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SECURE LIFETIME INCOME

Product Information including Fair Value Assessment and Target Market Statement

SUMMARY

This document covers the Just Secure Lifetime Income product currently available for new customers.

It's designed to provide you with the appropriate information to enable you to understand the product's key features, identified target market (including characteristics of vulnerability) and expected distribution strategy.

It also provides the outcome of our product fair value assessment, which we formally review at least annually and monitor for changes throughout the year.

Assessment: our overall assessment is that the products continue to deliver fair value for customers in the target market for the product.

PRODUCT PURPOSE AND BENEFITS

Secure Lifetime Income is an innovative option which has been designed to complement the more traditional assets such as equities and bonds used in the construction of investment portfolios which underpin clients' drawdown arrangements.

Sitting within your client's chosen drawdown arrangement, Secure Lifetime Income provides an element of guaranteed income in contrast to the returns generated by invested assets which are inherently more volatile.

As part of a retirement plan, Secure Lifetime Income is payable monthly for as long as your client lives and can improve outcomes for your client in a variety of circumstances.

Secure Lifetime Income uses the long established and proven concept of pooling longevity risk with other retirees to protect clients against the chance of living longer than expected. The guaranteed income it provides is also free from sequence risk¹ and uncorrelated to the returns of traditional assets used to support drawdown arrangements such as equities and bonds.

This means Secure Lifetime Income can use less capital to generate a given amount of income compared to relying purely on a favourable sequence of returns from the capital markets.

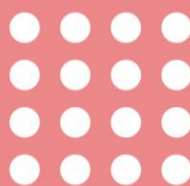
The freed-up capital within a client's retirement plan could then be used to:

- support more income
- improve legacy provision, or
- produce a more sustainable portfolio.

Secure Lifetime Income is a Trustee Investment Plan within a trust-based UK registered Pension Scheme. The income is tailored for each client using their personal, health and lifestyle information.

Secure Lifetime Income is regulated by the Financial Conduct Authority (FCA) and is protected by the Financial Services Compensation Scheme (FSCS). Clients can claim 100% compensation in the unlikely event we are unable to meet our obligations.

¹ Returns from capital markets can be volatile and unpredictable in nature. Sequence risk is the order in which these returns arrive to a portfolio. It's increased during the retirement phase due to the addition of regular withdrawals alongside investment volatility. The sequence of returns experienced early in retirement can have a disproportionate impact on the sustainability of the portfolio.



Our service proposition is designed to provide a good client experience and outcomes.

For a fuller description and list of options, please refer to our specific product literature which can be found on our website justadviser.com

LIMITATIONS

Limitations of the products are:

- All clients have the option to include a 100% value protection death benefit which reduces over time as income is paid – but there's no limitation in terms of receiving the benefit for any client group, including those with vulnerabilities. Clients will need to make a choice about including this option.
- Clients can cancel the product up to 32 days from the plan start date. Once cancelled, they'll receive their premium back in full less any income payments made.
- After this cancellation period, the death benefit, if chosen, pays a lump sum in the event of death within a specified period from the plan's start date. The amount is equal to what was paid to purchase the plan, minus any income received.
- Secure Lifetime Income doesn't offer a surrender or encashment option. After the 32 days cancellation period, you will be unable to terminate the plan or exchange the benefits for cash. If you don't wish to receive the income for a period of time then the income from Secure Lifetime Income can be invested into your investment portfolio.

For further detail, please refer to our specific product literature which can be found on our website justadviser.com

Assessment: we don't believe that any consumer groups within the target market are inappropriately excluded by the limitations of the product.



TARGET MARKET – 2024

Clients who have access to flexi-access drawdown funds within a platform-based SIPP and are looking to include a proportion of guaranteed income alongside their other drawdown assets as part of a holistic, tax efficient retirement income strategy.

- ✓ Individuals with flexi-access drawdown funds within a SIPP.
- ✓ Those either considering taking or taking income from their drawdown arrangements to help cover their expenditure in later life as part of a wider retirement income strategy.
- ✓ Clients who value the stability of guaranteed income alongside traditional investments.
- ✓ Seekers of personalised retirement solutions based on individual circumstances.
- ✓ Customers desiring the benefits of generating a retirement income on a single platform.
- ✓ Those who value flexibility to adapt to significant life changes.

The product is unlikely to be suitable for clients who:

- ✗ do not have a need for income now and in the future
- ✗ do not currently have crystallised assets within their personal pension plan
- ✗ are only seeking a short-term income solution, or
- ✗ do not require any flexibility in the delivery of their income, now and in the future.

Assessment: we have observed several instances in 2023 and early 2024 where financial advisers have been recommending SLI to clients that do not currently require an income. We have completed a review of this practice and agree this is a valid use of the Secure Lifetime Income product. We have therefore updated the above target market statement.

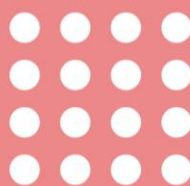
ELIGIBILITY CRITERIA

To be eligible for our Secure Lifetime Income plan your client must:

- have crystallised funds held within a personal pension
- be between 55 and 90-years-old (90 at purchase)
- be resident in the UK (not including the Channel Islands or Isle of Man)
- be purchasing Secure Lifetime Income with funds from a UK registered pension scheme, and
- invest a minimum of £10,000 up to a maximum of £1 million.

HOW IS THIS PRODUCT DESIGNED TO BE SOLD?

Secure Lifetime Income is available through financial intermediaries on an advised basis only. If suitable, it will be recommended to your client as part of a personal recommendation for a retirement income strategy that enables them to meet their individual objectives.



CUSTOMERS WITH CHARACTERISTICS OF VULNERABILITY

We've taken vulnerable consumers into account at all stages of the product and service design process, including idea generation, development, testing and launch. As part of the continuous development of products and services we review our approach to ensure we continue to deliver good customer outcomes.

There are four identified key drivers which may increase the risk of vulnerability. These are:

- **Health** – health conditions or illnesses that affect the ability to carry out day-to-day tasks
- **Life events** – major life events such as bereavement, job loss or relationship breakdown
- **Resilience** – low ability to withstand financial or emotional shocks
- **Capability** – low knowledge of financial matters or low confidence in managing money (financial capability). Low capability in other relevant areas such as literacy or digital skills

Some customer groups are more likely to display characteristics of vulnerability than others and may display more than one characteristic. Due to the age profile and nature of our products, customers within our target markets are more likely to experience characteristics of vulnerability.

To ensure we provide good outcomes to all our customers, we're committed to:

- Educating and training for colleagues, ensuring they have the appropriate skills and experience to recognise and respond to the needs of vulnerable customers.
- Providing suitable customer service and communications.
- Adapting our policies and procedures, where appropriate, to support specific customer needs.
- Monitoring and evaluating relevant management information to support the identification of practical action and/or innovation that supports the delivery of good outcomes for our customers.

Assessment: we don't believe that vulnerable customers within the target market will be excluded from enjoying the full benefits of this product.



FAIR VALUE ASSESSMENT

The aim of this section is to provide distributors with an overview of the findings from the fair value assessment.

We have developed a comprehensive and robust assessment process, which evaluates several aspects to determine the value of our Secure Lifetime Income product. This analysis is used to ascertain whether the product delivers fair value for clients.

We review the fair value of our products at least annually and in advance of any material changes to the features or benefits of the product. The outcomes of our assessment process go through appropriate internal governance, allowing for challenge and further investigation before we approve the outcomes and share the summary of our assessment with you.

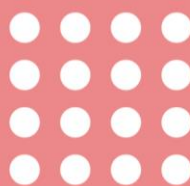
While our assessments cover a broad range of measures, the core fair value indicators assessed include:

Feature	Pricing and Costs	Service Assessment (Including Complaints)	Distribution
Assessment will review: <ul style="list-style-type: none">• The range of benefits the product provides• Usage of features• The quality of the product• Target Market Assessment• Any limitations on the scope and service we provide or the features of the product	Assessment will review: <ul style="list-style-type: none">• Pricing value for money criteria• Profitability data, including revenue and profit margins• The fees and charges customers pay for the product• Comparable market rates and charges• Advice fees paid to intermediaries• Costs of providing the product• Non-financial costs associated with operating the product	Assessment will review: <ul style="list-style-type: none">• Quality of service delivered and the action taken if there is any negative impact on customer experience• Complaints data• Intermediary feedback• Customer experience and satisfaction• Customers with characteristics of vulnerability and ensuring they do not receive poor outcomes	Assessment will review: <ul style="list-style-type: none">• Whether the distribution strategy remains appropriate and whether there are any areas which negatively impact on customer outcomes

Our overall assessment is that the product delivers fair value for clients in the target market for the product.

- The product remains consistent with the needs of the identified target market.
- The intended distribution strategy remains appropriate.
- The product provides fair value to clients within that target market and should provide good outcomes to consumers.

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APPENDIX: WHAT HAPPENS IF?

What happens if the stock market falls?

The Secure Lifetime Income monthly income payments are unaffected by any future changes in interest rates or stock market values. The income payable is guaranteed to be paid for life, however long that may be.

What happens if my client runs out of money?

Secure Lifetime Income will deliver a guaranteed income for life into your client's drawdown arrangement, which means they'll never run out of money completely.

What happens if my client dies?

When your client dies the Secure Lifetime Income monthly payments will stop. If the 100% value protection death benefit option is chosen this will be paid directly into the drawdown arrangement.

What happens if my client wants to maximise their legacy?

Whether your client is looking to generate a higher income in retirement from their drawdown arrangement, improve their legacy provision, or create a more sustainable retirement income plan, Secure Lifetime Income could help.

It provides the option to include a 100% value protection death benefit which reduces over time as income is paid. The death benefit is paid directly into the drawdown arrangement, which will ensure your client's beneficiaries have complete flexibility over how the lump sum is used. Secure Lifetime Income payments will stop once the death benefit has been paid.

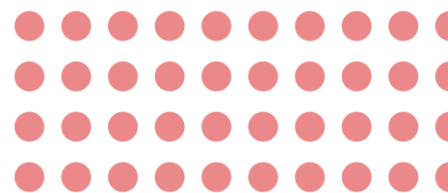
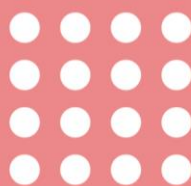
What happens if my client wishes to cancel?

You can cancel your client's application once the Secure Lifetime Income is set up, and up to 32 days from the plan start date. The 32-days period includes the day their plan started.

If your client decides to cancel, the 'Secure Lifetime Income Cancellation Notice' form, which is provided with the purchase confirmation document, must be completed and returned to the platform. Your client's drawdown arrangement will receive back the purchase price less any secure income already paid by Just by the time the cancellation notice is received and processed by the platform.

What happens if my client wants to stop their income payments?

It's not possible for your client to stop or defer their income payments from their Secure Lifetime Income. However, if your client doesn't require the monthly income, it can remain within the drawdown arrangement as cash or be re-invested. The income does not become liable to income tax until withdrawn from the drawdown arrangement.



FOR MORE INFORMATION

Call: **0345 302 2287**

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

Please note your call may be monitored and recorded and call charges may apply.

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

Or visit our website for further information: **justadviser.com**