

For customers

Changes to the Retiready Terms and conditions

Effective as at 20 March 2018

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

We've made some alterations to reflect process changes we've made to Retiready and to make some areas clearer to you.

If you're unhappy with the proposed changes to these terms and conditions, you should notify us of this. You have the right to terminate your use of the Retiready service and request that we close all your products and pay the proceeds to your UK bank account or transfer investments, or the proceeds of their sale to another provider, where applicable, at no additional cost to you.

The tables on following pages sets out all the changes made, however the following list details some of the most significant changes you should be aware of:

- We have made changes to the sections of the terms and conditions which deal with how investments held in your Individual Savings Account ('ISA') are treated on notification of your death. Currently where we are notified of your death we sell the investments and place the proceeds of their sale into the cash facility of your ISA. The proceeds are then held until we receive instructions from your legal personal representatives.

Following the changes, on notification of your death we will no longer sell your investments and these will continue to be held in your ISA until we receive instructions from your legal personal representatives. This means that your investments remain subject to market conditions and so could make losses or gains between the date we are notified of your death and when your legal personal representatives provide us with instructions.

We have also made a further amendment following a legislative change which outlines that the tax status of your ISA on your death will depend on the date of your death. If you die on or before 5 April 2018 your ISA will lose its tax exempt status, whereas if you die on or after 6 April 2018 your ISA will retain its tax exempt status subject to certain time limits and conditions set out in the ISA Regulations.

- We've clarified the circumstances in which we can amend your terms and conditions, including making changes to our charges to give you certainty around the circumstances we may change your terms and conditions or increase our charges and your options should you be unhappy with a proposed change.

- We've introduced a new power which will allow us to pass on the cost of holding your cash with HSBC should HSBC start charging us for holding cash on deposit with them. This would happen where negative interest rates apply.
- Accidental death benefit (ADB) will no longer be available in respect of Retiready pensions with a start date of 20 March 2018 or later, however existing Retiready pension customers on 19 March 2018 with this feature will be unaffected and ADB will continue to apply in line with the terms and conditions.
- We've made changes to the sections of the terms and conditions which deal with how your investments are managed and traded, and other consequential amendments to account for changes in regulation which apply from 3 January 2018.
- We've introduced 'pre-funding' of switches capability subject to some restrictions. Currently where you request a switch (which is the selling of one investment in order to purchase another investment) we wait until the proceeds of the sale are received as cleared funds before instructing the purchase. Pre-funding of switches means that we will instruct the purchase when we receive confirmation of the sale price(s) for all of the sale transactions.

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 20 March 2018.

Please note that the page number references are to the April 2016 version of the Retiready terms and conditions.

Page(s)	Change
Part 1 Retiready terms and conditions	
1	The effective date of the document has been changed from 'April 2016' to 'March 2018'.
5	The definition of 'Accidental death benefit' has been amended because Retiready pensions with a start date of 20 March 2018 or later will no longer have the accidental death benefit feature.
5	A new definition of 'Aegon UK Retail Order Execution Policy' has been added due to regulatory changes applying from 3 January 2018.
6	A new definition of 'Dealing point' has been added. This replaces the existing definition of 'Valuation point' which has been deleted.
9	A new definition of 'UK UCITS' has been added and is referred to in Part 1 Section A – the ISA.
9	Clause 3.1 has been amended to clarify that while we treat all customers as retail customers, other bodies may regard you as a professional client or eligible counterparty and therefore some options such as access to the Financial Services Compensation Scheme and the Financial Ombudsman Service would not be available to you. Clause 3.1 has also been amended to clarify that we do not offer customers the option to select a different client classification.
12	New clause 5.3.7 vii has been added. This clause introduces our ability to pass on the cost of depositing your money with HSBC (the bank which currently provides our banking facilities) should HSBC start to charge us for depositing your money with them.
12	Clause 5.3.8 has been updated to set out the circumstances in which HSBC might charge us to deposit your money with them. This would only happen if interest rates fell to a negative rate. We would always tell you if we were going to pass this cost onto you.
14	Clause 6.2.4 has been updated to confirm that we will collect regular contributions by direct debit on the second business day of the month, unless we agree a different date with you.
14	New clause 6.2.5 has been added which explains that we can refuse to accept contributions and transfer payments into your product wrapper where you are listed on a sanctions list.
16	Clause 7.1.7 has been amended to reflect changes set out in clause 3.1.
17	Clause 7.2.6 is deleted (and existing clause 7.2.7 is amended and re-numbered) as we will no longer seek to nominate an alternative investment where an investment is removed from the service, is closed or is suspended. New clauses 7.2.7 and 7.2.8 are added to clarify what happens where an investment is closed or suspended.
18	Clause 7.6 has been updated to include reference to dealing minimums we may set. If we set such a minimum this will be based on the relevant investment manager's dealing minimum and may be higher than the investment manager's dealing minimum. We may set a higher dealing minimum in order to protect against market movement – if we operate against the investment manager's dealing minimum then a market movement between you submitting your instruction and it being processed could result in you not meeting the investment manager's minimum and you having to resubmit your instruction. If we set a slightly higher dealing minimum then this should protect against a market movement.
18	Clause 7.8 has been amended to reflect the introduction of 'pre-funding' and to clarify the process of switching.
19	Clause 7.9 has been amended to reflect the introduction of 'pre-funding' of switches. The amended clause 7.9 details the process of pre-funding, and sets out where we would not make pre-funding of switches available to you.

19	Clause 9.2 is amended to clarify that your nominated bank account must be a UK bank account unless we agree otherwise with you.
20	Clause 9.3 has been amended to reflect regulatory changes effective from 3 January 2018. As a result of these changes the frequency of certain statements will change to 3 monthly as described in clause 9.3.1 b.
22	Clause 10.1.3 is amended to clarify that any payment we make to your nominated bank account will be made in Pound Sterling only, even where we have agreed to make payment to a bank account outside the UK.
23	Clause 10.3.4 has been amended to make the scenarios in which we may vary the charges we take (including increasing charges or introducing a new charge) fairer and clearer to you. The clause sets out that we will only change charges where we have a valid reason to do so and will only ever set charges to a level we believe is not excessive. If you are unhappy with a proposed change to the charges you can terminate your use of the Retiready service and request a withdrawal or transfer as applicable at no cost to you. Any charges which are due to be paid prior to us notifying you of a proposed change to charges would still be due to be paid.
24	<p>Clause 11 has been amended to clarify how you or we can terminate your use of the Retiready service and close your product wrappers.</p> <p>Currently we'll give you at least 28 days' written notice if we are going to stop offering products to you. After the changes, we'll give you at least three months' written notice if we decide to stop offering products to you.</p> <p>We are introducing a new term (see also new clause 6.2.5) that explains that where you or a third party who is paying contributions on your behalf are named on a sanctions list or you are no longer resident in the UK or you become a citizen of another country we reserve the right to stop providing products to you immediately.</p>
25	Clause 13.2 has been amended as a result of regulatory change applying from 3 January 2018. We maintain the Aegon UK Retail Order Execution Policy which is available on request or through the Retiready Service online. You must read this policy before instructing us to buy or sell investments on your behalf.
27	A new clause 13.5.1 is introduced to clarify that where you receive correspondence from us which contains incorrect information you must notify us of any such errors as soon as possible.
27	A new clause 13.5.6 is introduced to cover that we will record and monitor telephone calls with you and we will keep the records for as long as is required under applicable law and regulation.
27	Clause 13.6 has been amended to make the scenarios in which we may change our terms and conditions fairer and clearer to you. The clause sets out that we will only amend our terms and conditions where we have a valid reason to do so and will only ever exercise these amendment powers in a reasonable and proportionate manner. If you are unhappy with a proposed change to the terms and conditions you can terminate your use of the Retiready service and request a withdrawal or transfer, as applicable, at no cost to you. Any charges which are due to be paid prior to us notifying you of a proposed change to our terms and conditions would still be due to be paid.
30	A new clause 13.9.10 has been introduced which sets out that electronic communications between us and you will be monitored and we will keep these records for as long as is required under applicable law and regulation.

Part 1 Section A – the ISA

32	Clause 4.2 has been amended to reflect the different ISA types which are now available (please note that we currently only offer a stocks and shares ISA).
32	Clause 5 has been amended to remove wording that is out of date as we no longer offer a cash ISA.
34	<p>Clause 12.1 has been amended to reflect a change in tax legislation. The tax treatment of your ISA on death will depend on the date of your death, as follows:</p> <ul style="list-style-type: none"> • if you die on or before 5 April 2018, your ISA ceases to be tax exempt from the date of your death; • if you die on or after 6 April 2018, your ISA will remain tax exempt subject to the provisions of the ISA Regulations.
34	Clause 12.2 is amended to reflect a change in process in respect of your death. On notification of your death we currently sell all your investments in your ISA and place the proceeds of sale in your ISA cash facility. From 20 March 2018 we will no longer sell your investments but rather they will continue to be held until we receive instructions from your legal personal representatives.

Part 1 Section B – the Retiready Pension

40	Clause 13.4 has been amended to reflect that accidental death benefit will no longer be available to Retiready pensions with a start date of 20 March 2018 or later.
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Part 2 Retiready Insured funds policy

47	Clause 4.5 has been amended to include additional text to clarify that where you have selected lifestyle funds and you change your retirement age from the one you selected when you opened your Retiready pension or make any subsequent changes to your retirement age we may have to sell units in your existing lifestyle fund and purchase new units in a different lifestyle fund. In these circumstances we will follow the process for buying and selling units described in clause 7.9 of the Retiready platform terms and conditions.
48	A new clause 4.8 has been added to the policy terms and conditions. This new clause provides that we do not accept any risk of investment whatsoever in the Retiready insured funds. This means for example if a third party we engage to manage the assets of the Retiready insured funds were to default or become insolvent you would bear any losses arising from that and not us. This change only impacts new customers who open a Retiready pension on and after 20 March 2018 and so existing customers with a Retiready pension on 19 March 2018 are not affected by this change.
51	Clause 8.3 has been amended to make the scenarios in which we may vary the charges we take (including increasing charges or introducing a new charge) fairer and clearer to you. The clause sets out that we will only change charges where we have a valid reason to do so and will only ever set charges to a level we believe is not excessive. If you are unhappy with a proposed change to the charges you can terminate your policy and request a withdrawal or transfer as applicable at no cost to you. Any charges which are due to be paid prior to us notifying you of a proposed change to charges would still be due to be paid.
52	Clause 11 has been amended to make the scenarios in which we may change our policy terms and conditions fairer and clearer to you. The clause sets out that we will only amend policy terms and conditions where we have a valid reason to do so and will only ever exercise these amendment powers in a reasonable and proportionate manner. If you are unhappy with a proposed change to the policy terms and conditions you can terminate your policy and request a withdrawal or transfer as applicable at no cost to you. Any charges which are due to be paid prior to us notifying you of a proposed change to the policy terms and conditions would still be due to be paid.



Part 3 Basic scheme information for the Retiready pension

57	Annual allowance figures have been updated to reflect current tax rules and references to previous tax years have been deleted. We have also explained the tapered annual allowance which was introduced by the government in April 2016.
57	Money purchase annual allowance figures have been updated to reflect current tax rules and references to previous tax years have been deleted.
58	Lifetime allowance figures have been updated to reflect current tax rules and references to previous tax years have been deleted.



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