions and answers

What's a One Retirement account?

It's an online personal pension that lets you save for retirement and then choose from a range of options for taking your retirement income and/or tax-free cash when you're ready to take benefits – together in one account. It also gives you access to a range of investments, letting you build an investment portfolio to suit your financial goals.

You'll get tax relief on the contributions you pay and also any third party contributions. You'll find full details of this in the 'What about tax?' section.

You'll also be able to view and manage your account online using our secure online services. A financial adviser will be able to show you what you can do yourself and what they'll manage for you.

Is this a stakeholder pension plan?

No. One Retirement has different features and charges, than those set by the government for stakeholder pensions. A stakeholder plan may meet your needs just as well as this plan, and is generally available.

What are the contribution levels?

To open your One Retirement account you need to invest a minimum of £1.

You can make single and regular contributions into your One Retirement account, as well as transfer funds in from other registered pension plans. A third party and/or your employer can also make contributions to your account. The table below shows the minimum and maximum contribution limits that apply:

	Minimum	Maximum	Payment method
Single contributions	£1	No maximum*	• Cheque • Direct Debit • BACS/ Telegraphic Transfer • CHAPS
Regular monthly contributions	£1	No maximum*	• Direct Debit
Transfers from other registered pension plans	£250	No maximum*	• Cheque • BACS/Telegraphic Transfer • CHAPS

*HMRC limits the amount of contributions that can be made into pension savings each year before a tax charge applies. Please see the 'What about tax?' section for more information.

Questions and answers

Where are my contributions invested?

Within One Retirement you can choose from a range of funds, letting you and your financial adviser create an investment strategy that meets your needs. In particular, you should think about your attitude to risk, how long you have to go before you retire, and whether you need to take an income from your savings. It's important to be aware that some investments may restrict the flexibility of your One Retirement account.

Our One Retirement fund range includes:

- straight forward one-fund portfolios, designed to be the only fund you might need;
- funds that aim to reflect your attitude to risk;
- funds for those who need to take an income from their savings;
- funds that hold only one type of investment, designed for use within a diversified portfolio or a model portfolio set up by your financial adviser;
- funds from a select group of partner managers that we believe are among the best in the business;
- funds that aim to track the markets they invest in; and
- cash.

You can switch investments as often as you like, free of any switching charges, although dealing costs may apply. We'll place the instruction with the fund manager to buy your new funds when we get confirmation of all the sale prices from fund managers for all of the sale transactions.

You can find more information about the investment choices available:

- by looking at our investment list aegon.co.uk/oneinvestmentlist; and
- by speaking to your financial adviser. You should discuss your options with your financial adviser before making any decisions.

If you choose to invest in income-generating funds, any income from those investments will remain in the cash facility, unless you tell us otherwise. You, or your adviser, will be able to change the investment income choice online. You could choose to reinvest the income in to the investment, or receive a consolidated natural income monthly payment. Natural income is only available for ISAs and GIAs, you wouldn't be able to choose this option with our One retirement account.

What's the cash facility?

Your One Retirement account has a cash facility that all contributions will be paid into before they're invested. We'll keep 0.25% of all contributions in this cash facility. When you choose to take your pension benefits, you'll have a separate cash facility to manage your income withdrawals.

If the balance of your cash facility falls below the 0.25% minimum balance, or there's not enough money in your cash facility to meet any charges or withdrawal requests, we'll automatically sell some of your investments, starting with the largest liquid asset. This may affect the value of your investment and the flexibility of your One Retirement account. There may be some circumstances where this doesn't apply. You can find details of these in the terms and conditions.

If there's not enough money in your cash facility to meet any withdrawal instructions, you'll experience a delay in receiving money while we sell some investments, which could affect your day-to-day finances.

Your cash facility is used to pay One Retirement charges and adviser charges, and to deduct any fees for using our stockbroking service. Investment charges are normally deducted by the investment manager from your investments. You need to make sure that there's enough money available in your cash facility to cover any forthcoming deductions or income withdrawals.

Cash held in your cash facility will accrue interest at a daily rate, on a daily basis, that will be credited monthly. We don't keep any bank account interest. You can find the current interest rate on our website.

Can I rebalance my investments?

Yes – this is available through your financial adviser and can be set up quarterly or yearly at no extra charge to help maintain the desired balance of your investments.

How will I know how my plan is doing?

We'll send you statements at least once a year or quarterly depending on your product . You can also check online.

Questions and answers

Where can I find out about the charges?
One Retirement has a clear and transparent charging structure – so you'll know exactly what you're paying for.

It has three core charges:

- One Retirement charges – these are to cover the cost of administering your account;
- investment charges – these cover the cost of looking after our funds and checking that they're performing as expected. They will vary depending on the type of investments you choose to invest in; and
- adviser charges – this is to cover the cost of the advice you've received, and will be set at the level that you've agreed with your financial adviser.

Our charges may increase above those in your personal illustration (before this happens we'd write to tell you). You can find full details of the charges that may apply to your One Retirement account in our Charges guide. When can I start taking benefits?

You can start taking benefits from your One Retirement account from the age of 55 (subject to legislative changes). You may be able to take benefits from your account earlier than this if you're in ill health or have a protected low pension age that continues to apply under your One Retirement account.

What choices will I have when I want to take my benefits?
When you decide you need some benefits from your account, you can use all, or part, of your fund to take:

- a tax-free lump sum together with a drawdown pension or an annuity. This is normally up to 25% of the value of the benefits you're taking at the time, but may be more or less than this depending on your circumstances and also subject to any lifetime allowance restrictions;
- a drawdown pension;
- an annuity;
- a cash lump sum known as an uncrystallised funds pension lump sum; and
- a combination of the above.

Tax-free cash
You can usually take a tax-free lump sum of up to 25% of the value of your One Retirement account, subject to any lifetime allowance restriction, at the time you choose to take your income.

Flexi-access drawdown
Flexi-access drawdown lets you withdraw as much income from your pension fund as you like, as and when you need it. Any drawdown income paid to you will be taxed at your marginal rate of income tax.

If you take any income withdrawals from a flexi-access drawdown you'll be subject to the money purchase annual allowance (MPAA) rules. More information on this is provided in the 'Money purchase annual allowance' section.

Annuities
You can buy an annuity on the open market using the money invested in your One Retirement account. You don't have to buy an annuity. You should discuss the benefits and risks of buying an annuity with your financial adviser before making any decisions.

Uncrystallised funds pension lump sum (UFPLS)
A UFPLS is a lump sum payment of part or all of the uncrystallised part of your One Retirement account. You can ask for a UFPLS at any time once you have reached the age that you can take your pension benefits. Normally 25% of the UFPLS is paid free of tax, with the rest being taxed at your marginal rate of income tax. If you're under 75, you must have enough lifetime allowance available to cover the full payment of the UFPLS. If you're 75 or over, you must have some lifetime allowance left to be able to take a UFPLS. You should speak to an adviser for further details about the conditions that apply for taking a UFPLS.

What if I do nothing?
Your fund will remain invested until you decide to take a drawdown pension or buy an annuity.

What's the annual allowance and the money purchase annual allowance?
If the value of pension savings made by or for you to registered pension schemes in the current tax year is more than the annual allowance, a tax charge will apply to any excess (unless you have unused

allowance you can carry forward). For the current tax year, your annual allowance will be £40,000 unless you are a high earner (broadly, your income including the value of pension contributions is more than £150,000). If you're a high earner, your annual allowance will be an amount between £10,000 and £40,000, depending on your income amount.

Whatever your annual allowance level, the amount that can be paid by or for you into money purchase arrangements (like this one) without a tax charge arising may be restricted to the money purchase annual allowance, which from 6 April 2017 is £4,000. The restriction applies if you had a flexible drawdown plan at any time before 6 April 2015.
It also applies if you take (or have already taken) certain types of pension benefit, including an UFPLS or income from a flexi-access drawdown plan.

Special rules apply in the year that the money purchase annual allowance provisions first apply to you. Please speak to your financial adviser for more information.

What happens to my One Retirement account when I die?

If your SIPP is written under a valid trust, we'll pay a lump sum to the trustees. If there isn't a valid trust in place, we'll decide who to pay death benefits to – taking into account your circumstances when you die and anyone you've told us you'd like the money to go to.

If we decide to pay someone nominated by you, we might offer them the following options from their share of your fund (as long as your contract allows this):

- a flexi-access drawdown pension in their own name;
- an annuity; or
- a lump sum.

If we decide to pay someone who wasn't nominated by you, depending on your circumstances when you die, we may only be able to offer a lump sum.

Any payment we make to a trust or a charity nominated by you, will be paid as a lump sum.

What tax is payable on death benefits?

The tax payable on any benefits paid from your One Retirement account on your death is generally dependent on whether you die before reaching age 75 or at or after reaching age 75.

Death before age 75

As a general rule, whether benefits are paid from uncrystallised funds or drawdown funds on your death, payments to the beneficiaries will be tax free. Any lifetime allowance charge due must be paid by the person receiving the lump sum.

Death at or after age 75

As a general rule, whether benefits are paid from uncrystallised funds or drawdown funds on your death, payments to the beneficiaries will be subject to a tax charge.

Exceptions to the above may apply in certain circumstances. For more information about tax on pension death benefits, visit gov.uk/tax-on-pension-death-benefits

The information in this section is based on our understanding of current law and regulations which may change.

Can I transfer out of my One Retirement account?

Yes – you can transfer into another Registered Pension Scheme or Qualifying Recognised Overseas Pension Scheme with no charge from us – however you may incur a charge from the provider you're transferring to.

If you transfer to a qualifying recognised overseas pension scheme you may in certain circumstances be subject to an overseas transfer tax charge. See 'What about tax?' section on this page for more information about this tax charge.

If you transfer from another pension plan, the final pension benefits you receive may be less than you'd have got if you stayed in your existing scheme under the existing terms. It may not always be in your best interests to transfer your existing pension benefits, as you may be giving up any guaranteed benefits or protections. If you're a member of a defined benefit scheme it's important to seek advice from a financial adviser to compare what you may be giving up against the benefits offered under this plan.

If you've registered for enhanced or fixed protection you may lose this entitlement under certain circumstances.

You should speak to your financial adviser before making any transfer decisions.

What about tax?

Questions and answers

You, and any third party (excluding employers), pay contributions net of basic rate income tax and we collect the tax relief from HMRC. UK basic rate is currently 20%. So, if you're a UK basic rate taxpayer contributing £80 a month from your net pay, £100 will automatically be invested in your plan – that's an additional £20 at no extra cost to you.

If you pay tax at higher than basic rate tax, you can claim the extra relief from HMRC on your yearly tax return by approaching your tax office to adjust your tax code.

The value of any tax relief depends on your individual circumstances. There are maximum amounts that can benefit from tax relief: £3,600 or your relevant UK earnings for that tax year, whichever is the higher. Any contributions above this won't benefit from tax relief. There will also be a tax charge if all contributions, to all your pensions, are greater than your annual allowance.

Employer contributions are paid to us gross of tax, and no tax relief is claimed by us on these contributions.

Growth in the value of your SIPP is free from capital gains tax. Certain types of income distributions paid to the plan are free from income tax.

Unless you have enhanced protection when you take benefits, if your pensions savings are more than your lifetime allowance you'll have to pay tax on the excess. This doesn't include any state retirement pension, state pension credit or dependant's pension you may be entitled to.

The lifetime allowance is the limit set by the government on the value of benefits you can take from all registered pension schemes that you're a member of, before tax charges apply. For more information on the annual and lifetime allowance limits, visit hmrc.gov.uk/tax-on-your-private-pension.

Benefits you take from your One Retirement account in the form of a drawdown pension will be subject to PAYE tax and will be paid to you after the deduction of tax at the prevailing rate.

Certain transfers to and from a qualifying recognised overseas pension scheme will be subject to an overseas transfer tax charge unless one of the exemptions specified under legislation applies. For more information on when the overseas transfer tax charge applies and the exemptions from that charge, visit here.

This information is based on our understanding of current legislation, taxation law and HMRC practice, which may change.

How to complain

We hope you never have to complain, but if you do, the first step is to write to us at the address in the 'Contact us' section.

If you're not satisfied with our response, you can then raise the issue with:

Financial Ombudsman Service
Exchange Tower
London
E14 9SR
0800 023 4567

financial-ombudsman.org.uk

complaint.info@financial-ombudsman.org.uk

The Pensions Ombudsman
10 South Colonnade
Canary Wharf
E14 4PU
www.pensions-ombudsman.org.uk

Phone: 0800 917 4487
Email: enquiries@pensions-ombudsman.org.uk

If you'd like a copy of our complaints procedure, please contact us.

Terms and conditions

This document only gives you a summary of the features of One Retirement. It doesn't include all the definitions, exclusions and terms and conditions. You can find full details in our terms and conditions document.

We have the right to change some of the terms and conditions. If this happens, we'll write to you and explain the changes.

Questions and answers

Benefits we may give to your adviser

To help your adviser give you an improved service, we may provide them with marketing and promotional support, technical services and training, seminars, travel and accommodation expenses. We may also provide them with gifts and hospitality. Typically the value of this support is less than £100 per year, but can be more. If you want to find out more you can ask your adviser, or Aegon, to provide specific details of any benefits provided.

How we pay our employees

We pay our employees a base salary, and dependent on their role, a yearly bonus. The bonus paid is based on meeting a number of targets set at the beginning of the year. These include the level of profit the company makes from new and existing business. It is also dependent on non-financial targets, such as the quality of service we provide.

Cancellation

Can I change my mind?

Yes, you have 30 days from the date you receive your plan documents to cancel.

This will be the later of:

- two days (excluding Sundays) after we send out the contract note; or
- the date you receive your confirmation of application.

If you start to take retirement income from your SIPP, and a SIPP drawdown account is created, cancellation rights will apply. You'll have 30 days from the date you receive your Benefit crystallisation event statement to cancel. If you do cancel you'll need to return any payment(s) already made to you.

Regular payments

Only the first regular contribution that you've made will have cancellation rights. If you choose to cancel, we'll return all regular contributions, to where they came from, in full. If you decide to increase the level of payment in the future you'll not have a right to cancel that payment but you can reduce or stop future payments at any time.

Single payments

Only a single payment used to open a product wrapper will have cancellation rights. We'll return this payment to where it came from. Any single contributions made to an existing wrapper won't be returned under the cancellation rules.

Transfer payments

If you decide to cancel a transfer payment we'll return the money to the transferring scheme. If the transferring scheme doesn't agree to accept the money back, and you still want to cancel, you'll need to arrange for another pension provider to accept the payment.

What will we pay back?

When we receive your cancellation instruction, we'll sell any investments you've bought and return any money to you. The amount to be repaid will depend on what action has been taken in respect of your product wrapper at the time you cancel. These can't be specific due to the wide range of options available to you. Any amounts deducted on cancellation will be restricted to the following deductions made during the cancellation period:

- our own costs;
- costs incurred in relation to your investment choices;
- adviser charges; and
- costs incurred for any transactions you make.

The amount returned on cancellation will always be less any adviser charges that have left your cash facility when we receive the cancellation request. These can't be refunded to you.

Questions and answers

If you start trading within the cancellation period you'll be liable for any charges due to us and any charges levied by third parties such as investment managers or stockbrokers.

The maximum amount we can repay is 100% of your original investment. If the value of your investment has fallen before we receive your instruction to cancel you may get back less than you invested.

If you cancel after buying investments that aren't easily convertible to cash, we might have to delay returning your money to you. And this could be a significant delay. We won't refund any charges you incur during the buying and selling process if you cancel. If you've bought any equities through the stockbroking service, you or your adviser will need to arrange the sale of these. We can't instruct the sale.

Other information

Financial Services register
Aegon is a brand name of Scottish Equitable plc. Scottish Equitable plc is on the Financial Services register (number 165548).

Client categorisation
Aegon categorises all of our clients as 'Retail clients' under the Financial Conduct Authority rules for all services and transactions. This helps us to make sure that you receive appropriate disclosure documents from us and that you are made aware of everything you need to know in a timely fashion.

Communication
Our contract with you is in English, and all future communication about it will be in English.

Client categorisation
There are various categories of client set out in the financial regulations. If you buy this product, we'll treat you as a 'retail client'. Being a retail client gives you the greatest level of protection under the regulations and ensures you get full information about any products you buy.

If, under the regulations, you are a professional client or eligible counterparty, we will still treat you as a retail client although this would not necessarily mean that you would be eligible to refer any complaints to the Financial Ombudsman Service or to make a claim under the Financial Services Compensation Scheme.

Conflicts of interest
Aegon maintains a Conflicts of interest policy in accordance with all Financial Conduct Authority (FCA) Conduct of Business rules, to ensure we manage the risk of damage to customer interests. A conflict of interest may arise where an action taken by us could be seen to compromise or conflict with the best interests of our advisers, intermediaries and customers.

If we identified a conflict of interest that we could not manage appropriately then we would decline to accept this business to ensure the fair treatment of our customers. We're completely transparent about where conflicts of interest can arise and our policy to deal with them. Please read our conflicts of interest policy at - aegon.co.uk/documents/conflicts-of-interest-policy.pdf

Financial Services Compensation Scheme (FSCS)
If you are a retail client, your plan with us is covered by the Financial Services Compensation Scheme. You may be entitled to compensation from the scheme if we can't meet our obligations (for example, if we were to become insolvent or unable to meet the claims against us). This depends on the type of business and the circumstances of the claim.

If HSBC, the bank where the money in your cash facility will be held, becomes insolvent, you may lose some, or all, of the money held in your cash facility.

Deposits and investments are covered. Full details are available in our guide Investor protection through Aegon Retirement Choices and One Retirement. You can also find more information about compensation arrangements from the Financial Services Compensation Scheme by calling them on 0207 741 4100 or visiting fscs.org.uk

One Retirement is a contract of insurance. The maximum amount you can claim is 100% of the value of your account per person, per firm. This amount is currently uncapped.

An investment held within the self-invested element of the account has access to investments that are available from external sources. If the provider of an underlying investment can't meet its liabilities, then the type, structure and owner of an investment are all relevant in considering the level of compensation.

Solvency Financial Condition Report
The Scottish Equitable plc Solvency Financial Condition Report (SFCR) is available on our website at www.aegon.co.uk/documents/aegon-uk-sfcr.pdf

Law
If, when the contract starts, you live in the UK, then your plan will be set up and governed by the law of the part of the UK where you live. Otherwise Scots law will apply.

The applicable law can only be changed if both you and we agree to the change.

How to contact us

If you've any questions about your plan at any time you should contact your financial adviser in the first instance. You can also phone us, write to us or email us.

Platform Client Services
Aegon
Edinburgh Park
Edinburgh
EH12 9SE

Call us on: 0345 680 1234, Monday to Friday, 8:30am to 5:30pm
Email: clientsupport@one.aegon.co.uk

We might record and monitor calls for security reasons, to help improve our service and to resolve any complaints.

If you'd like a large print, Braille or audio CD version of this leaflet, please call 03456 10 00 10.

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