

SECURE LIFETIME INCOME

# KEY FEATURES



## This brochure outlines the key features of our Secure Lifetime Income

'The Financial Conduct Authority is a financial services regulator. It requires us, Just, to give you this important information to help you decide whether our Secure Lifetime Income 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.'

**Important:** Secure Lifetime Income is bought by the trustees of a Self-Invested Personal Pension (SIPP) as requested by the SIPP customer. It is held as an asset of the SIPP.

Please read this document together with:

- the **Personal Quotation**, which shows the benefits available

If you're the SIPP customer you should also read this document alongside:

- our **Secure Lifetime Income Customer Guide**, which includes explanations of the death benefit and cash-in value, and
- our **Secure Lifetime Income Terms and Conditions**, which set out the contractual terms on which a Secure Lifetime Income plan is provided.

Where we refer to, 'you', 'your', 'my' or 'I' in this document, we mean the SIPP customer who will be benefiting directly from Secure Lifetime Income.

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## KEY FEATURES OF SECURE LIFETIME INCOME

### Its aims

- To provide a secure income within a SIPP, guaranteed for life and based on your individual circumstances.
- To offer a death benefit for a set period, which will be paid as a lump sum into your SIPP. Details of the death benefit are available in your **Personal Quotation**.
- To give the option of a cash-in value for a set period which will be paid as a lump sum into your SIPP in exchange for the lifetime income and death benefit. This might be used if there is an urgent need for a cash lump sum during the early years of the plan.

### Your commitment

- To use at least £10,000 from the funds in your SIPP to buy a Secure Lifetime Income.



### Risks

These are some of the main risks to consider when buying a Secure Lifetime Income.

- Once your Secure Lifetime Income has been set up and the cancellation period has come to an end, you will no longer be able to receive a full refund of the purchase price. However, the cash-in value will be available for a set period if your circumstances change.
  - If you choose to take the cash-in value, the total of this and any income payments you have received will, in all circumstances, be significantly less than the purchase price. The exact amount paid will depend on market conditions at the time.
  - Depending on when you die, the total income received may be less than the purchase price. In other words, until the secure monthly income payments you have received exceed the initial purchase price, the total amount received will be less than the purchase price.
  - If your personal, lifestyle or health information cannot be confirmed by medical reports, we can in some cases cancel your plan and return the purchase price to you after allowing for any monthly income payments you have received.
  - Inflation may reduce the real spending power of your monthly income over time.
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## QUESTIONS AND ANSWERS

### What is Secure Lifetime Income?

Secure Lifetime Income is a plan bought by the trustees of a SIPP on your behalf.

It provides you with a guaranteed income for life, based on your individual circumstances, which is paid within your SIPP.

It will also pay a lump-sum death benefit into your SIPP if you die during the set period your death benefit applies. Please see your **Personal Quotation** for more details.

There's also a cash-in option available for a set period of time. This allows you to receive a cash sum into your SIPP instead of your future Secure Lifetime Income payments. For more details please refer to your **Personal Quotation**.

### Who is Secure Lifetime Income for?

Secure Lifetime Income is for those aged 55 and over who wish to generate a guaranteed income for life.

Secure Lifetime Income can only be purchased from funds in Flexi-access Drawdown.

### How much income will you pay me?

Your **Personal Quotation** shows how much income you could receive based on the purchase price as well as your personal, health and lifestyle information. Providing this information means you'll receive an income that is personalised to you.

### How often will you pay my Secure Lifetime Income?

We pay the income into the SIPP once a month.

### Where is information held about the plan?

You can find information about Secure Lifetime Income online from your SIPP provider, including your monthly income amount and the cash-in value. The regular statements from your SIPP provider will show you how much income your SIPP has received, as well as the current Secure Lifetime Income cash-in value.

### What income options are available?

**Secure Lifetime Income pays a guaranteed income for life** every month. The income will be paid into a cash account within your SIPP, from which you can decide to re-invest it or withdraw it. The amount of secure income paid every month will not change. To increase the amount of income you receive, you can apply for another Secure Lifetime Income plan at any time, up to the age of 90 and up to a maximum total premium of £500,000.

### Does income have to be withdrawn from the SIPP every month?

No. One of the advantages of Secure Lifetime Income is that you can choose whether or not to withdraw some or all of the secure income from your SIPP. Any income that is left in your SIPP will not have income tax taken from it at that time and it can be reinvested within the SIPP.

### What's the value of my death benefit?

**The death benefit** starts at 75% of the purchase price and reduces each month by twice the amount of the income paid, until it reaches zero (when the death benefit will no longer apply). Your right to a death benefit will also end if you take the cash-in value. You can find more information about how the death benefit works in your **Personal Quotation**.

### How much is the cash-in value worth?

The cash-in value gives you the flexibility to exchange your Secure Lifetime Income for a lump sum paid into your SIPP. Its value depends on **market conditions** at the time, but can never exceed the value of the death benefit.

The cash-in value also starts at 75% of the purchase price (the same as the death benefit) and it reduces down to zero in a similar way to the death benefit. However, it **isn't guaranteed** and it may be less than the death benefit, depending on market conditions at the time.

Market conditions affect the cash-in value as they affect how much the guaranteed income is worth when it's converted back to a lump sum. This calculation takes into account the regulations under which we operate. For example, increases in interest rates tend to reduce the cash-in value, whereas falls in interest rates increase it.

You can find more information about the cash-in value and how it works in the **Secure Lifetime Income Customer Guide** and the **Technical Guide to the Cash-In Value for Customers**.

### What happens when I die?

The secure lifetime income payments will stop when you die.

If you die during the set period for which your death benefit applies, we'll pay a lump sum death benefit into your SIPP. The amount we pay will depend on when you die. **The Secure Lifetime Income Customer Guide** gives you more details of the death benefits available with Secure Lifetime Income. If you die after the set period for which your death benefit applies, no further payments will be made.

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### **Can I cancel if I change my mind?**

The trustee of your SIPP can cancel your SLI plan on your behalf. They have 37 days to cancel your plan from the plan start date.

If you want your trustee to cancel your plan, you must sign and return the Secure Lifetime Income Cancellation Notice to your SIPP provider by the date specified in the notice. If your SIPP trustee cancels your SLI plan, we'll return the money used to buy your Secure Lifetime Income, less any secure income payments made, to your SIPP.

Your Secure Lifetime Income plan cannot be cancelled if your SIPP provider receives the completed Secure Lifetime Income Cancellation Notice after the date specified in the notice or we receive your trustee's instructions to cancel after the 37 day period.

### **What are your charges?**

We take our costs into account when we work out the secure lifetime income amount we pay. We won't apply any other charges for the Secure Lifetime Income. However, the SLI is an asset of the SIPP and the cash-in value is reported to the SIPP daily and may be available for the calculation of any SIPP charges. Charges may also apply to any income reinvested within your SIPP. For more information about the charges that your SIPP provider applies, please speak to your adviser or see your SIPP illustration.

### **Can I transfer the Secure Lifetime Income to another SIPP?**

Yes. You can transfer to another SIPP that offers Secure Lifetime Income.

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## MORE INFORMATION

### **Tax**

Income paid from your Secure Lifetime Income plan is not subject to tax. Any income you choose to withdraw from your SIPP will be subject to Pay As You Earn (PAYE) income tax.

### **Law**

The law, which applies to the terms and conditions of the contract, is English law. The contract and all communications are written in English.

The information set out in this Key Features Document represents our understanding of the law and HM Revenue & Customs' practice on the date of publication which might be subject to change.

### **Customer categories**

There are various categories of client or customer set out under financial regulations. We'll treat the SIPP trustee as a 'retail client'. This provides the greatest level of protection to the trustees and you and means full information is made available about any products bought.

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## £ COMPENSATION

We're covered by the Financial Services Compensation Scheme (FSCS). The FSCS provides protection to consumers if authorised financial services firms are unable (or likely to be unable) to meet claims against them (for example, because a firm has stopped trading). Compensation depends on your eligibility, the type of business and the circumstances of the claim.

For more information on the Financial Services Compensation Scheme, and examples of limits of cover, please refer to [fscs.org.uk](https://www.fscs.org.uk)

## ? WHAT TO DO IF YOU HAVE FURTHER QUESTIONS OR IF YOU'RE UNHAPPY

If you have specific questions or concerns about the plan, please contact your adviser.

**If you're a trustee** and you need more information or have a problem, you can contact Just by phone, email or letter as follows.

**Phone:** 01737 827916 (Lines are open Monday to Friday, 8.30am to 5.30pm. We may monitor and record calls, and call charges may apply.)

**Email:** [SLIOperations@wearejust.co.uk](mailto:SLIOperations@wearejust.co.uk)

**Or write to:** The Quality Assurance Team, Just, Vale House, Roebuck Close, Bancroft Road Reigate, Surrey RH2 7RU.

If you're not satisfied with our response to your complaint, you can take the matter up with the Financial Ombudsman Service at: Exchange Tower, London E14 9SR. Phone: 0800 023 4567

Making a complaint won't affect your right to take legal action. You can get a copy of our complaints procedure from the Useful Information section of our website.

To find out more, please visit [www.wearejust.co.uk/your-money/protection-and-regulation/making-a-complaint/](https://www.wearejust.co.uk/your-money/protection-and-regulation/making-a-complaint/)



## 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 14th consecutive '5-star' award in the 'Life and Pensions' category at the 2018 Financial Adviser Service Awards.
- We have already provided nearly 600,000 retirees with a better income.
- 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](http://wearejust.co.uk)

## WHO REGULATES US?

We're authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority. We're entered on the Financial Services Register under number 232595.

## FOR MORE INFORMATION

In the first instance you should contact your adviser or contact your SIPP provider.

If you're a trustee you can email us at:  
[SLIoperations@wearejust.co.uk](mailto:SLIoperations@wearejust.co.uk)

**Please contact us if you would like this document in an alternative format.**

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

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