

Legal & General Group Stakeholder Pension

Product Summary: August 2024



Product Summary

This document is intended for professionals only and is designed to provide essential information to assist you in fair value assessment of this product.

Product Governance

The Legal & General Group Stakeholder Pension Plan is provided by Legal & General Assurance Society Limited (LGAS), who is also the Scheme Administrator.

LGAS, with the oversight of the Independent Governance Committee (IGC), is responsible for making sure the features, services and investment options offered through the Scheme are appropriate for employers that utilise the pension arrangement for their employees, and, ultimately, the policyholders (members) with whom we have a direct contractual relationship with.

The [Statement of Investment Principles](#) sets out what we aim to achieve with the investment options offered and shows how our investment policies guide the way in which members' money is invested.

Fair Value Assessment

Outcome



Pass

The Legal & General Independent Governance Committee (IGC) oversees the Scheme and assesses whether the product provides value for money for members. The annual assessment reporting can be found at [Legal & General - Annual report](#).

The outcome from the IGC satisfies us that this product provides fair value.

We will update this document if this is no longer the case, at the earliest opportunity.

Assessment approach

The IGC regularly assesses the performance and value of the Scheme and will publish their value for money assessment annually covering a period of January to December.

In assessing value for money, the IGC considers whether members are getting a good deal by reviewing eight different aspects of the scheme:

- Default strategies and investment choice
- Investment performance
- Member service and administration
- Costs and charges
- Member engagement and communications
- Accessing the pension
- Environmental, social and governance (ESG) investing.

Target Market

Criteria	Target market	Potential eligibility
Age	16 – 75 Can remain invested up to 99 years.	
Stage of life	Employees • over the age of 16 • automatic enrolment • right to opt in Retirees • existing employee members who reach retirement age	
Residency	UK residents	
Tax status	Any	UK taxpayers and non-taxpayers receive tax relief on their own contributions, whether these are collected by the employer via net-pay or salary sacrifice arrangements. This is subject to the following limitations: • no tax relief is received if salary is below the starting threshold for income tax and the contribution is made via salary sacrifice. • Tax relief on contributions paid by members who become non-UK residents and non-taxpayers is subject to a cap of 5 years and £3,600 gross per year. Exceptions apply. Benefits on death are paid on a discretionary basis and are excluded from the deceased member's estate for IHT purposes.
Other Financial Products Held	Not applicable	

Criteria	Target market	Potential eligibility
Customer profile / Employment status	Employees - automatic enrolment (AE) Mass market customers employed by a participating employer. Consolidation Existing members with multiple pension pots. Retirement Maturing existing members seeking to retain their pension account for flexible income payments.	Employees – non-AE - Any customer employed by a participating employer and wishing to join the pension scheme. - Over the age of 16 or aged over state pension age and less than 75. - Earning less than the lower earnings threshold with right to join a pension scheme. - Earning over the upper earnings threshold with right to join a pension scheme.
Financial expertise	No financial expertise is necessary to join and contribute to this product, however some level of financial knowledge is required if the member wishes to make an active fund choice.	
Attitude to risk	Members must be prepared to accept <i>some</i> risk to capital.	
Ability of the customer to understand the Product	No prior understanding of pensions is necessary.	
Income / wealth	Employees Earnings equal to or greater than the current earnings threshold set out in automatic enrolment legislation. Retirees Existing members seeking on-going investment income. Consolidation Existing members with multiple pension pots.	Employees Those earning less than the current earnings threshold set out in automatic enrolment legislation. There is no product minimum contribution when part of a group pension scheme.

Criteria	Target market	Potential eligibility
Length of investment	There is no minimum period or term of investment. Investments can be held during pre-retirement phases up to age 99.	
Investment Aims	Those seeking to: • Save for retirement. • Provide an income, cash lump sums or a combination of both at any time from retirement age (or earlier where serious ill health or protected retirement age). • Not be reliant on state benefits in retirement. • Grow their investment over the medium to long term. • Provide a cash lump sum for a spouse, registered civil partner or dependents if they should die before them.	
Required Flexibility in Retirement Planning	Those seeking to: • Take savings in one or more cash lump sums • Take a flexible regular income (via an external pension provider or the Legal & General Personal Pension) • Consider open market option • Take a combination of these, or • Purchase an annuity (guaranteed income).	
Customers with vulnerability characteristics	We recognise that all customers within our target market are at risk of becoming vulnerable at any time. They may become more or less vulnerable, and so have an increased or reduced risk of harm or disadvantage throughout their lives. We provide additional support to customers in vulnerable circumstances throughout the life of the product, from enrolment and throughout the servicing journey and use learnings to support and inform future initiatives. • We consider vulnerability in all product design and process improvements. • We consider vulnerability in all communication channels available to customers and focus on using clear/jargon free language. • We have robust oversight and controls in relation to the treatment of customers in vulnerable circumstances. • Vulnerabilities are recorded to ensure this information influences customer support activity. • Training programmes ensure new and existing staff have the skills and capabilities to support customers in vulnerable circumstances. • Robust consumer testing ensures our customers can understand and use the products and services available to them. Intermediaries are expected to comply with their obligations to ensure customers in vulnerable circumstances are treated fairly.	

Product Features

Summary of key member features and services

Insured funds	Access to a wide choice of investment options including: • Legal & General funds such as index-trackers, Target Date Funds, actively managed funds, and our innovative Future World Fund range with its positive ESG stance • Funds from specially selected external fund managers
Contributions	• Regular contributions - employer and employee (Four-weekly and monthly payment frequencies) • Single contributions - employer and employee • Transfers-in including ○ defined contributions ○ defined benefits under £30,000 ○ defined benefits over £30,000*, ○ with profits*, and ○ any guaranteed assets* ○ Divorce pension credits^, * Can only be accepted where a financial adviser has provided a positive advice recommendation • ^ Can only be accepted into an existing member's pension pot
Fund switching	Member can switch existing fund(s) and/or redirect future contributions at any time.
Salary Sacrifice	If an employer wishes to use a salary sacrifice arrangement for pension contributions, we can accept these as employer contributions.
Pension access options	Tax-free cash lump sum: • Members will normally be able to take a tax-free cash lump sum of 25% of the fund being crystallised. If a member has a protected higher amount, we can accommodate this. As an Uncrystallised Fund Pension Lump Sum: • From age 55, some or all of a pot can be paid as a lump sum. 25% of the lump sum payment is tax-free with the remaining amount being taxable. As an annuity: • Members can opt to buy a lifetime or fixed term annuity (guaranteed income) from Legal & General or another annuity provider. Transferring out: • Option to transfer to another pension provider to access their retirement options. Ill-health / serious Ill-health • If the member is unable to work due to ill-health / serious ill-health, it is possible that they can take their benefits if the HMRC requirements are met. This option does not have a minimum age requirement. • Note: Flexi-Access Drawdown is not available within the Stakeholder Pension Plan, but the member may transfer to the Legal & General Personal Pension in order to access Flexi-Access Drawdown.

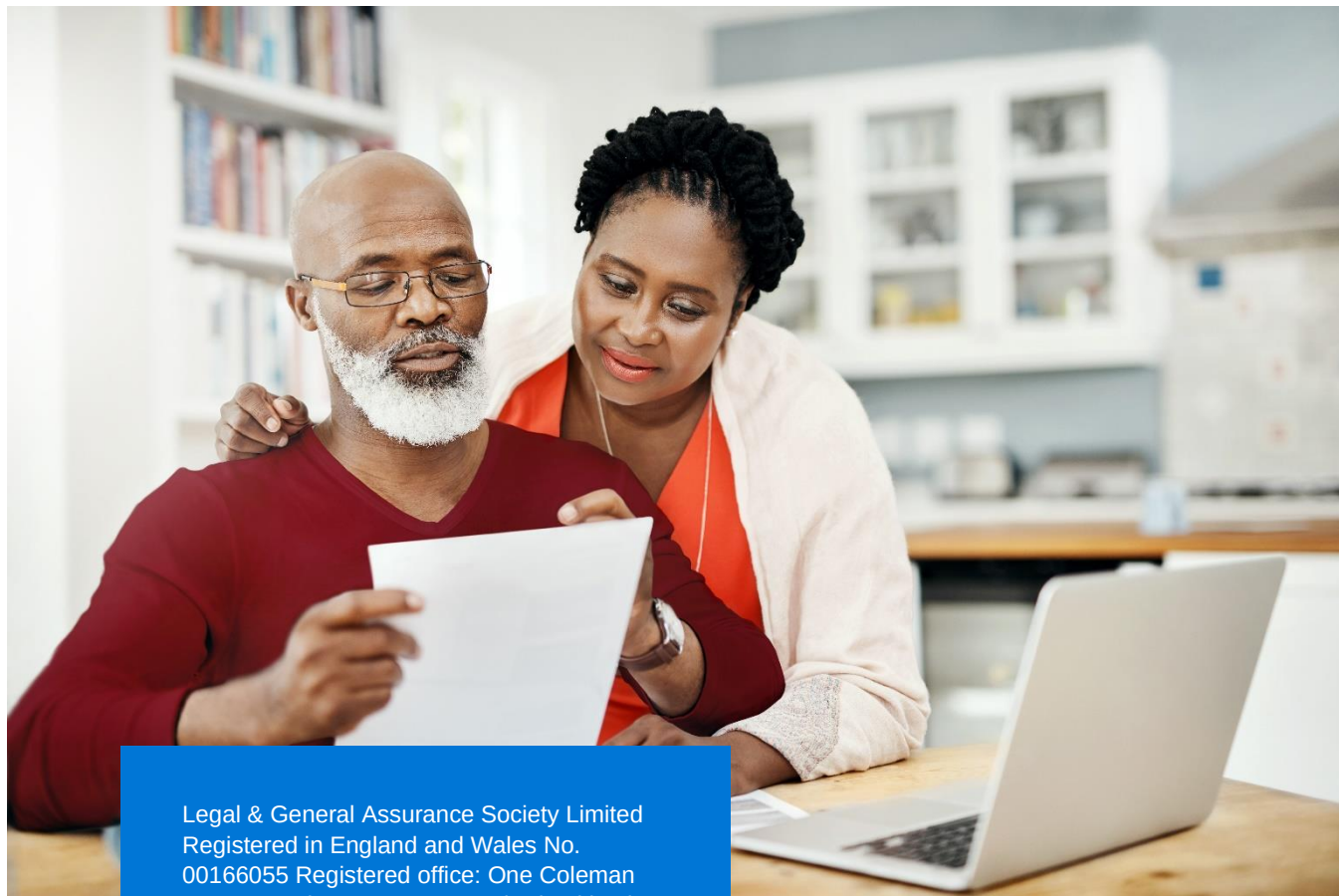
Manage Your Account	Allows members the ability to view and manage their pension pot online 24/7.
Online resources and tools	A range of online education materials and useful tools to help members manage their workplace pensions. An online financial wellbeing hub which provides practical tools and information to help support with budgeting and planning for key events throughout their lives.
Pension tracing and consolidation	Our pension tracing and consolidation service is available through Manage Your Account. There are some circumstances where we are not able to accept transfers without a positive recommendation to transfer from a financial adviser.
Beneficiary options	Members can tell us who they would like to receive the value of a pension pot in the event of their death. Payment options are described to the member's beneficiary at the time they claim but can include cash lump sum and guaranteed annuity.
Tax relief	We operate tax relief on a 'Relief at Source' basis. When we receive member regular and/or single contributions, we immediately add basic rate tax relief, and it will be invested in the relevant fund(s). For higher rate and additional higher rate taxpayers, they will need to reclaim their additional tax relief through their self-assessment tax return.

Costs and charges

Summary of costs and charges (Insured funds)

Basic Annual Management Charge (BAMC)	This charge covers the cost of running the plan, and the cost of administering any investment fund that is managed by Legal & General. The BAMC is something we agree with the employer. We work out the charge daily and take it from members' fund(s) for the previous month by cashing in units
External Funds Annual Management Charge (EFAMC)	This is an additional charge, set at 0.15% each year, which we only take if a member is invested in a fund that is not managed by Legal & General.
Switch fees	Currently, there is no charge for switching and no limit to the number of switches. Legal & General will notify members in advance if this changes in the future.





Legal & General Assurance Society Limited
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