Standard Life
Part of Phoenix Group

Trust Based Pension (Master Trust & Own Trust) – Statement of Target Market

For adviser and Pension Professionals use only.

General Description

Our Trust Based Pension products (Trust Based Pension (Own Trust) and Master Trust) can support a number of Defined Contribution (DC) workplace pension structures, selected for or on behalf of employers or trustees. it allows employees to save and benefits from their employer payments. These can payments can be invested in a wider range of funds, which are governed by scheme trustees.

Our Trust Based Pension products provide the following key features:

- A tax efficient way for employees to save for retirement;
- For employees to provide benefits for their eligible beneficiaries on death.

It is suitable for employers who want to meet their responsibilities under the Auto Enrolment (A-E) legislation. Where the members employer is making a contribution, which they must do within schemes being used for A-E purposes, it will only be in exceptional circumstance that a workplace product wouldn't be suitable, e.g. employee is very close to retirement and by receiving employer contributions for a short period of time would result in a small increase in post-retirement income which resulted in the individual receiving less income over all due to a loss in state benefits.

In more detail our Trust Based Pension (our Own Trust product) is suitable for employers who wish to appoint their own trustees and have specific governance. Our Master Trust product is suitable for employers who are comfortable with a trustee who govern their section of the scheme together with other non-connected employer sections.

Member Objectives

The product is flexible and is designed to meet members needs over the full pensions saving lifecycle:

- Accumulation of wealth – benefiting from tax efficient savings and tax free growth;
- Preservation of existing wealth – within a tax beneficial environment;
- Passing on of wealth to beneficiaries or dependants – taking full advantage of the current tax regulations.

Members will also be able to access their benefits normally from minimum age 55 (this will rise to age 57 on 6 April 2028) under the regulations. They may need to transfer to another product.

Remember, the value of investments can go down as well as up, and the members get back less than was paid in.

Laws and tax rules may change in the future. The information here is based on our understanding as at April 2023.
A members personal circumstances and where they live in the UK will also have an impact on tax treatment.

Who is it suitable for?

- An employed individual. Note that a plan may be set up for an individual who is not employed or self-employed as it is being used to secure their pension benefits from another scheme which is being transferred into this product.
- A Resident in the UK.
- A non UK resident but one that is classified as a seconded worker, under The Occupational Pension Schemes (Cross-border Activities) Regulations 2005.
- Employees who are receiving an employer payment, or if they don't (i.e. are in a non AE qualifying scheme) can pay and maintain a payment themselves.
- Employees who habitually work in the UK.

- Employees who may want to make one off payments or transfer existing pension arrangements to consolidate their pension savings.
- Employees, who want the flexibility to change, stop and start payments, within the rules of scheme.
- Employees who want the ability to access a range of insurance fund-based investment solutions, including access to a Default solution's within the charge cap.

It is suitable for a wide range of age groups and wealth levels.

Who is it not suitable for?

- A self employed individual.
- An employee who doesn't have long to save and/or can only make limited payments, and have little or no savings provision for retirement.
- An employee who is likely to achieve only a low fund level from all pension savings, and may benefit from the government's pension credit.
- An employee who only wants savings that allow immediate access to their money before age 55.
- Employees who want to save for retirement in pension investment vehicles other than insured pension funds.
- Employees who don't receive an employer payment and can't make and maintain a substantial payment themselves.
- Employees who want financial advice and want to fund this via an adviser charge.

Vulnerability may arise due to challenging life circumstances, such as ill health or financial difficulty. More generally, some customers may simply be less able to deal with financial information and others may have a low tolerance to withstand economic or emotional downturns.

Vulnerable Customers

Any target market is likely to contain customers with characteristics of vulnerability and customerswho will experience vulnerability over time. This should be considered in all interactions to ensure good customer outcomes. These considerations may apply to members of both Trust Based Pension (Own Trust) and Master Trust products

Investment choice and range

Investment choice and range within these products is set by the scheme trustee. The trustee can only choose investment solutions provided within our insured fund universe. For large schemes we will consider requests for bespoke investment solutions which may require us launching brand new funds and or creating blended funds which make use of existing investment solutions within our insured fund universe.

We would normally expect trustees to offer a range of solutions from within our insured fund universe rather than just one fund or all 300 plus funds. However this is at the trustees discretion.

Where the scheme is being used for Auto Enrolment purposes a default fund must be provided by the scheme trustee and this must be charge capped at 75 bps. The product fully supports this requirement.

The members can switch between insured funds subject to any restrictions placed on this activity by the scheme trustees and Standard Life's standard dealing rules and processes.

Distribution Channel

The products are primarily distributed via Employee Benefit Consultancies or Large Corporate focussed financial advisers.

In some circumstances trustees or employers may come directly to Standard Life or via a firm which provides procurement only services.

Generally the scheme members are not advised and join the schemes on an auto enrolled basis.

It should also be noted that for these products the contracts are between Phoenix Life Limited, trading as Standard Life, and the scheme trustees and not the scheme members, who are beneficiaries of the policy.

www.standardlife.co.uk

Phoenix Life Limited, trading as Standard Life, is the provider of the Standard Life DC Master Trust.

Phoenix Life Limited is registered in England and Wales (1016269) at 1 Wythall Green Way, Wythall, Birmingham, B47 6WG, and is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

Standard Life Master Trust Co. Ltd. is trustee and scheme administrator of the Standard Life DC Master Trust. Standard Life Master Trust Co. Ltd. is registered in England (09497864) at 1 Wythall Green Way, Wythall, Birmingham, B47 6WG.

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