

# Changes to Retiready Terms and conditions

**Effective as at 1 April 2016**

**We've made changes to the Retiready Terms and conditions and we've detailed these in the table below.**

These changes generally cater for recent legislative changes. These changes are:

- those commonly referred to as the 'pension flexibility' changes and cover the changes announced in the March 2014 Budget; and
- to make it clear that the money held in a Retiready ISA is subject to the client money rules and how we hold the money.

We've also made some other alterations to reflect process changes we have made to Retiready. All other changes are minor and don't affect the meaning of the Terms and conditions (for example an updated clause reference, making something clearer or an incorrect word replaced with the correct one).

We updated the Retiready Terms and conditions in October 2015 for ISA customers to clarify some points under the Client Money Rules issued by the Financial Conduct Authority. These changes were for clarity only and no change to your position, and how your investments are held was made. However, for completeness, we have noted these changes within this table.

Where a clause has been added or deleted, all other clauses have been renumbered accordingly. Any reference to a clause is to the old clause number, unless otherwise stated. These changes take effect on and from 1 April 2016.

Please note that the page number references are to the December 2014 version of the Retiready Terms and conditions.

Page(s)	Change
<b>General</b>	<p>Throughout the Terms and conditions, we mention 'product wrappers' and 'the Service', and these are defined terms. We have changed the definitions of these to make it clearer how they interact. This has led to use of these defined terms being considered throughout the Terms and conditions and we have amended where they are used in various locations.</p> <p>We have done this to make it clearer to you that you contract with us to take out a product wrapper, and it is within this product wrapper that the Service is offered. The Service itself is the systems that we provide that allows you to manage your investments and product wrappers online, and may include other services that relate to your product wrappers for example retirement planners and calculators.</p>
<b>1</b>	<p>The effective date of the document has been changed from 'December 2014' to 'April 2016'.</p>
<b>5 – 9</b>	<p>Definitions changed:</p> <ul style="list-style-type: none"> <li>• Annual Allowance</li> <li>• Client, you, your</li> <li>• Client profile</li> <li>• Dependant</li> <li>• Retiready Pension</li> <li>• The Service</li> </ul> <p>Definitions added:</p> <ul style="list-style-type: none"> <li>• Client money rules</li> <li>• UFPLS</li> </ul> <p>Definitions deleted:</p> <ul style="list-style-type: none"> <li>• Another provider</li> </ul>
<b>10 – 11</b>	<p>Clause 5.3.1 has been amended to make it clear that the money held within a Retiready ISA is subject to the Client Money Rules – and the money held within a Retiready pension is not subject to those rules.</p> <p>Clause 5.3.3 has been updated to confirm that if the bank we use enters into insolvency, you will become an ordinary creditor of that bank.</p>

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12	<p>Clause 5.3.9 has been amended by changing the minimum amount that requires to be held in the cash facility from 1% to 0.25%. You will have already received a communication detailing this and how it affects your investments.</p> <p>Clause 5.3.10 has been amended by changing the minimum amount that requires to be deducted from future contributions and held in the cash facility from 1% to 0.25%. You will have already received a communication detailing this and how it affects your current and future contributions.</p> <p>Clause 5.4.1 has been amended to reflect the process that we carry out when we have to disinvest investments to ensure that the cash facility has enough cash to meet the minimum amount that requires to be held in it, pay charges, or make any other payment when there is not enough in it to make these payments.</p> <p>Clause 5.4.3 has been amended to give more flexibility. This clause now confirms that we will choose the start date for the cash maintenance process based on the reason for starting it. This allows us to more accurately target the cash maintenance process to the reason for it taking place.</p>
14	<p>Clause 7.1 was updated in October 2015 to confirm that cash accounts we use are subject to the client money rules.</p>
15	<p>New clauses 7.1.6 and 7.1.7 were added in October 2015. Clause 7.1.6 clarifies that investments may be held by a third party and may be pooled with investments of other investors. In addition, we confirm that the ISA is covered by the Client Money Rules but the SIPP, as a contract of insurance, is covered by a different regulatory regime. We also confirm that we segregate your investments from our own assets.</p> <p>7.1.7 confirms that in the event of our or an investment manager's insolvency, you may have a claim with the Financial Services Compensation Scheme.</p>
17	<p>New clause 7.3.4 is added to make it clear that investments are subject to conditions imposed by us or the investment manager from time to time, and that you will be told about any conditions that apply when you look to purchase an investment (or as soon as we can if we are not aware of the restriction at that time).</p> <p>Clause 7.6 has been updated to confirm that where we cannot carry out an instruction, the money will remain in your cash facility until we receive an alternative instruction.</p> <p>Clause 7.8.1 now confirms that there are some investments that deal at different times from those detailed. This will happen where the fund has its own dealing points (e.g. it may only deal once a month) which can be found out by contacting us.</p>

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18	Clause 8 has had a paragraph added confirming that this clause does not apply to the ARC insured funds as these funds are covered by the ARC Insured Funds Policy.
19	Clause 9.3.1b has been updated to confirm that if you have a Retiready Pension you will no longer receive a half-yearly statement in April. If you have a Retiready ISA you will still receive these half-yearly statements.
21	A new clause 10.1.8 has been added to make it clear that payments out will be after deductions of outstanding charges, taxes or similar outstanding payments.
22	A new clause 10.3.2 has been added confirming that we may charge for processing a request for an uncrystallised funds pension lump sum. Where we introduce such a charge, we will give you sufficient notice of its introduction.
23	Clause 11.3 had a new paragraph added in October 2015 to confirm what happens if there is no movement in your cash facility for over 6 years.
24	Clause 13.3 "Best execution policy" has been removed as this is the same policy as the "Order execution policy" mentioned in clause 13.2.
25	Clause 13.4.5 has been updated to confirm that we are not liable for the actions of third parties with or through whom investments are held.
26	Clause 13.6.2 has been updated to confirm that we can pass information you have provided to any third party that has the relevant permission to receive this information.
30	<p><b>Section A – the Retiready Individual Savings Account (ISA)</b></p> <p>Clause 1, fourth bullet has been amended to confirm that you can only have one stocks and shares ISA in a tax year, apart from where legislation allows otherwise.</p> <p>New clause 2.5 has been added to confirm that the stocks and shares ISA will not be a flexible ISA after 5 April 2016.</p>

Page(s)	Change
31	<p>Clause 4.2 has been updated on the same point as the fourth bullet in clause 1 mentioned immediately above.</p> <p>In addition, it also confirms the position that transfers can be made from a stocks and shares ISA to a cash ISA, as well as the other way around.</p>
32	<p>Clause 6.1 has had the wording referring to cash in a stocks and shares ISA being taxed prior to 1 July 2014 removed as this only applied up to the tax year 2014/15.</p>
33	<p>A new clause 12.5 has been added to confirm that your spouse or civil partner can apply for an additional ISA on your death in accordance with the relevant ISA regulations.</p>
<p><b>Section B – the Retiready Pension</b></p>	
37	<p>New clause 9 has been added. This covers uncrystallised funds pension lump sum ('UFPLS'), confirming that you can request a partial or full UFPLS from age 55, a low protected pension age or where the ill-health condition is met. Any request is subject to such terms that we may impose, e.g. you provide us with the information we need, any minimum amount of withdrawals, payment of charges.</p>
38	<p>Clauses 9.3 and 9.4 have been removed as they were a repetition of clauses 8.3 and 8.4.</p> <p>Clause 13.2 has been amended to confirm that we need sufficient evidence of death before we can process any claim or payment in relation to the death benefits.</p>
<p><b>Retiready Insured Funds Policy</b></p>	
42 – 43	<p>Definitions changed:</p> <ul style="list-style-type: none"> <li>• Liabilities and expenses</li> <li>• Retiready insured fund</li> <li>• The Service</li> </ul> <p>Definition added:</p> <ul style="list-style-type: none"> <li>• Lifestyle fund</li> </ul>

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43 – 44	<p>Clause 4.4 has been rewritten to make it clearer how funds are closed and wound up. The changes also provide consistency across all our policies as to how we close and wind up funds, ensuring that we treat all fund holders the same when we do this.</p> <p>New clause 4.5 has been added to set out how Lifestyle funds work where we have made a lifestyle fund available to your Retiready Pension.</p>
47	<p>Clause 6.3 has been updated to confirm that investments are traded online but in exceptional circumstances, investments may not be tradeable online and we will inform you how you can trade if this happens.</p>
	<p><b>Basic Scheme Information</b></p>
54 – 58	<p>There have been some updates to the basic scheme information sheet. These changes are to provide current year limits and also include some information on the pension flexibility changes such as the money purchase annual allowance and the introduction of uncrystallised funds pension lump sum.</p>

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