

FIXED TERM ANNUITY

KEY FEATURES



Just is a trading name of Just Retirement Limited. Where you see 'Just' in this document, this means Just Retirement Limited.

This brochure outlines the key features of our Fixed Term Annuity.

The Financial Conduct Authority is a financial services regulator. They require us, Just, to give you this important information to help you decide whether our Fixed Term Annuity is right for you. You should read this document carefully so that you understand what you are buying, and then keep it safe for future reference.

Please read this document together with your personal quotation which shows the benefits available to you.

If you have any questions please speak to your financial intermediary.

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KEY FEATURES OF OUR FIXED TERM ANNUITY

Its aims

- To give you the opportunity to choose an income, if you need one, for your chosen term and within **government limits**.
- To give you the opportunity to choose the income and lump-sum benefits to be paid if you die before the end of the term.
- To provide a guaranteed maturity amount if you live until the end of the term.
- To give you the flexibility to choose your preferred options at the end of the term.

Your commitment

- To transfer your **capped drawdown** pension fund to our Fixed Term Annuity.
- To be certain about the decisions you make in terms of the structure of your policy as you cannot change the benefits you have chosen once the policy has begun.
- To make sure that your representatives know that they must tell us if you die.

Government Limits

The maximum levels of income you can take from your Capped Drawdown arrangement each year.

Capped Drawdown

A form of Drawdown which cannot exceed the Government Limits.

Lifetime Annuity

A retirement income product that provides a lifetime income in exchange for a pension fund. The income is guaranteed and will continue to be paid for as long as you live.

Plan

This can be made up of one or more separate parts, each part corresponding to a specific pension fund or part of a pension fund that you transfer to us. We call each part a 'policy'.



RISKS

Future income

- While the maturity amount is guaranteed, **lifetime annuity** rates in the future are not. This means that if you use the maturity amount to buy a lifetime annuity, future income levels may be higher or lower, compared with a lifetime annuity bought today.
- We have designed the **plan** to be held until the end of the term. If you use the conversion feature, the level of income received from another retirement income product may be higher or lower than the current fixed term annuity income.

Income

- We review the level of income regularly and it may be restricted during the term to make sure it stays within government limits.
- Your situation may change after the plan has started, but you cannot change the level of income you have chosen.

Guaranteed maturity amount

- If you decide to buy another pension or retirement product with the guaranteed maturity amount, you will need to meet any conditions that the provider has at that time.

Death benefits

- If you haven't chosen death benefits for your dependant or beneficiary (or those you had chosen are no longer relevant), we will not pay anything more from the plan when you die.
- Your situation may change after the plan has started but you cannot change the death benefits you have chosen.

Conversion value

- If you do not choose plan protection, the option to change to another retirement income product during the term will not be available.
- Your conversion value, if it applies, may be less than the guaranteed maturity amount and the original fund value if you use the conversion feature.

Inflation

- Over the years inflation may reduce the real value of your income payments and guaranteed maturity amount. You can choose 'escalation', which means that your income payments would increase each year. However, the rate of inflation may be higher than the increase.

Rate changes

- Fixed term annuity rates can go up and down. If your pension fund (or funds) arrives after the guarantee expiry date shown on your personal quotation, or the government limits which apply change, your income or guaranteed maturity amount could change.

Cancellation and changes

- You can cancel your application 30 days after receiving the 'Important information about your right to cancel' form, which we'll send with your policy documents.
- The plan has no cash-in value at any time.

FAQ

QUESTIONS AND ANSWERS

What is the Fixed Term Annuity?

Our Fixed Term Annuity is a drawdown plan.

In return for a 'capped drawdown' pension fund transferred from any existing UK-registered pension scheme, you can choose:

- the level and frequency of your income, within government limits;
- the term; and
- your death benefits.

We work out a guaranteed maturity amount at the start. And if you live until the end of the term, we can pay the guaranteed maturity amount either directly to you or you can use it to buy another pension or retirement product.

Who might buy a fixed term annuity?

You might buy a fixed term annuity if you:

- need a set level of secure income for a known period of time;
- aren't ready to make a once-and-for-all decision on your pension income for life; or
- want to keep some control and flexibility with your pension fund but without any investment performance risk during the term, if you hold it until the end of the term.



Before making a decision to buy this product, please speak to your financial intermediary. They will be able to recommend whether it is suitable for your circumstances.

Am I eligible to buy a Just Fixed Term Annuity?

You are eligible if:

- you are aged at least 55;
- the plan finishes on or before your 90th birthday (or your dependant's 90th birthday if you have chosen a dependant's benefit);
- the capped drawdown pension fund you are transferring is from a UK registered pension scheme;
- you are a UK resident at the start of the plan; and
- your pension fund is received as a transfer payment and not as an open-market option (OMO). The OMO is specifically used to buy a lifetime annuity.

How much can I transfer?

- The minimum combined capped drawdown pension fund that can be transferred into the plan is £10,000.
- The normal maximum transfer is £1,000,000. We will consider transfers above this amount on an individual basis.

What length of term can I choose?

- You can choose any term from 3 to 15 years. This must be in whole years and months and must finish on or before your 90th birthday (or your dependant's 90th birthday if you have chosen a dependant's benefit).

How much income can I choose?

At the start of the plan you can pick a level of income from £0 to the maximum income level set by government limits.

Income payments will stay level throughout the term or you can choose payments that increase at a fixed rate of up to 8.5% each year. If you've chosen to increase your payments each year, this will happen on the anniversary of the first income payment date.

Your level of income is shown on your personal quotation. If your pension funds arrive after the guarantee expiry date or they are a different amount to that shown on your accepted personal quotation, your level of income may change.

When will I receive my income payments?

You may choose your income payments to be paid every month, every three months, every six months or every year.

You can either have your first income payment paid on the policy start date (in advance) or at the end of the first income payment period (in arrears).

Income payments are always paid on the first of the month. However, if the first of the month happens to be a weekend or bank holiday, we'll pay the first income payment on the next available working day. We'll pay all future payments due, which fall either on a weekend or bank holiday, on the working day before the payment due date.

Will my level of income change during the term?

We review your income limits periodically. How often we do this is set by the Government, which currently states that those under 75 will have reviews every three years and those over 75 will have reviews every year.

At each review, the government limits that apply to your plan may go up or down. If the new limit is higher than the income you have chosen, we will continue to pay the income you picked.

If the new government limit is lower than the level of income you chose, we may have to restrict your income to this amount.

What options do I have if my new government limit is lower than the income amount I am receiving from my Fixed Term Annuity?

If, following a review, your new government limit falls below the income amount you chose at the beginning, you will have the following options.

1. You can do nothing, in which case you will automatically receive a lower income from your Fixed Term Annuity in line with the new limit. We'll convert the difference between the income amount you chose and the amount we are able to pay into an extra maturity amount, which we'll pay if the guaranteed maturity amount becomes payable.

If a further review increases the government limit to a level that allows us to increase your income, we'll do this up to your original selected income or the new government limit (whichever is lower).

2. Or, you can ask us to remove the income restrictions on your Fixed Term Annuity. This will allow you to continue receiving your chosen level of income. From that time the government limits will no longer apply to your plan.

If you do ask us to remove the restrictions, we will treat you as having accessed your pension flexibly.

This will reduce the amount you're able to contribute tax-free to other **money-purchase pension schemes** each tax year. You will also have to tell any other money-purchase or hybrid pension schemes you are contributing to or building up benefits under that you have accessed your pension savings flexibly. If you're doing this for the first time with us we will write to you and let you know what you need to do.

How much will the guaranteed maturity amount be?

The guaranteed maturity amount depends on:

- your age;
- the size of the capped drawdown pension fund you transfer to us;
- the term;
- the amount and frequency of income you choose;
- the death benefit options you choose;
- the **market conditions** at the time we issue your personal quotation;
- our charges to set up and deal with the plan; and
- the adviser charge if we have paid it from the plan, to pay your financial intermediary for the advice or services you received relating to the plan.

The guaranteed maturity amount is shown on your personal quotation. If your pension funds arrive after the guarantee expiry date or they are a different amount to that shown on your accepted personal quotation, the guaranteed maturity amount may change.

Money Purchase Pension Scheme

A term that is used to describe a pension scheme where the benefits are determined by the level of contributions, charges and investment returns, as opposed to being prescribed at outset.

Market Conditions

A term that refers to the returns we receive on the investments we purchase to secure your guaranteed maturity amount or any death benefits that may become payable.

What happens if I die during the term?

If you didn't choose any death benefits at the start of your plan and you die during the term, we will not make any further payments (apart from any proportionate income payments due).

Depending on what death benefits you chose at the start of the plan, we may pay an income, a one-off payment, or both if you die during the term.

You should consider choosing your death benefits very carefully to make sure you make adequate provision for your beneficiaries.

What death benefits can I choose?

The plan offers three optional death benefits that you must choose at the start of the plan.

1. Plan protection

If you choose plan protection and you die during the term and you've not chosen a dependant's benefit, we'll pay out a plan protection payment. We'll work out this payment by taking away any income (before tax) we've already paid to you from the original transferred pension fund and you may have to pay tax on this.

If you've chosen plan protection and a dependant's benefit, we will only pay a plan-protection payment if both you and your dependant die before the maturity date.

You can let us know who you'd like to receive the plan protection payment. However, we will make the final decision as to who will receive the benefit when you die. If allowed by legislation, the beneficiary may choose for the plan-protection payment to be made:

- as a lump-sum death benefit;
- as a one-off **flexi-access drawdown** payment; or
- as a transfer to another pension arrangement.

Flexi Access Drawdown

A form of Drawdown where no maximum limits apply.



If you choose plan protection, we will automatically include the conversion feature with your plan. If you also choose a dependant's benefit and you die during the term, we would pass on the conversion feature to that dependant.

2. Guarantee period

You may want to guarantee your income payments. Guarantee periods can range up to 10 years (whole years only) and may not be more than the term of the plan.

If you die during the guarantee period, we'll pay the remaining income for the rest of the guarantee period as a lump sum (less tax) to your beneficiaries, unless you've chosen a dependant's benefit.

If you've also chosen a dependant's benefit, we'll pay the remaining income under the guarantee period as continued income. We describe this process in the dependant's benefit section on the following page.

If we're paying income under the guarantee period to your dependant and they then die before the guarantee period ends, we'll pay any income left for the rest of the guarantee period as a one-off payment to your dependant's beneficiaries.

You can let us know who you would like to receive the payment. However, we will make the final decision as to who will receive the benefits when you die.



You cannot choose a guarantee period if you have chosen plan protection.

3. Dependant's benefit

You can choose to provide a percentage of your income to your dependant if you die before the end of the term. You can choose up to 100% of the income that was paid to you. If you die, the dependant's benefit will start from your death or at the end of any guarantee period you have chosen, whichever happens last.

If your dependant survives until the end of the term, we use the same selected percentage of dependant's benefit to calculate the value of the guaranteed maturity amount paid. For example, if you choose a 50% dependant's benefit and you die during the term but they survive to the end of the term, we'll pay 50% of the guaranteed maturity amount to them.



You may choose a dependant's benefit as well as either a guarantee period or plan protection.

What if my circumstances change during the term?

If you chose plan protection at the start of your plan and your circumstances change during the term, you could use the conversion feature.

The conversion feature allows you to convert your fixed term annuity at any point during the term, for any reason, as long as you have received financial advice. You can use the conversion value to buy another pension product as long as you meet the eligibility conditions for the product at the time.

Common reasons to consider using the conversion feature are shown below.

- If you (or your husband, wife, civil partner or a dependant) are diagnosed with a medical condition which means you or they qualify for an **individually underwritten annuity**.
- If your husband, wife, civil partner or dependant dies.
- If you get divorced or have your civil partnership dissolved.
- If you get married or enter into a civil partnership.
- If you're granted early retirement due to ill health.
- If you're made redundant.

This means you don't have to wait until the end of the term, and so have the flexibility and confidence to make a decision whenever circumstances change, putting you in control.

Individually Underwritten Annuity

A Lifetime Annuity which reflects health and lifestyle conditions in the income payments.

What are my options at the end of the term?

You can choose for your maturity amount to be paid direct to you (after tax), or you can use it to buy another pension or retirement product.

If you choose for your maturity amount to be paid to you, you will have accessed your pension flexibly. This will reduce the amount you're able to contribute tax-free to other money purchase pension schemes each tax year. You will also have to tell any other money-purchase or hybrid pension schemes you're contributing to, or building up benefits under, that you've accessed your pension savings flexibly. If you're doing this for the first time with us we will write to you and let you know what you need to do.

We'll write to you before the end of the term to remind you about your maturity options.



Your pension funds will receive no interest between the maturity date and the time we can carry out your instructions.

What charges may I need to pay if I use my conversion value, or guaranteed maturity amount at the end of the term, to buy another product?

If you buy another product with either the conversion value or the guaranteed maturity amount, you will be charged for doing so by the product provider. They will give you details of these charges at the time. Your financial intermediary may also charge you for the costs of arranging or providing advice relating to buying another product. Again they will give you the details of these charges at the time.

Can I change my mind?

You can cancel your application before we've set up the plan, and up to 30 days after receiving the 'Important information about your right to cancel' form, which we'll send with your policy documents.

If you decide to cancel your plan, you must return the 'Important information about your right to cancel' form and any income already paid to you. Once the 30-day cancellation period has ended, you will not then be able to cancel your plan.

When we receive your request to cancel, we'll try to return your money to your original pension scheme provider, but if they are not willing to accept a refund it is your responsibility to get agreement from another company to accept your money and then tell us who this is.

What are the charges?

Our charges

We will work out our charges to set up and deal with the plan at the start and they will be reflected in the income you receive, if you have chosen this, and the guaranteed maturity amount shown in your personal quotation.

Adviser charges

If you've received advice from a financial intermediary and we are to facilitate their charges from your plan, this amount will be shown in your take-up quotation.

Your financial intermediary should have discussed and agreed with you their charges before asking you to sign the application form.



MORE INFORMATION

Tax

Your retirement income will be taxed according to instructions from your local tax office. Income of this type is taxed under the Pay As You Earn (PAYE) system.

Any income or one-off payment made to your dependant or beneficiaries as a result of your death may also be taxed.

- If you die before age 75, any payment made to your dependant or beneficiaries will be tax-free.
- If you die aged 75 or older, any payment made to your dependant or beneficiaries will be taxed at their marginal rate of income tax.

Tax treatment depends on individual circumstances and this may change in the future.

Residency

You must be a UK resident to apply for the plan. If you move abroad during the term, you may not meet our requirements to convert to an individually underwritten annuity.

Law

The law which applies to the conditions of the contract will be English law. The contract will be written in English.

We will give you full details of the conditions of this plan at the same time as your first personal quotation.

Client categorisation

There are various categories of client set out under financial regulations. We'll treat you as a 'retail client', which gives you the greatest level of protection and makes sure you get full information about any products you buy.

If you have any questions

For more information about our Fixed Term Annuity please contact:

Just, Vale House, Roebuck Close, Bancroft Road Reigate, Surrey RH2 7RU.

Phone: 01737 233297

(Lines are open Monday to Friday, 8.30am to 5.30pm. We may monitor and record calls, and call charges may apply.)

Email: support@wearejust.co.uk

To review our Solvency and Financial Condition Report, please visit: [justgroupplc.co.uk/investors/results-and-presentations/regulatory-returns](https://www.justgroupplc.co.uk/investors/results-and-presentations/regulatory-returns)



COMPENSATION

We are covered by the Financial Services Compensation Scheme (FSCS). You may be entitled to compensation from the scheme if we cannot pay everything we owe. This depends on the type of business and the circumstances of the claim. You can get more information about compensation arrangements from the FSCS or at [fscs.org.uk](https://www.fscs.org.uk).

Making a complaint will not affect your right to take legal action.

? WHAT TO DO IF YOU ARE UNHAPPY

Your first step is for us to understand the problem. You can share your concerns with our staff either in person, by phone, email or letter as follows.

Phone: **01737 233297**

Lines are open Monday to Friday 8.30am to 5.30pm and call charges may apply.

Email: **qatjrl@wearejust.co.uk**

Or, you can write to us at: Just, Vale House, Roebuck Close, Bancroft Road, Reigate, Surrey RH2 7RU.

If you feel that we have not dealt with your complaint to your satisfaction, you can take the matter up with the Financial Ombudsman Service at:

The Financial Ombudsman Service, Exchange Tower, London E14 9SR.

Phone: **0800 0234567**

💡 ABOUT US

We are Just. We believe that everyone deserves a fair, secure and fulfilling retirement. We're here to help you get the most out of yours.

Just – quick facts

- We were created after the merger of Just Retirement and Partnership Assurance in 2016.
- We were awarded a 12th consecutive '5-star' award in the 'Life and Pensions' category at the 2016 Financial Adviser Service Awards.
- We have already provided a better retirement income for more than 380,000 people who have retired.
- At the heart of our brand is a social purpose, and our mission is to help one million people with the challenges of later life. Read more on our website, **wearejust.co.uk**.

FOR MORE INFORMATION

Call: **01737 233297**

Lines are open Monday to Friday, 8.30am to 5.30pm

Email: **support@wearejust.co.uk**

Or visit our website for further information: **wearejust.co.uk**

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