

# Key features of the Stakeholder Pension Plan

**This is an important document.  
Please read it and keep for future reference.**

**The Financial Conduct Authority is a financial services regulator. It requires us, Phoenix Life Limited trading as Standard Life, to give you this important information to help you decide whether our Stakeholder Pension Plan 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.**

**This key features document is for a UK pension plan and is for use by UK residents only. When we refer to 'Standard Life' we mean Phoenix Life Limited, trading as Standard Life.**

## Helping you decide

This key features document will give you information on the main features, benefits and risks of the Stakeholder Pension Plan.

A personal illustration is also enclosed. It will show you the benefits you may get in the future.

Your key features document and illustration should be read together.

We will always be happy to answer any of your questions or give you more information but we can't give you financial advice. Our contact details can be found on page 8.

Go online at [www.standardlife.co.uk](http://www.standardlife.co.uk) for any documents mentioned.

## 1. Its aims

- To provide a tax-efficient way to save for your retirement
- To give you control over your investments
- To give you choice over how and when you take your benefits
- To provide benefits for your beneficiaries on your death
- Not all the retirement options available from age 55 (rising to 57 from 2028) are available under this product. You can easily access these options by transferring to another product that allows them

## 2. Your commitment

- To make at least one payment into your plan.
- To tell us if you stop being eligible to receive tax relief on your payments.
- To regularly review your plan, and the level of payments being made, to make sure you're on track to meet your retirement goals.

## 3. Risks

This section is designed to tell you about the key product risks that you need to be aware of at different stages of the plan.

### At the start of the plan

If you change your mind and want to cancel the plan you may get back less than was paid in. Please see 'Can I change my mind?' on page 6.

If you're transferring benefits from another pension scheme, there is no guarantee that what you'll get back from the Standard Life Stakeholder Pension Plan will be higher. You may get back less. You may also be giving up certain rights in your other pension scheme that you'll not have with the Standard Life Stakeholder Pension Plan.

It is important that you take advice from a pension transfer specialist before you consider transferring out of a defined benefits scheme. If you are part of a corporate scheme, you could lose out on lower charges and other benefits if you transfer out. There is a high risk of you losing valuable benefits if you transfer from a scheme with existing benefits.

Where some benefits were built up in an occupational scheme prior to 6 April 2006, there may be a right to take more than 25% of the benefits as a tax-free lump sum at retirement. This right would be lost on transfer and the tax-free lump sum would be limited to 25%.

Also there may be a right to start to receive benefits before reaching age 55. This right would be lost on transfer and the earliest when benefits could be taken would be age 55 (rising to 57 in 2028).

Transferring other pensions will not be right for everyone. You need to consider all the facts and decide if it is right for you.

## Investment

Your plan may invest in different types of investments, including investments based on stocks and shares, which carry different levels of risk. As with any investment, the value of your plan can go down as well as up, and may be worth less than was paid in.

There are also risks involved in relying on the performance of investments within a single asset class, rather than spreading your investments over a variety of asset classes.

If you do not specify an investment choice, we will invest all payments in the registered default lifestyle profile, which is the Stakeholder Universal Strategic Lifestyle Profile. Please be aware that this may not fit your individual needs.

There are other investment risks you need to be aware of. These include:

- For with-profits investments, we apply smoothing to even out the ups and downs of investment performance, which means that your benefits could be lower or higher than they otherwise would have been. We may reduce or remove smoothing in certain circumstances

- Some funds invest in overseas assets. This means that exchange rates and the political and economic situation in other countries can significantly affect the value of these funds. Your investment may be worth less than you paid in
- You'll probably be one of many investors in each fund you're invested in. You can transfer or switch your funds at any time, but sometimes, in exceptional circumstances, we may wait before we carry out your request to transfer or switch out of a fund. This is to maintain fairness between those remaining in and those leaving the fund

This delay could be for up to a month. But for some funds, the delay could be longer:

- It may be for up to 6 months if it's a fund that invests in property, because property and land can take longer to sell
- If our fund invests in an external fund, the delay could be longer if the rules of the external fund allow this

If we have to delay a transfer or switch, we'll use the fund prices on the day the transaction takes place – these prices could be very different from the prices on the day you made the request

For further information about the investments available on your Stakeholder Pension Plan and the risks involved, please refer to 'How to choose the right investment options for your pension' (SPP5).

## Taking your benefits

Your guaranteed income for life (annuity) may be lower than shown in your personal illustration. This could happen for a number of reasons, for example if:

- you stop paying into this pension plan, or take a break
- payments into the plan are lower than illustrated
- the performance of the fund(s) you have chosen is lower than illustrated
- tax rules and legislation change
- plan charges increase above those illustrated
- you buy your annuity at a different age from the age used in your personal illustration
- for with-profits investments, your plan value is less than it otherwise would be because of smoothing

In addition, the cost of buying a guaranteed income for life (annuity) when you retire could be higher than illustrated, for example, due to interest rates being lower and/or people living longer.

## 4. Questions and answers

This section will help answer questions you may have. We start with some general questions and then cover payments, investment choices, benefits at retirement, tax, and charges and discounts. We end the section with Other important questions on page 6.

### What is a Stakeholder Pension Plan?

It's a pension plan that lets you save for your retirement in a tax-efficient way.

### How flexible is it?

You can make regular, irregular, single or transfer payments, or a combination of some or all of the above, at any time.

You'll have one or more accounts within your plan. We'll create an account to receive any regular and irregular payments. A separate account will be created for each single and transfer payment. You'll choose an investment instruction and adviser remuneration basis for each account.

If we receive an irregular or single payment with no investment or adviser remuneration instructions we'll apply this payment to the regular account. If you phone us to make an ad-hoc payment, or do this online, we'll treat this as an irregular payment.

You can change the amount of your regular payments at any time, subject to the minimum payment amount. Please see 'How much can be paid into my plan each year?'

Regular payments are usually monthly or yearly, but you can choose any frequency that suits you.

Payments are usually payable by direct debit, debit card such as Visa Debit etc., telegraphic transfer, cheque or standing order.

You can stop paying or take a payment break and restart later if your circumstances change. This may reduce your future retirement benefits.

We will accept irregular payments by direct credit, telegraphic transfer, cheque or online. Irregular payments will be applied in the same way as your regular payment investment instruction.

You can make a transfer payment from another pension scheme at any time. There is no guarantee that what you'll get back from the Standard Life Stakeholder Pension Plan will be higher than you would have received under your other plan. You may get back less. You may also be giving up certain rights in your other pension scheme that you'll not have with the Standard Life Stakeholder Pension Plan.

Single and regular payments can also be made by your employer or a third party.

Your payments can be made by your employer from your after tax earnings. Changes to your payments made this way are subject to your employer's agreement.

If you leave your current employer, you will remain invested in the plan and you can continue making payments into it. However, any payments made by your employer will stop.

You can transfer your plan to another pension plan (either with Standard Life or another provider) or registered pension scheme at any time before you start taking your benefits.

### Am I eligible?

If you're under 75 and a UK resident, you can normally join this plan.

## 4.1 How much can be paid into my plan each year?

If you're employed, both you and your employer can pay into your plan. Payments can also be made by a third party.

The minimum payment is £20 including basic-rate tax relief.

In each tax year, if you are a 'relevant UK individual' you can pay:

- up to £3,600 (including basic-rate tax relief) regardless of your earnings, or
- up to 100% of your relevant UK earnings for that year (including basic-rate tax relief). If your payments exceed the Annual Allowance then a tax charge may apply. See 'What about tax?' on page 5

These limits are set by the government and apply to the total payments made by you and any third party to all your pension arrangements. A tax year runs from 6 April in one year to 5 April in the next year.

You are a 'relevant UK individual' if:

- you are resident in the UK for tax purposes, or
- you have relevant UK earnings, or
- you were a UK resident sometime in the previous five tax years and when you joined, or
- you have, or your spouse or civil partner has, earnings from overseas Crown employment subject to UK tax

Relevant UK earnings means:

- If you are employed, the income you receive from your employer in a tax year (including any bonuses, commission or benefits in kind that you receive), or
- If you are self-employed the income you receive in a tax year from carrying out your trade, profession or vocation, or from patent rights

This income must be taxable in the UK.

If you have other retirement benefits built up under previous occupational pension schemes, Stakeholder pension plans, personal pension plans or pension policies, you can also transfer the cash values of those benefits into this plan. The minimum amount for a transfer is £20. Transferring will not be right for everyone.

We strongly recommend you speak to a financial adviser before transferring.

## 4.2 Where are the payments invested?

We offer lifestyle profiles, a range of investment-linked pension funds and a with-profits fund for you to choose from.

If you are starting a Stakeholder Pension Plan and you do not specify an investment choice, we will invest all payments in the default lifestyle profile (sometimes referred to as the ready-made option), which is the Stakeholder Universal Strategic Lifestyle Profile (SLP). There are other lifestyle profiles available, some of which might better support your specific retirement goals.

Lifestyle profiles aim to make it easy for you as you prepare for retirement by gradually and automatically moving your money into carefully chosen funds designed to reflect how you plan to take your pension savings.

If you invest in a Lifestyle profile and you wish to combine this with another investment option, you can only combine it with investment in with-profits. You cannot combine it with any other investment fund or Lifestyle profile.

We also offer a wide range of investment-linked pension funds.

Funds are made up of 'units' and we use 100% of your payments to buy units in the fund(s) you choose. Your plan value is based on the number and price of the units you have.

You can switch your payments in and out of various funds to change the mix of investments. We may delay switching in some circumstances. You can only invest in up to 12 of our funds at any one time.

As with any investment, the value of your fund can go down as well as up, and may be worth less than was paid in.

Read our 'How to choose the right investment options for your pension' guide ([SPP5](#)). You can call us for a paper copy on 0800 634 7476. Call charges will vary.

More Information about our funds can be found online at <https://www.standardlife.co.uk/investments/funds>

## 4.3 What might I get when I want to retire?

Your final plan value could be used to buy a guaranteed income for life (annuity), which is an income for the rest of your life, from us, another pension provider or registered pension scheme. The amount of guaranteed income will depend on a number of factors at the time, for example:

- annuity rates
- your age and state of health
- life expectancy rates
- the options you choose when buying your annuity (for example, choosing an annuity that increases in payment each year, or including an annuity for a dependant when you die)
- for with-profits investments any discretionary adjustments, up or down, for example for smoothing

### What choices might I have when I retire?

A guaranteed income for life (annuity). This locks you into the choices you make at the time you purchase the guaranteed income and the annuity payments will be taxed as income.

A flexible income (drawdown). This is done by income drawdown and allows you to either withdraw regular income payable monthly or yearly or take unlimited withdrawals. All withdrawals are treated as taxable UK income. You can change your options at any time as your needs become clearer.

Whether you're thinking about flexible or guaranteed income – take time to shop around for the best deal. You could transfer your pension plan to another provider and you might get better retirement benefits.

One or more lump sums. You can take your full retirement savings as one or more lump sums. 25% is normally tax free but anything over this is taxed as regular UK income. You'll also need to consider how your tax position is affected as taking this option could push you into the higher tax bracket.

You can also choose to use a combination of these options. With each you can normally take 25% of the benefits tax-free.

Not all of these retirement options are available under this product. You can easily access these options by transferring to another product that allows them.

If you choose a flexible income option, it's important to remember that your money stays invested, so its value can go down as well as up. You may get less back than was paid in. And, if you take it all out as a lump sum, you need to think about the tax you'll pay. You'll also need to consider how your tax position is affected as taking this option could push you into a higher tax bracket.

You can choose a smaller annuity for yourself so that you also provide an annuity for your spouse, civil partner or other dependant(s) after you die.

You can start taking your benefits at any time between the ages of 55 (rising to 57 in 2028) and 75, including while you're still working.

- You must normally start taking it by age 75
- You can take your benefits in stages if you want to
- You can normally start taking your benefits before age 55 (rising to 57 in 2028) only on grounds of ill health

We recommend you seek appropriate guidance or advice before you make any decisions.

From age 50 you can also get free impartial guidance from Pension Wise, a service from MoneyHelper. Visit [www.moneyhelper.org.uk/pensionwise](http://www.moneyhelper.org.uk/pensionwise) or call 0800 138 3944. MoneyHelper guides are also available at [www.moneyhelper.org.uk](http://www.moneyhelper.org.uk)



#### 4.4 What about tax?

We give a short explanation about tax below. For more information, please read 'Information about tax relief, limits and your pension' (GEN658). You can find this at [www.standardlife.co.uk/taxandpensions](http://www.standardlife.co.uk/taxandpensions), or phone us for a paper copy.

#### Tax relief on payments to your plan

You'll get tax relief on payments normally at your highest Income Tax rate.

We'll claim the tax relief for you at the basic rate from the government and invest it in your plan. If you're a higher or additional-rate taxpayer, you'll need to claim the extra tax relief from the government.

If you exchange salary in return for a payment from your employer to your plan, you don't get tax relief on that payment. However, you'll reduce the amount of salary that's subject to income tax.

The government has an Annual Allowance for the total payments that you, your employer and any third party can make to all your pension plans (excluding transfer payments).

You may have to pay a tax charge on any payments that exceed this limit. If the total payments to all your plans are less than the limit in one tax year, you may be able to carry forward unused allowance for up to three tax years.

There are circumstances where you may have a personal Annual Allowance that's different; speak to your financial adviser for more details.

The funds you invest in are not liable for UK Capital Gains Tax.

#### Tax treatment when taking your benefits

You can normally take some of your pension pot as a tax-free lump sum at your pension date.

The government has a Lifetime Allowance on the total amount in pension plans that can be used to provide benefits to you. Any funds over this allowance will be liable to a tax charge.

There are circumstances where you may have a personal Lifetime Allowance that's higher; speak to your financial adviser for more details.

Your guaranteed income will be taxed in the same way as your earned income.

Your dependants won't normally have to pay income tax on any lump sum they get if you die before age 75. However, if any part of the lump sum exceeds your Lifetime Allowance, that part will be liable to a tax charge.

Laws and tax rules may change in the future. The information here is based on our understanding in November 2022. Your personal circumstances and where you live in the UK also have an impact on tax treatment.

## 4.5 What are the charges & discounts?

We charge for managing your plan and investments. We take the charges from the fund value.

There is an annual charge of 1% of the value of the funds you accumulate. This is taken as a daily fund management charge.

If your fund exceeds £25,000 we reduce the effect of the yearly charge by adding extra units to your fund each month to the value of 0.1% of your fund each year. If your fund exceeds £50,000, we add extra units each month to the value of 0.2% of your fund each year. These figures are current values and could change in the future.

We'll continue to take charges even if you stop making payments. This could mean that if you stop making payments and don't restart them, our charges could reduce your plan value by the time you retire.

If you've asked for a personal illustration, it will show our charges and their effect on the value of your Stakeholder Pension Plan over the time you have the plan.

We regularly review our charges and may alter them to reflect changes in our overall costs, or assumptions. Any increases will be fair and reasonable.

However, as the Government has set a maximum charge that can apply to Stakeholder pensions (currently 1.5% each year for the first 10 years and 1% each year after that), the charges on your plan cannot exceed these limits. These Government limits could change in the future.

## 4.6 Other important questions

### What happens to the plan if I die before I retire?

We will pay out your pension pot to your beneficiaries normally inheritance tax-free.

- If you die before age 75, this will be free of income tax
- If you die after age 75, this will be taxed as income at your beneficiary's marginal rate

You can tell us about the people and causes you care about by filling in our Payment of death benefits form (PPP36). We will take your wishes into account when making our decision but won't be bound by them.

### Can I transfer my plan?

You can transfer your plan to another pension provider or registered pension scheme at any time before you start taking your benefits. We make no transfer charge. However, to ensure fairness, if you have invested in with-profits, we may reduce or remove smoothing in certain circumstances.

### Can I change my mind?

You have a 30 day period to consider if you want to change your mind. This 30 day period starts from the date you receive the plan documents. During this period, if you decide you want to cancel, you should call us or write to us at the address shown in the 'How to contact us' section on page 8, instructing us to cancel the contract. Please make sure that you include your plan number in any correspondence with us.

If you start the plan with a single payment and cancel during the 30 day period, you may get back less than you paid in. This is because we may make a deduction to reflect any market loss we have experienced between the date we received your payment and the date we received your instruction to cancel.

If you decide to cancel, and we have already received payment, we will refund the payment to the person who made it.

Please note, for regular payments, it is only the initial payment that you choose to make that will have cancellation rights.

If we are returning a transfer payment, you must speak to the transferring scheme to get their agreement to accept the money back. We will then return the transfer payment. If the value of your investment falls before we receive your instruction to cancel, we may deduct an equivalent amount from the refund. The transferring scheme may charge you for taking the payment back. If they will not accept it back, and you wish to proceed with the cancellation, then you must arrange for another pension provider to accept the payment.

At the end of the 30 day period you will be bound by the terms and conditions of the plan and any money received by Standard Life will not be refundable under the cancellation rule.

Please note that if you cancel your plan, any irregular payments which we've applied to the regular payment account will be refunded to the person who made it.



## How will I know how my Stakeholder Pension Plan is doing?

You can check your plan details at our website – [www.standardlife.co.uk](http://www.standardlife.co.uk)

We will send you a yearly statement to show how your plan is doing.

You can also get an up-to-date valuation at any time by going online or calling our customer helpline.

## 5. Other information

### How to complain

We have a leaflet that summarises our complaint handling procedures. If you'd like a copy, please ask us.

If you ever need to complain, contact us using the details on page 8. If you aren't satisfied with our response, you may be able to complain to:

The Financial Ombudsman Service  
Exchange Tower  
Harbour Exchange  
London  
E14 9SR

Phone: **0800 023 4567**

Online: [www.financial-ombudsman.org.uk/contact-us/](http://www.financial-ombudsman.org.uk/contact-us/)

Complaining to the Ombudsman won't affect your legal rights.

### Terms and conditions

This document gives a summary of Standard Life's Stakeholder Pension Plan. It doesn't include all the definitions, exclusions, terms and conditions, which are given in the Policy Provisions Booklet.

For a copy of this booklet, please ask your financial adviser or contact us direct.

We have the right to change some of the terms and conditions. We'll write to you and explain if this happens.

### Law

The law of Scotland will decide any legal disputes.

### Language

The English language will be used in all documents and future correspondence.

### Compensation

The Financial Services Compensation Scheme (FSCS), established under the Financial Services and Markets Act 2000, has been set up to provide protection to consumers if authorised financial services firms are unable, or likely to be unable, to meet claims against them.

Your plan is classed as a long term contract of insurance. You will be eligible for compensation under the FSCS if Standard Life becomes unable to meet its claims and the cover is 100% of the value of your claim.

If you choose one of our funds that invests in a mutual fund run by another firm, Standard Life is not eligible to claim compensation under the FSCS if that firm is unable to meet its claims. The price of a unit in our fund will depend on the amount that we recover from the firm.

If you choose one of our funds that invests in a fund run by another insurer you are not eligible for any compensation under the FSCS if that insurer is unable to meet its claims. Standard Life is not eligible to make a claim on your behalf.

In addition to FSCS protection your funds will be protected by the requirement for the fund manager to appoint a depository and custodian. One of the primary functions of the custodian is the safekeeping of securities and cash in deposit accounts, held in the name of the depository. This has the effect of segregating the funds from the fund manager's own monies and effectively protects the client's investments should the fund manager become insolvent. For the investor this means that the only time they would need to look to the FSCS for compensation would be in the event of the fund manager acting dishonestly, fraudulently or negligently.

For further information on the compensation available under the FSCS please check their website [www.fscs.org.uk](http://www.fscs.org.uk) or call the FSCS on 0800 678 1100. Please note only compensation queries should be directed to the FSCS.

If you have any further questions, you can speak to your financial adviser or contact us directly.

You can also find more information at [www.standardlife.co.uk/investor-protection](http://www.standardlife.co.uk/investor-protection)

### Solvency and financial condition report (SFCR)

The Solvency II directive is a European (EU) directive for insurance companies. Among the requirements are that companies produce a publication of a SFCR, to assist policyholders and other stakeholders to understand the capital position under Solvency II. Further information and details of the report can be found at: [www.thephoenixgroup.com/investor-relations/solvency-and-financial-condition-report](http://www.thephoenixgroup.com/investor-relations/solvency-and-financial-condition-report)

## 6. How to contact us

Remember your adviser will normally be your first point of contact.

If you have any questions or would like to make any changes to your plan, connect with us today.



Register online at:

**[www.standardlife.co.uk/onlineservices](http://www.standardlife.co.uk/onlineservices)**



**0800 634 7476**

Call charges will vary. Please have your plan number ready when calling.



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## 7. About Standard Life

Standard Life's product range includes pensions and investments.

Phoenix Life Limited (trading as Standard Life) is on the Financial Services Register. The registration number is 110418.

### **[www.standardlife.co.uk](http://www.standardlife.co.uk)**

Phoenix Life Limited, trading as Standard Life, is registered in England and Wales (1016269) at 1 Wythall Green Way, Wythall, Birmingham, B47 6WG.

Phoenix Life Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

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