

Key features of One Retirement

The Financial Conduct Authority is a financial service regulator. It requires us, Aegon, to give you this important information to help you decide whether One Retirement is right for you. You should read this document carefully so you understand what you are buying, and then keep it safe for future reference.

Scottish Equitable plc is regulated by the FCA in carrying out insurance business and is part of Aegon UK.

We do not offer personal recommendations

If your personal circumstances mean you need any additional support, or if you'd like a large print, Braille or audio CD version of this document, please call 03456 081 680 (call charges will vary) or visit aegon.co.uk/support

The information that follows is accurate to the best of our knowledge and belief as at August 2022.

If you're uncertain about your options, or if you have a question, your financial adviser will be able to help. If you don't have a financial adviser, you can find one by visiting www.moneyhelper.org.uk/choosing-a-financial-adviser You can also contact us, however please be aware that we can't give advice.

Before you start reading

We refer to 'you', 'we' and 'us' throughout the document. 'You' means the owner of the product and 'we' and 'us' means Aegon. In this document, Aegon means Scottish Equitable plc.

Other documents

It's important you understand how One Retirement works before you decide to buy it.

Please take some time to read this document alongside:

- The One Retirement – **Charges guide**.
- The One Retirement **terms and conditions**.
- Your personal illustration.
- Key Investor Information Documents (KIIDs) and fund factsheets for each fund you invest in.

You can find these documents in your document store. If you don't have access, or haven't yet been given these items, please contact your financial adviser, or us.

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Its aims

- To let you build up pension savings in a tax-efficient way, using one or more of the range of investment funds available.
- To let you keep your pension savings invested, if you want to, even after you start taking pension benefits.
- To give you flexibility over how and when you take your pension benefits. (See **When can I start taking pension benefits?** for more information.)
- To give you the possibility of leaving death benefits to your beneficiaries.

Your commitment

In taking out a One Retirement account, you're committing to:

- Making contributions and/or requesting a transfer to your One Retirement account that are within our contribution levels.
- Keeping any money invested until you start taking benefits. The earliest you can normally do this under current legislation is age 55 (increasing to age 57 on 6 April 2028). See 'When can I start taking pension benefits?' for full details.
- Keeping a minimum balance of 0.25% of your fund value in your cash facility and making sure there's enough money in it to cover all your charges and income withdrawals;
- Letting us know if you're no longer entitled to receive tax relief on your contributions or if you've exceeded your tax relief limit.
- Letting us know if you flexibly access pension benefits from any other money purchase pension you hold as this will restrict any contributions that can be made to a money purchase pension scheme, including the SIPP as the money purchase annual allowance will apply to you.

Risks

- The value of your investments can go down as well as up, so the value of your pension fund isn't guaranteed. It's particularly important to remember this if you're close to taking benefits, or you're taking a drawdown pension, as your investments may not have much time to recover from any losses. The final value of your pension pot when you choose to take benefits may be less than you paid in.
- Your pension income could be lower than your illustration shows for a number of reasons. For example, if:
 - Tax rules and regulations change;
 - You stop, take a break, or reduce the level of your contributions
 - Charges are higher
 - You take benefits at an earlier age
 - Your savings are worth less than expected
 - Annuity rates are lower than expected when you retire
- An investment manager's systems and your One Retirement account may show that you hold differing amounts while transactions are being processed. If this happened and we went out of business at the same time, you might not get back the full value of your investment.
- The buying power of your pension pot will fall if your chosen investment fund(s) fail to grow at a greater rate than inflation.

Each of the funds available for you to invest in will have their own set of specific risks that you should read carefully in the relevant fund specific information, including fund Key Investor Information Documents (KIIDs), factsheets or fund prospectuses.

Questions and answers

Understanding your One Retirement account

What's a One Retirement account?

It's a form of personal pension that lets you save for retirement and gives you access to a range of investments, letting you build an investment portfolio to suit your financial goals.

When you're ready to take benefits you can choose from a range of options for taking tax-free cash and/or retirement income in one account.

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.

Who can open a One Retirement account?

Your financial adviser can open a One Retirement account on your behalf, you must be:

- Aged 16 or over, (if you're under the age of 18 and not resident in Scotland the application will have to be signed by a parent or legal guardian)
- A Relevant UK individual
- Habitually resident in the UK

You can't apply if you're a United States (US) Person - for example a US citizen, US national (including dual nationals), US taxpayer, green card holder or US resident.

Please see the **One Retirement terms and conditions** for more details.

Is this a stakeholder pension plan?

It isn't, but a stakeholder plan may meet your needs just as well as this plan, and is generally available.

What's the cash facility?

Your One Retirement account comes with its own cash facility – which is used to manage the funds going into and out of it. We keep 0.25% of your contributions in your cash facility, but you and your financial adviser are responsible for making sure there's enough money to cover any payments. If your balance falls below 0.25%, or if there isn't enough money to cover payments, we'll automatically top it up by selling some of your investments. If there's not enough money in the cash facility to meet any withdrawal instructions, there might be a delay in receiving money while we sell some investments.




When you invest money in your account, we pay it into the cash facility before it's invested.

Money in your cash facility earns interest, which we calculate daily and add to your cash facility once a month. You can find the current interest rate at www.aegon.co.uk/interest-rate

If you take pension benefits as drawdown, you'll have one or more separate cash facilities to manage payment of your pension income

What are the charges?

There are three main charges:

Annual charge	Investment charge	Financial adviser charge
The cost of administering your account.	The investment manager's charge for your chosen investment.	The cost you've agreed with your financial adviser for the advice or service they've provided.
		
Paid from the cash facility.	Taken directly from the investment or included within the fund's unit price calculation.	Paid from the cash facility.

You can find full details of the charges in the **One Retirement Charges guide**. To find details of the charges that apply to you, see your personal illustration or talk to your financial adviser.

Changing your financial adviser could affect your charges as your annual and adviser charges might change. Your new financial adviser can give you a new illustration to show the effect of any changes.

If we're told you no longer have a financial adviser, their charge will stop. You'll also pay our standard annual charge and we'll confirm details of the charge before it starts.

Our standard annual charge is:

One Retirement account value	Charge
First £249,999.99	0.30%
£250,000 and over	0.00%

Transferring and making contributions

How much can I pay into my One Retirement account?

The lowest amount you can pay as a single or regular contribution is £1. There's no maximum limit on how much you or a third party can pay into your One Retirement account each tax year, but there may be tax consequences to think about – see the 'What you should know about tax?' section for more information.

Can I change my contributions or take a break from paying into my One Retirement account?

Yes. You can change your regular contribution amount at any time. You can also stop, or take a break from paying contributions then restart paying in whenever you like, leaving your savings invested. Charges will still apply if you have funds in your account and you'll still be responsible for keeping 0.25% of the total of your One Retirement account in your cash facility.

Any break is likely to reduce your future pension income. Speak to your financial adviser if you're thinking of taking a break from paying into your pension plan.

Can I transfer into or out of my One Retirement account?

Transfers in

You can transfer funds into your One Retirement account from another registered pension scheme. We'll also consider requests to transfer in from a qualifying recognised overseas pension scheme.

If you transfer capped drawdown pension funds to your One Retirement account, we'll automatically convert them to flexi-access drawdown, as we don't offer capped drawdown with One Retirement and we won't be able to convert the funds back to capped drawdown once we accept the transfer.

Please speak to your financial adviser before deciding to transfer, as there's no guarantee you'll be better off, and you may lose benefits available in your current pension scheme.

Transfers out

You can also transfer your pension savings to another registered pension scheme, or to a qualifying recognised overseas pension scheme. We won't charge you for this, but you might be charged by the other scheme. The manager of the investments you have in your One Retirement account may also charge for the sale or re-registration of those investments.

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. You can find out more information on www.hmrc.gov.uk

Managing your investments

What are my investment options?

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, and
- funds that aim to track the markets they invest in.

Can I change the funds I'm invested in?

Yes, you can do this as often as you want – called switching. We'll place the instruction with the fund manager to buy your new funds when we get confirmation of all the sale prices for all of the sale transactions.

What is rebalancing?

Over time the value of the different investments you hold will change, as some investments perform better than others. This means the mix of investments you hold will drift from the original mix, and may no longer be in line with your objectives. Rebalancing moves your investments back in line with your original investment mix. You should speak to your financial adviser if you want to set up rebalancing. There's no extra charge for using this feature.

How will I know how my One Retirement pension is doing?

We'll send you statements - normally every three months. However if you're investing only in insured funds (also known as unit-linked funds) we'll send you a statement once a year.

Taking benefits

When can I start taking pension benefits?

You can normally start taking pension benefits from age 55 (this is changing to age 57 from 6 April 2028). You may be able to take benefits 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.

How much could I get when I start taking pension benefits?

Your personal illustration shows some examples to give you an idea of benefits available from your One Retirement account. We'll also provide you with an update once a year on the anniversary of opening your One Retirement account.

What choices will I have when I take my pension benefits?

How you take your pension benefits is largely up to you. It's important you think about the different options available and shop around to find the right product(s) for you. You can take your pension benefits all at the same time, or you could decide to take them as and when you need them over a period of time. We'll write to you before you take your pension benefits and give you details of all your options, including:

- A tax-free lump sum (Pension Commencement lump sum) together with an annuity or a drawdown pension. The tax-free lump sum 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.
- An annuity
- A drawdown pension
- A cash lump sum, where usually 25% of the amount you take is tax free and the balance is taxed as income.
- A combination of the above.

Not all options are available from your One Retirement Account. We don't offer an annuity product, so you'd need to buy one from another provider.

What you should know about tax

The information in this section is based on our understanding of current taxation law and HM Revenue & Customs (HMRC) practice, which may change.

Will I get tax relief on my personal contributions?

If you're under 75, you'll get tax relief on the contributions you pay into your One Retirement account up to 100% of your relevant UK earnings (or £3,600 if less). This means that we'll add 20% (the current basic rate) to your contributions and then reclaim this from HMRC. So, if you're contributing £80 a month from your net pay, £100 will be invested in your plan.

If you pay tax at higher than basic rate, you can claim the extra tax relief via your yearly tax return or by asking HMRC to adjust your tax code.

There are certain limits to how much you can contribute to your pension and benefit from tax relief:

- If contributions of more than the current 'annual allowance' are made – the total amount that can be paid into your pension(s) each tax year (including any employer contributions) – there may be tax to pay on the excess.
- If your pension savings are greater than the 'lifetime allowance' when you come to take your benefits, you may have to pay tax on the excess.

This is a brief summary only, and there are circumstances where limits may be greater or smaller than the standard allowances – for example:

- If you flexibly access your pension benefits you'll be subject to a lower annual allowance on some of your pension contributions.
- If you're a higher earner you may be subject to a tapered annual allowance.

For more information visit www.gov.uk/tax-on-your-private-pension or speak to your financial adviser.

Will I pay tax on my investments?

- The investments you hold in your One Retirement account are generally free from income tax and capital gains tax.
- In some circumstances you may be due a rebate of a proportion of the fund manager charges you pay. These rebates are paid gross, so there's no income tax to pay.

How much tax will I have to pay when I take benefits?

You can normally take up to 25% of your pension pot as tax-free cash. Any drawdown pension income or annuity you take is taxed at your marginal rate (this is the rate you'll pay on the next pound you earn).

If you take your pension pot as a full lump sum or a small pot lump sum normally 25% of the amount you take is tax-free, with the rest being taxed at your marginal rate. However, the amount that can be paid tax-free when you take your pension pot as a full lump sum may be restricted to 25% of your remaining lifetime allowance. This restriction doesn't apply to small pots.

For more information on the lifetime allowance, visit www.hmrc.gov.uk/tax-on-your-private-pension

Death benefits

What happens to my pension savings when I die?

You can nominate one or more individuals, a trust or a charity to be considered as beneficiaries, and tell us how much you'd like each of them to receive when you die. If your One Retirement account 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.

What tax is payable on death benefits?

As a general rule, the tax due on any lump sum or income paid to your beneficiaries depends on your age when you die.

If you:

- Die before age 75 – death benefits will be tax-free if paid within two years. If there's a lifetime allowance charge, this must be paid by the person receiving any lump sum or income.
- Die on or after age 75 – death benefits will be taxed at the beneficiary's marginal rate of income tax. There'll be no test against your remaining lifetime allowance.

This is just a brief overview, and there are exceptions. Visit www.hmrc.gov.uk for more information, or speak to a financial adviser.

Other important information

Cancellation rights

You have 30 days from the date you receive your One Retirement documents to cancel, this will be the later of:

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

We'll tell you if a different cancellation period applies to you.

Regular payments

Only the first regular payment you've made will have cancellation rights. If you choose to cancel, we'll return this payment to where it came from. If you decide to increase the level of payments in the future you won't 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 your One Retirement account will have cancellation rights. We'll return this payment to where it came from. Single payments 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 fund manager or scheme. If they don't agree to accept the money back, and you still want to cancel, you'll need to arrange for another provider to accept the payment.

Can I cancel once I've started to take benefits?

Cancellation rights will apply the first time you take pension benefits from your uncrystallised funds and move into flexi-access drawdown. 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, including any Pension Commencement Lump Sum.

If you take an uncrystallised funds pension lump sum, there are no cancellation rights. Once we pay you, the transaction can't be reversed and you can't pay the money back to us.

How do I cancel?

You can write to, or phone us using the details in the 'Contact us' section.

What will you pay?

Providing you cancel within the 30-day period, your cash, any ongoing adviser charge that we've not yet taken from your cash facility, and any annual charge will be returned to you. We'll let you know if we've paid out an ongoing adviser charge and you can contact your financial adviser about this.

However, please bear in mind the following points:

- If the value of your investment falls between the date your money was invested and the date Aegon receives your instruction to cancel, you may get back less than you invested.
- If the value of your chosen investment rises between these two dates, you'll only receive back the amount invested.
- We pay interest on cash held in the cash facility, but you'll only get back the value remaining after we account for any applicable payments described above.

Before sending your money to you, we may need to carry out additional security checks and make sure all payments have been cleared, which may delay payment to you.

Can I cancel after 30 days?

You won't be able to cancel outside the 30-day period, and the investment will be subject to the risks detailed in this document and the KIID(s) for the fund(s) you have chosen to invest in. If you want to withdraw after this period, then all fund management charges will apply and there may be tax to pay on your investment.

What happens if I don't cancel?

If you don't cancel in the 30-day period, your One Retirement account will continue and be subject to the risks and conditions detailed earlier in this Key Features.

About us

We're a purpose-led business that helps our customers reach a lifetime of financial security. We work with advisers, employers and individuals to offer long-term savings, investments, pension solutions and protection products. Aegon UK started out as Scottish Equitable back in 1831. Over the years, we've evolved our brand by combining our proud heritage with Aegon's global strength and insight.

How to contact us

If you have any questions about your product, you should first contact your financial adviser, if you have one. You can also phone or write to us, or visit our support and contact pages at aegon.co.uk/support

Aegon Digital Solutions, Sunderland SR43 4DL

Call: 03456 081 680, Monday to Friday, 9am – 5pm.

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

Making a complaint

We hope you never have cause to complain, but if you do, the first step is to contact us using the details in the 'How to contact us' section. We'll deal with your complaint in accordance with our complaints procedure. You can also read our complaints procedures for full details, you can contact us for a copy, or find it on our website www.aegon.co.uk/support

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

The Financial Ombudsman Service
Exchange Tower
London
E14 9SR

Phone: 0800 023 4567

Email: complaint.info@financial-ombudsman.org.uk

www.financial-ombudsman.org.uk

Making a complaint unless made to the Pensions Ombudsman will not prejudice your right to take legal proceedings.

For pension related complaints you can also contact

The Pensions Ombudsman
10 South Colonnade
Canary Wharf
London
E14 4PU

Phone: 0800 917 4487

Email: enquiries@pensions-ombudsman.org.uk

www.pensions-ombudsman.org.uk/

If your complaint relates to financial advice, you should speak to your financial adviser.

Others involved in your investment

- Financial adviser – may buy and sell investments on your behalf, and may provide financial advice and other ongoing services. Aegon only operates with financial advisers authorised and regulated by the Financial Conduct Authority (FCA).

Your financial adviser has responsibility for making sure the investment is suitable for you. They may charge you a fee for the services they provide.

- HSBC – the bank where your cash facility money will be held. We use separate accounts to keep investors' money separate from our own.
- Investment managers - also known as investment providers, they manage and provide the different investments options available through One Retirement.
- Manage conflicts of interest fairly, to make sure all customers are treated consistently and to prevent any conflicts of interest from giving rise to a material risk of damage to the interests of our customers.
- Make sure that staff identify and report any new conflicts using the procedures we have in place.
- Keep a written record of any conflicts or potential conflicts.

Support we may give to your adviser

We provide adviser firms and financial advisers with additional benefits that are designed to enhance the quality of their service to you. These benefits may include some or all of the following: training, software, seminars and marketing materials. Further details of any benefits received from us are available on request from your adviser firm/ financial adviser

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.

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 makes sure you get full information about any products you buy.

If, under the regulations, you're a professional client or eligible counterparty, we'll 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

During your investment, conflicts of interest may arise between you and us, our employees, our associated companies or our representatives. To make sure we treat investors consistently and fairly, we're required to have a policy on how to identify and manage these conflicts.

A summary of our policy is detailed below. If you'd like a copy of our full policy, please contact us.

We'll:

- Consider the interests of all our customers and treat them fairly.

This policy applies to any company to whom we delegate any of our responsibilities.

Can I get compensation from the Financial Services Compensation Scheme?

Your plan is covered by the Financial Services Compensation Scheme (FSCS). You may be entitled to compensation from the scheme if we, or the bank holding the money in your cash facility, can't meet our obligations for example, if we were to become insolvent and unable to meet the claims against us. The One Retirement pension is a contract of insurance. Insurance business of this type is generally covered for 100% of the value of the whole claim, without limit.

Money held in your cash facility is held on deposit with a Banking third party on our behalf. If we become insolvent, your cash is protected in accordance with the Financial Conduct Authority's client money regulations. If the Banking third party becomes insolvent, you may be entitled to compensation under the Financial Services Compensation Scheme. Deposits are covered for 100% of the first £85,000 of each customer's claim with each deposit-taking institution.

For details of what you may be entitled to claim, please read our document – **Investor protection through Aegon Retirement Choices and One Retirement**

It's important to note that if you have other bank deposits with HSBC (the bank we use to provide the cash facility), the FSCS will combine these with the amount held in your cash facility. Only one FSCS deposit limit is available to offset against your combined holding with HSBC.

For more details please visit www.fscs.org.uk

Terms and conditions

This document explains the key features of One Retirement. It doesn't include all the definitions, exclusions, and terms and conditions. You can find full details in your Terms and Conditions. Your document library contains the terms and conditions that applied when you opened your pension.

We have the right to make changes to the Terms and Conditions in certain circumstances. If this happens, we'll contact you and explain the changes.

Law and language

All correspondence will be made in English. All communications from us will normally be by letter or telephone. 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.

Solvency Financial Condition Report

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

aegon.co.uk



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Aegon UK



Aegon UK



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