

**SECURE LIFETIME INCOME
INSURANCE DISTRIBUTION DIRECTIVE INFORMATION**

PRODUCT OVERSIGHT AND GOVERNANCE PROCESS

Introduction

This note provides details for intermediaries of the product governance and oversight process followed by Just in respect of the Secure Lifetime Income (SLI).

It is intended to help intermediaries with their requirement under the Insurance Distribution Directive to obtain 'all appropriate information on the product approval process' and understand how and where SLI fits the needs of the target market.

Product approval process

Just is committed to making sure our products are constructed with clear customer needs and outcomes in mind and are focused at a well-defined target market.

Approval is given during a five-stage process by our Senior Management Team (SMT), a committee of senior leaders from across Just's business, including technology, risk, legal and compliance, as well as commercial functions. The process is flexed to take into account the complexity of the product, the nature of the proposition and the target market.

Stage	Details
1 - Concept	<ul style="list-style-type: none"> Describes the target market, customer needs and a high-level proposition designed to meet these needs.
2 - Viability	<ul style="list-style-type: none"> Customer needs and risks explored together with proposed customer experience, selected distribution channel, and relevant legal and tax position. The viability phase defines the objectives, interests and characteristics of customers within the target market.
3 - Analysis	<ul style="list-style-type: none"> Research exercises run to validate the target market, test customer need and understanding of proposition. Product modelled and stress tested with the results checked against the characteristics of the target market. Distribution strategy developed to match the target market.
4 - Delivery	<ul style="list-style-type: none"> Activity focussed on delivery of the proposition and includes checks that proposition remains appropriate for the target market in view of any changes made since 'concept' stage.
5 - Post Launch Review	<ul style="list-style-type: none"> Formal review of customer profiles to determine that the product is actually reaching the identified target market. Includes feedback from intermediaries that the distribution strategy is appropriate and a check that the product benefits remain consistent with the needs of the target market.

Secure Lifetime Income information

1. Product overview and target market?

SLI is a unique annuity-based solution that is purchased by the trustee of a platform-based SIPP on behalf of its customers. In addition to a guaranteed lifetime income, it provides lump sum death benefits and a cash-in option during a set period in the early years.

The primary market for Secure Lifetime Income are customers aged 55 to 90 with existing platform SIPP funds or who are consolidating off platform pension funds into a Platform SIPP.

The core market is those aged 65 to 75 and Just anticipate a slightly older mix than is seen for traditional annuities as older customers use Secure Lifetime Income to de-risk their drawdown assets or are seeking a staged exit strategy from drawdown.

A blended retirement income approach which includes Secure Lifetime Income is most likely to suit retirement funds of between £100,000 and £500,000. Clients may be looking for additional secure income to cover regular expenditure or a lower risk mix of security and flexibility than drawdown alone.

It is not a substitute to traditional annuities for customers who are using all their pension funds to buy an annuity.

2. Is there a market not suitable for SLI and restrictions on who can apply?

Advisers have the best knowledge of their client's needs and are best placed to identify where a customer on the fringe of the target market may benefit from Secure Lifetime Income.

Secure Lifetime Income is available to customers who have an existing and active relationship with their adviser and value the benefit of regulated financial advice. Just's current view is that it should only be distributed on an advised basis.

SLI is only available on SIPPs with Platforms that have adopted the proposition. An application may only be submitted a) by an adviser and b) in respect of a SIPP that contains sufficient 'crystallised' funds for the SLI purchase price. Age and purchase price (premium) limits are also authenticated electronically.

3. Where can I find out more?

There is a full suite of literature available on Secure Lifetime Income to help advisers understand the product and how to use it within their advice process. All the items listed can be accessed via your platform or via your normal Just contact.

The table below provides a summary of where key pieces of SLI information can be found.

Item	Where further information can be found
The target market for Secure Lifetime Income	<ul style="list-style-type: none"> • Adviser Guide • Technical Summary
Proposition features, risks and costs	<ul style="list-style-type: none"> • Key Features • Personal Quotation • Customer Guide • Adviser Guide • A Technical Guide to the Cash-in Value for Advisers • Your SIPP illustration in respect of new customers to the SIPP
Information on client suitability	<ul style="list-style-type: none"> • Adviser Guide • Case Studies • Secure Lifetime Income or Traditional Pension Annuity • Frequently Asked Questions

FOR MORE INFORMATION

Please contact your normal Just contact if you have any questions about Secure Lifetime Income or would like any additional information on when and how Secure Lifetime Income is a suitable option for your clients.

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