Your Plan Explained

RSA Pension Scheme

Other formats

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To request a copy in an alternative format, please contact Fidelity:

Call the Pensions Service Centre on **0800 3 68 68 65**. This service is open on business days from 8am to 6pm. Outside these hours, you can leave a message on the confidential answering service and Fidelity will contact you on the next business day.

Email: **pensions.service@fil.com**

Fidelity Worldwide Investment is an independent asset management company, founded in 1969, that looks after the investments and pensions of clients worldwide. We were set up with the simple objective of achieving outstanding investment returns for our clients across the globe. Today, over 40 years on, with considerable knowledge and expertise of both the UK and international financial markets, we are one of the world's most successful long-term investment managers – a worldwide investment specialist.

RSA Pension Scheme

Contents

Your pension scheme

The RSA Pension Scheme (‘the scheme’) is a defined contribution pension arrangement, which operates like a long-term savings plan. RSA pays money in and you can make contributions if you wish. The contributions are invested in your own pension account, which is used to provide benefits at retirement.

The scheme is a qualifying pension scheme, which means it meets or exceeds the government’s minimum standards.

A part of RSA’s legal obligation to you, if you are under 75, work or usually work in the UK, and earn over £5,824 a year (updated yearly by the government) is to:

- continue to maintain your membership in a scheme that meets certain government standards; and
- if your membership of the scheme ends (and it is not because of something you do or fail to do), RSA must by law, immediately put you into another scheme that meets government standards.

The size of your benefits will generally depend on the following:

- how much is contributed to your pension account
- the amount your pension account grows (after charges)
- the options you choose when accessing your retirement savings

The scheme trustees are responsible for looking after your interests in the scheme. For information on how to contact the trustees please see the ‘Important information’ section on page 16.

This document provides an overview of the scheme. The information in this document, the **Contributions Explained** leaflet and the **Investment Choices Guide** will help you get the most out of your pension scheme. Please keep these documents safe for future reference.

By signing your employment contract, you have automatically become a member of the scheme. If you want to remain a member you do not need to take any action. If you don’t want to stay in the scheme, you can of course opt out.

As a member you will have your own pension account. Contributions made are invested into your pension account. You can find out more about contributions in the **Contributions Explained** leaflet.

When you retire your pension account can be used to provide you with benefits in retirement. These are explained later in the section ‘**Your scheme benefits**’.

Your decisions

Decision 1

Do you want to remain in or join the scheme?

If you are already in the scheme you do not need to do anything to remain a member. If you want to opt out, please refer to the 'Leaving the scheme' section on page 15 for more details.

If you have previously been a member of the scheme and wish to re-join the scheme, email RSA HR Services (**hr.services@uk.rsagroup.com**) or call them on **0845 0700058** for information on how to do so.

Decision 2

How much should you contribute to your pension account?

It is important that you think about the level of contributions that you will need to make to ensure that the scheme provides you with the level of benefits you want in retirement. If you would like help, please visit your online planning tool, myPlan, or the RSA pension modeller at www.rsapensionmodeller.com

You can access myPlan through PlanViewer (Fidelity's online account service for scheme members) via www.planviewer.co.uk if you have already received your login details. Alternatively, please log on to www.fidelity.co.uk/rsa.

The **Contributions Explained** leaflet gives you more information on the level of contributions to the scheme and how you can make additional contributions. Please note that as with all pension products you cannot usually start to take benefits until age 55.

Decision 3

How would you like to invest your contributions?

On joining the scheme you will automatically be invested in the scheme's default option, the **RSA Pension Cash Targeting Lifestyle**. If you wish you can choose your own investment strategy from the range of funds available. Please see the '**Your investment choices**' section for more details on investments and the '**How to change your investment choices**' section in this guide for how to go about selecting your own funds. More detailed information can be found in the **Investment Choices Guide** and **online**.

Decision 4

Do you want to transfer in benefits from other pension schemes?

You may also be able to transfer in benefits from other pension schemes that you have – see the 'Transferring in' section.

Remember that it is important to keep your pension scheme under review to ensure that it continues to work towards providing you with the retirement benefits that you would like.

Decision 5

What do you need to do to ensure your loved ones are covered in the event of your death?

In the event of your death you need to let us know who should receive any benefits from the scheme. Please complete the online Expression of Wish form on Plan Viewer; you can find this form under the My Plan tab.

Your scheme benefits

The value that has built up in your pension account over the years will be used to provide your pension benefits.

The level of benefits you receive will depend on the value of your pension account; this in turn, will depend on the contributions that have been made during your membership as well as the investment returns they have achieved.

When can I take my pension benefits?

The normal retirement age under the scheme is 65.

Normal retirement age is when members generally begin taking benefits in the scheme.

The earliest you can take your benefits from the scheme is when you are 55. If you are hoping to take your benefits early, you should bear in mind that your pension account will have had less time to grow so the value of any subsequent income and other benefits may be lower. You can build up extra funds to help improve your benefits by increasing your contributions (see the Contributions Explained document). The earlier you increase your contributions the more chance you will have of improving your benefits.

Benefits can be taken after the age of 75, however specific rules apply and you are encouraged to seek financial advice if you are considering this.

You may be able to transfer part or all of your pension account to another scheme where you can access your retirement savings, and continue paying contributions into the scheme.

More information on all these options is available from the Pensions Service Centre on 0800 3 68 68 65.

What are my choices when I take my pension benefits?

Under current tax regulations, it is possible to draw up to 25% of your Pension Account as a tax free cash lump sum. Regardless of whether you choose to take this tax free cash sum there are a number of options available to you; which include:

- Take cash lump sums from your pension account as and when required, subject to a minimum cash withdrawal of £1,000, or 100% of your account value if less. There is no charge for making up to three cash withdrawals* from your account during any 12-month period. Subsequent withdrawals during this period may incur a £100 charge.
- Transfer your pension account to a Flexi-access drawdown product where you will have different investment options and more flexibility over how you access your account.
- Secure a guaranteed income (a lifetime annuity)

*A tax-free cash lump sum is not considered a cash withdrawal for this purpose.

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A lifetime annuity pays you an income for the rest of your life. It is normally paid by an insurance company in return for an agreed purchase price.

pension account – designed to build up pension savings using contributions from you as well as your employer, you then convert this into an income at retirement.

Flexi-access drawdown – this is a form of income drawdown product introduced on 6 April 2015 which allows individuals to take taxable income direct from their pension account with no upper limit.

Creating the right retirement plan for you can be complex and we **strongly recommend** that you speak to a financial adviser before making any decisions on how best to use your retirement savings.

Guidance from the government: Pension Wise

The government offers a free and impartial guidance service to help you understand your options at retirement. This is available via the web, telephone or face-to-face through government approved organisations, such as The Pensions Advisory Service and the Citizens Advice Bureau. You can find out more by going to pensionwise.gov.uk or by calling Pension Wise on 0800 138 3944.

Fidelity's Retirement Service

Fidelity's Retirement Service can offer you retirement guidance and advice. There is a team of qualified retirement specialists available to help you to understand your choices and make important decisions. They can help you:

- build a retirement plan around your requirements in retirement and put any required solutions in place for you
- bring together all your pension pots in one place if you have other pension accounts elsewhere. Trained advisers can check if this is the best option for you.

A large amount of information is available online to help you but you can speak to our qualified specialists at Fidelity's Retirement Service if you prefer. The charges for the service depend on the solution you choose and the level of support you require.

Ill-health

In the event that you become too ill to work, subject to your scheme's rules, it may be possible for you to take the benefits that have built up in your pension account at an earlier age than usual. If you become seriously ill you might be entitled to take all your benefits as a cash lump sum. For further information regarding these options please contact Fidelity's Pensions Service Centre on 0800 3 68 68 65.

If you die before you take scheme benefits

If you die before taking your benefits from the scheme, the value of your pension account can be paid out as a lump sum to your dependants or used to provide an income for them. This is the case whether or not you are still working for the company at the time of your death. Any lump sum will normally be tax free, but is dependent on the amount of lifetime allowance available at the time of payment.

As a general rule, any lump sum death benefit paid will not be subject to inheritance tax.

Expressing your wishes

The trustees must decide who receives any benefits arising from your membership of the scheme. However, they will take your wishes into account and you should let them know who you would like to receive any benefits by completing an online Expression of Wish form on PlanViewer; you can find this form under the My Plan tab.

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Your dependants include your husband, wife or civil partner, children up to the age of 23 and those who are financially reliant on you. HMRC imposes strict criteria on the dependants whom benefits can be paid to.

Death in service benefits

As an employed member of the scheme you also have life assurance cover based on a multiple of your salary. This is arranged separately from the scheme and is provided by a life assurance company, not Fidelity or the Fidelity Master Trust Board. Details can be found by logging on to RSA's 'Your Benefits' system.

Any lump sum death benefits paid from a registered pension scheme must be taken into account when calculating your total pension savings for assessment against the lifetime allowance.

If you die after you take your scheme benefits

Depending on the choices you make with your retirement savings, there are different rules that apply. Generally, if you still have funds invested and are taking an income from them, then they will be paid to your dependants free of any taxes, if you die before age 75. If your death occurs after age 75, there will be tax to pay on the remaining proceeds at your dependants' marginal income tax rate.

If you have purchased an annuity, generally there is no payment to your dependants unless you included a dependant's benefit or a guarantee period that had not expired before your death.

Your investment choices

Why should I think about investing?

The reason for investing is to preserve the value of your pension account or to make it grow over time. You can choose the type of investment that will help you reach your goal for your retirement.

What investment choices do I have?

You have two main ways for investing your pension account: you can opt for a specially designed investment strategy which automatically switches your investments as you approach retirement (**Lifestyle option**) or make your own investment selection from the range of funds available (**Core Self-select**). Both of these options are explained below but further information can be found in the Investment Choices Guide, which is available by logging on to PlanViewer via **www.planviewer.co.uk**. If you don't have login details yet, you can view this document on **www.fidelity.co.uk/rsa**.

What is a Lifestyle option?

Lifestyle options are designed so that your pension account will be invested in funds that offer greater growth potential when your retirement is still some way away (typically equity funds). These funds tend to be more risky and so as you approach retirement, your pension account is gradually switched into assets which tend to be less volatile (such as bonds and cash) and so are expected to lead to a more certain outcome at retirement.

Your chosen retirement age plays a very important part in any Lifestyle option – so if you choose to invest your pension account in any of the Lifestyle options it's important for you to try and choose a retirement date which is as realistic as possible. More information about selecting a retirement age can be found in the Investment Choices Guide, which is available by logging on to PlanViewer via **www.planviewer.co.uk**. If you don't have login details yet, you can view this document on **www.fidelity.co.uk/rsa**.

The following Lifestyle options are available to members of the RSA Pension Scheme:

Lifestyle option	How the funds are invested
RSA Pension Cash Targeting Lifestyle DEFAULT	RSA Pension Passive Global Equity Fund
	RSA Pension Pre-Retirement Growth Fund
	RSA Pension Cash Fund
RSA Pension Drawdown Targeting Lifestyle	RSA Pension Passive Global Equity Fund
	RSA Pension Pre-Retirement Growth Fund
	RSA Pension Cash Fund
RSA Pension Annuity Targeting Lifestyle	RSA Pension Passive Global Equity Fund
	RSA Pension Pre-Retirement Growth Fund
	RSA Pension Annuity Targeting Fund
	RSA Pension Cash Fund

If you invest in one of the Lifestyle options, your pension account will be switched between the funds shown as you approach your normal or selected retirement age. For more information about how the funds used by the Lifestyle options change each year as you approach this date, please see the bottom of this page (for the default lifestyle option) or refer to the Investment Choices Guide, which has details of the other two lifestyle options. The Investment Choices Guide is available by logging on to PlanViewer.

Here are the main advantages and disadvantages to help you to decide whether or not a Lifestyle option might be a suitable choice for your needs.

Advantages of a lifestyle option

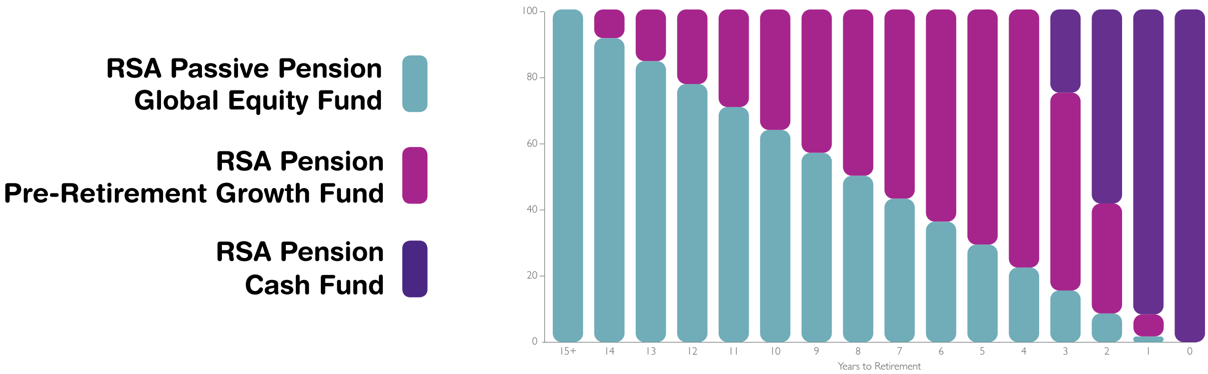
- You do not need to actively manage your pension account.
- The switching process will be carried out automatically. There is nothing more for you to do unless you want to take a more active investment approach yourself (by investing in 'self-select' funds).
- The Lifestyle options aim to preserve the value of your pension account if there is a significant drop in the stock market as you near your indicated retirement age. It aims to match the lower investment risk profile that many investors move towards as they get older.
- There is no additional charge for investing in the Lifestyle options. Please note that charges are levied on the funds used by the Lifestyle options and these are detailed on pages 8-9.

Disadvantages of a lifestyle option

- The Scheme's lifestyle options are is based on the expected greater stability provided by lower risk investments e.g. bond and cash funds. However, these funds can also suffer falls in value, and the effects of inflation could mean that cash funds produce negative returns in real terms.
- By moving out of equity funds you could potentially miss out on better growth, as equities have historically delivered higher returns than cash or bonds over the long-term.
- Investment decisions are taken away from you. If you want a more hands on approach to planning for your retirement, a lifestyle strategy is probably not for you. The strategy is automated and not based on, or reactive to, market conditions.

What if I make no choice?

The RSA Pension Cash Targeting Lifestyle has been selected as the default. The funds in which it invests are illustrated in the below chart. Your pension account will be invested in this strategy if you do not select a different option. More information to help you decide whether this is the most suitable option for you is provided in the Investment Choices Guide. **This lifestyle option may not necessarily be the most appropriate option for you particularly if you expect to purchase an annuity or access your pension account flexibly at retirement.**



What are the Core self-select options?

If you would prefer to build an investment strategy which is closely aligned to your goals and views on investing, you may choose to invest in one or more self-select funds rather than selecting one of the Lifestyle options. The self-select fund range covers the main investment types – including equities, bonds, property and cash – and all the major financial markets. This option is more likely to be suited to you if you are a confident and experienced investor who can commit the time to managing your investments.

Core Self-Select Funds

These are listed in the table below. Further information on the core range can be found in the Investment Choices Guide.

The underlying funds within each of the Core Self-Select Funds will be reviewed periodically and, if it is thought to be in members' best interests, changes will be made. Changes may result in an increase or decrease in the charges and fees shown.

Core Self-Select Fund Range

FUND NAME	RISK FACTORS AND FUND OBJECTIVE	ANNUAL MANAGEMENT CHARGE	OTHER CHARGES	TOTAL EXPENSE RATIO
RSA Pension Passive Global Equity Fund	Fund Specific Risk Factors: 3, 4, 6 The fund aims to achieve long-term capital growth by investing or reinsuring into underlying funds managed by Fidelity or our Fund Partners, which primarily invest in the shares of companies around the world.	0.286%	0.012%	0.298%
RSA Pension UK Equity Fund	Fund Specific Risk Factors: 3 The fund aims to achieve long-term capital growth by investing or reinsuring into underlying funds managed by Fidelity or our Fund Partners, which primarily invest in the shares of UK companies.	0.26%	0.00%	0.26%
RSA Pension Diversified Growth Fund	Fund Specific Risk Factors: 1, 2, 3, 4, 6, 10, 11, 17 The fund aims to achieve long-term capital growth by investing or reinsuring into underlying funds managed by Fidelity or our Fund Partners, which may invest in a range of asset classes in the UK and overseas including equities, bonds, cash/currencies, real estate, commodities, hedge funds, high yield debt and private equity.	0.73%	0.01%	0.74%

FUND NAME	RISK FACTORS AND FUND OBJECTIVE	ANNUAL MANAGEMENT CHARGE	OTHER CHARGES	TOTAL EXPENSE RATIO
RSA Pension Pre-Retirement Growth Fund	Fund Specific Risk Factors: 3, 4, 6, 11, 13, 17 The fund aims to achieve a return consistent with its benchmark by investing or reinsuring into underlying funds managed by Fidelity or our Fund Partners. The fund invests in a range of asset classes in the UK and overseas for example equities, corporate bonds, government bonds and real estate.	0.292%	0.004%	0.296%
RSA Pension Ethical Fund	Fund Specific Risk Factors: 3, 5, 6 The fund aims to achieve long term capital growth by investing or reinsuring into underlying funds managed by Fidelity or our Fund Partners, which primarily invest in the shares of companies that are selected based on the SRI (socially responsible investing) criteria of the underlying fund/s.	0.45%	0.00%	0.45%
RSA Pension Property Fund	Fund Specific Risk Factors: 3, 4, 6, 11, 13 The fund aims to achieve long-term capital growth by investing or reinsuring into underlying funds managed by Fidelity or our Fund Partners, which invest in property and property-related securities.	0.70%	0.01%	0.71%
RSA Pension Corporate Bond Fund	Fund Specific Risk Factors: 3, 17 The fund aims to achieve long-term capital growth by investing or reinsuring into underlying funds managed by Fidelity or our Fund Partners, which primarily invest in Sterling denominated bonds issued by UK companies and other companies who issue Sterling bonds.	0.27%	0.00%	0.27%
RSA Pension Annuity Targeting Fund	Fund Specific Risk Factors: 17 The fund aims to move up and down in line with annuity pricing by investing or reinsuring into underlying funds managed by Fidelity or our Fund Partners, which primarily invest in government issued bonds.	0.27%	0.00%	0.27%
RSA Pension Cash Fund	Fund Specific Risk Factors: 3, 16, 17 The fund aims to achieve capital stability and some long-term capital growth by investing or reinsuring into underlying funds managed by Fidelity or our Fund Partners, which invest in a diversified range of money market instruments, other short term instruments and transferable securities.	0.25%	0.00%	0.25%

Fund specific risk factors

In the 'Your investment choices' section we indicate the types of risk associated with each fund. A description of each of these risks is in the table below. You should refer back to this table when reviewing your fund choices looking at each fund's risk factors.

Risk factor	Type of risk	Description of risk
1	**Concentrated portfolio**	The fund may invest in a relatively smaller number of stocks. This stock concentration may carry more risk than funds spread across a larger number of companies.
2	**Derivative exposure**	The fund invests in derivatives as part of its investment strategy, over and above their use for efficient portfolio management. Investors should be aware that the use of these instruments can, under certain circumstances, increase the volatility and risk profile of the Fund beyond that expected of a fund that only invests in equities. The fund may also be exposed to the risk that the company issuing the derivative may not honour their obligations which in turn could lead to losses arising.
3	**Efficient portfolio management**	The fund may use other investment instruments apart from/or in place of the actual underlying securities. This is done in order to manage the fund in a more efficient fashion. Examples of these other instruments could be options, derivatives or warrants. The process of using these instruments in the fund is referred to as efficient portfolio management. These instruments can be used to effectively take a position (or reduce an existing position) in a share or index, allowing positions to be altered more quickly and cost effectively than dealing directly in the underlying investment, but are not generally used to try and magnify returns. However, investors should be aware that the use of these instruments can, under certain circumstances, increase volatility and risk beyond that expected of a fund that only invests in conventional equities.
4	**Emerging markets**	The fund invests in emerging markets. There is an increased chance of political and economic instability with less reliable custody, dealing and settlement arrangements. The market(s) can be less liquid. If a fund investing in markets is affected by currency exchange rates, the investment could either increase or decrease. These investments therefore carry more risk.
5	**Ethical restrictions**	The fund is unable to invest in certain sectors and companies due to the ethical criteria used to select investments for the fund.
6	**Exchange rate**	The fund invests in securities outside the UK. The value of investments and any income from them may therefore decrease or increase as a result of changes in exchange rates between currencies.
7	**Geared investments**	The fund focuses on geared investments. Funds which focus on geared investments such as warrants or options carry a higher degree of risk than other equity investments because of the risk of the underlying investments. It is possible that the fund may suffer sudden and large falls in value so that the short fall on cancellation, or the loss of the realisation on the investment could be very high and could even equal the amount invested, in which case you would get nothing back.

Risk factor	Type of risk	Description of risk
8	**High yield bonds**	The fund invests in high yield bonds. High yield bonds carry a greater risk of default than investment grade bonds, and economic conditions and interest rate movements will have a greater effect on their price. Income levels may not be achieved and the income provided may vary.
9	**Specialist**	The fund is specifically aimed at sophisticated investors and is particularly high risk, because it concentrates on a region that may be exposed to unusual political or economic risks. You should only invest if you are comfortable with the specific risks pertaining to the fund in question.
10	**Income eroding capital growth**	The fund focuses on income which may reduce the prospect of capital growth. Any income generated cannot generally be withdrawn from a Pension Account until retirement and will be reinvested in the fund.
11	**Liquidity**	The fund can suffer from partial or total illiquidity, which may lead to considerable price fluctuations and the inability to redeem your investment. This could affect you, for example when you are close to retirement.
12	**Performance charges**	The fund makes charges that depend on the fund's performance.
13	**Property funds**	The fund invests directly in physical property, there may be delays in completing your instruction to sell. This could affect you, for example when you are close to retirement, as it may be difficult to sell the units you hold in such funds. Any decision to invest in physical property should be carefully considered in line with your planned retirement goals. The value of physical property is generally a matter of a valuer's opinion rather than fact.
14	**Sector specific funds**	The fund invests in specific sectors. Funds which invest in specific sectors may carry more risk than those spread across a number of different sectors. They may assume higher risk, as markets/sectors can be more volatile. In particular, gold, technology funds and other focused funds can suffer as the underlying stocks can be more volatile and less liquid.
15	**Smaller companies**	The fund invests in smaller companies. Smaller companies shares can be more volatile and less liquid than larger company shares, so smaller companies funds can carry more risk.
16	**Solvency of depositary**	The value of the fund may be affected if any of the institutions with which cash is deposited becomes insolvent or experiences other financial difficulties.
17	**Solvency of issuers**	The fund invests in bonds and there is a risk that the issuer may default, resulting in a loss to the portfolio.
18	**Volatility**	Investments in the fund tend to be volatile and investors should expect an above-average price increase or decrease.

What are the risks?

There are risks from both investing and not investing. These are some of the key ones:

Investment risk

Some types of investment are riskier than others. Generally higher risk investments have the potential to deliver higher growth over the longer term. Lower risk funds tend to be more stable but lead to lower growth. The value of investments can rise and fall. This is especially true of higher risk investments which can be particularly volatile, rising and falling in value both often and quickly.

Inflation

Inflation reduces what you can buy with your money over time. You either have to pay more for the same goods or buy fewer goods for the same money. Your investments need to grow faster than inflation to offset this risk.

Investment returns are lower than assumed

Neither the trustees, nor Fidelity, can guarantee what your pension account will be worth, and therefore how much retirement income this will provide you with when you decide to retire.

Your retirement income may also be lower than the estimated yearly pension amount shown on your annual pension account summary. The estimate is based on many assumptions, so your pension income may be lower if, for example:

- you take some or all of your benefits before your planned retirement age
- fund performance is worse than is illustrated. The value of the funds are not guaranteed. Their value can go down as well as up, and you may not get back the amount invested into them
- fund or plan charges are increased above those illustrated
- the cost of buying a pension (e.g. an annuity) increases, assuming you choose this option
- you decide to take a cash amount from your account when you take your benefits.

Security of providers

Furthermore, you bear the risk that any of the underlying funds into which our funds are invested, or into which our funds are reinsured, do not pay Fidelity the full amount. This could happen for example if an underlying fund provider were to become insolvent, or suffer other financial difficulty. Although we believe this would be very unlikely, if this were to occur any shortfall created could reduce the value of any impacted funds held in your pension account. Under the current rules the Financial Services Compensation Scheme (FSCS) would not cover this type of shortfall, and our liability is restricted to what we receive from the underlying fund provider.

Fund specific risks

In addition to some of the general risks highlighted above, each fund will have its own specific risks. Fidelity has rated each of the available funds to give you an indication of the potential level of risk that applies, details of which can be found on the fund factsheets available on PlanViewer.

How funds work

The FIL Life (Fidelity Life Insurance Limited) funds available invest into other funds. The underlying funds are usually made up of many types of investments. For example, a UK Equity Fund might consist of the shares of perhaps 100 different companies either based in the UK, or listed on a UK stock market. A UK Balanced Fund, however, might consist of shares in perhaps 50 UK companies as well as some government bonds. With a fund, investment risk is spread over a variety of assets.

When you invest in a fund, your money is used to buy units which represent a share of the assets of the fund. For example, if you invest £5,000 in a fund where the price of units is £5, then you will have 1,000 units allocated to you. If, when you come to sell, the price was £10 then the holding would be worth £10,000 (1000 x £10), but if the price were to fall to £2.50, the holding would be worth £2,500.

How do I make my investment choices?

Making your investment choices is a personal decision so the most important thing you need to think about is how you feel about investment risk. Are you more or less inclined to take some investment risk to achieve a potentially higher value pension account?

If you're only willing to take minimal investment risk, will you be satisfied with lower investment growth (potentially below the rate of inflation) and a potentially lower value pension account?

You may like to consider these questions to help you understand how you feel about investment risk:

- **How long have I got to go before I plan to retire?** A long-term investment strategy and a short-term investment strategy could look very different.
- **If my pension account fell in value before my retirement, could I afford a drop in income?** Or could I delay my retirement plans until things had recovered?
- **How willing am I to keep track of my investments and make changes over time?** Would I prefer to invest in a Lifestyle option that automatically moves from higher to lower risk funds in the run up to my retirement?

How to change your investment choices?

Changing your fund selection is easy, either by:

Using the online PlanViewer service at www.planviewer.co.uk if you have already received your log in details.

Speaking to the representatives at Fidelity's Pensions Service Centre, on 0800 3 68 68 65.

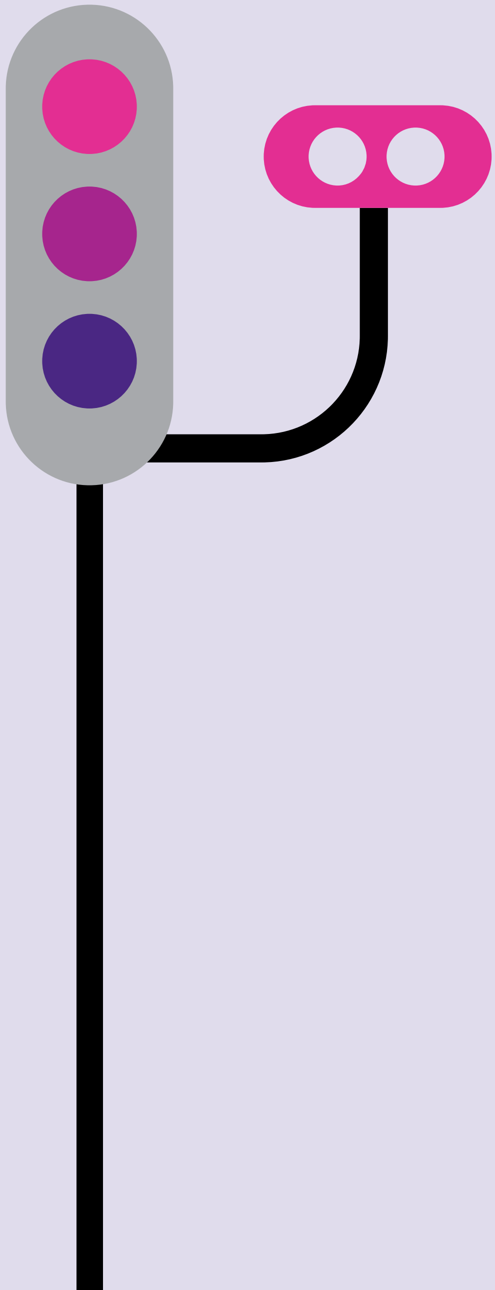
Please be aware that switching funds may result in your account not being invested for a short time and that market movements during this period may affect the number of units your switch buys in your new funds.

Do I pay any charges?

There are no initial charges for the funds.

So if you contribute £100 to your account, £100 is invested into your chosen funds. These funds have annual management charges which are set out in this document for the Core range of funds, including those used in the three lifestyle strategies, and on the fund factsheets also available to you. Funds also incur other expenses such as auditing and registry fees and the figures quoted in your literature (we call these 'other charges') are a guide based on historical estimates and may change. The annual management charge and the other charges (together expressed as the 'total expense ratio') are deducted from each fund's assets and are reflected in the quoted daily price for the fund – they are not a separate charge taken directly from your account. Performance figures for the funds therefore take account of all fund charges. All charges are reviewed regularly.

No administration charges are applied for switching or withdrawing your investments.



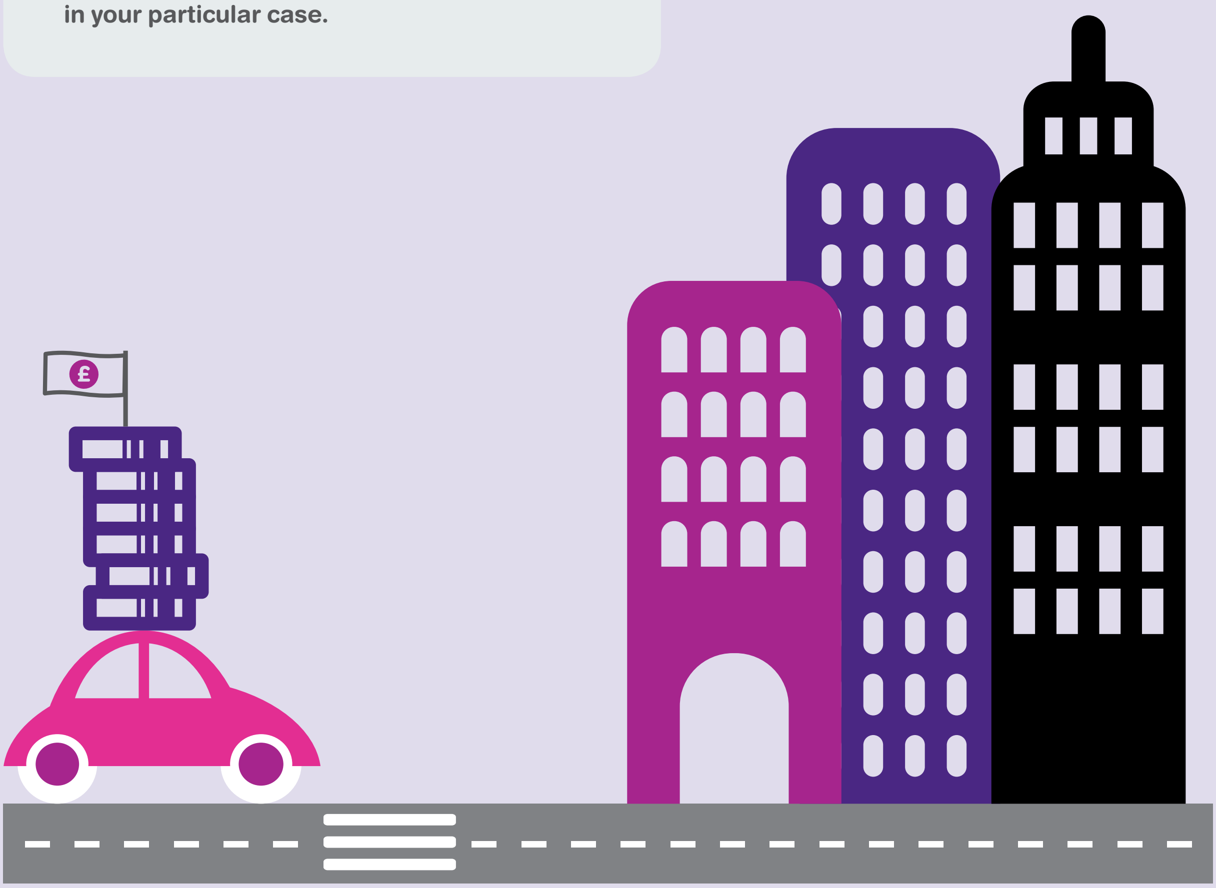
Transferring in

You can consolidate your pension savings by transferring other arrangements into this Scheme. For example, you may be able to transfer into your pension account:

- **Benefits left behind in a pension scheme from an earlier job**
- **A personal pension or stakeholder pension**
- **A retirement annuity policy (a pre 1988 type of pension benefit)**

Please note that no tax relief is given on transfers in. This is because the transfer takes place between two pension arrangements and it is not treated as a personal contribution for tax purposes.

For more information on this option, call Fidelity's Pensions Service Centre on 0800 3 68 68 65. Transfers can be complex, so we also recommend that you seek financial advice to find out if transferring is appropriate in your particular case.



Leaving the scheme

Leaving the scheme, but not the company

If you don't want to stay in the scheme, you can opt out.

If you are thinking about opting out we would suggest that you think carefully about the company contributions that you may be giving up. You should consider what alternative arrangements you may need to put in place to save for your retirement.

If you opt out within a certain period, shown in the letter you receive when you join, you will be treated as not having become an active member of the scheme on that occasion. This means any contributions already paid by you for that period will be refunded by your employer.

If you wish to leave the scheme after that period you can do so.

If you choose to opt out you have the right to opt back into the scheme.
Please contact RSA HR Services if you wish to re-join the scheme.

If you opt out of the scheme you will be automatically enrolled back in at a later date if you meet certain criteria. You can then opt out again.

Leaving the company and the scheme

If you leave the company you can no longer be an active member of the scheme and contributions to your pension account will stop.

You can:

leave your pension account invested with the scheme until your retirement age, when it will be used to buy your benefits in the usual way – in the meantime, you can still make decisions about how your pension account is invested, just as if you were still making contributions

transfer your pension account at any time up to and beyond your normal retirement age

transfer to your new employer's registered pension scheme, provided it will accept the transfer

transfer your pension account to a personal pension.

Currently, any transfer out of your pension account is free of charge. However, you may wish to check whether the scheme or arrangement receiving the transfer will make a charge. The amount of transfer value on any given day is the same as the value of your pension account on that day and includes the value of both company and employee contributions.

Important information

Your scheme is part of the Fidelity Master Trust.

ABC

JARGON BUSTER

The Master Trust is a trust based defined contribution (DC) scheme set up to provide pension schemes for different employers within the same trust. The RSA Pension Scheme is a part of the Fidelity Master Trust. The scheme is governed by a Master Trust Board which acts independently of Fidelity and the employers participating in the scheme, so it is clear that the trustees have the interests of members as their highest priority.

Your scheme trustees

The scheme trustees are responsible for looking after your interests. With the support of professional advisers, they ensure the smooth running of the scheme and oversee the day-to-day administration.

The Master Trust Board comprises a numbers of trustees (currently five). For any further information with regards to the trustees please call the Pensions Service Centre on **0800 3 68 68 65**.

Money Purchase Annual Allowance

Once you begin withdrawing taxable money from your pension pot using pension freedoms (i.e. more than the tax free part), you may be subject to the money purchase annual allowance. This reduces the amount that can be contributed to your money purchase pensions in any one tax-year while still benefitting from tax relief down to £4,000. In addition, if you decide to access any money purchase benefits flexibly you will also need to advise all your money purchase pension providers where you hold benefits of this action within 91 days of the access date, or potentially face a fine from HMRC of £300. The Money Purchase Annual Allowance does not apply if you only take tax-free cash or purchase a lifetime annuity.

Tax advantages

The scheme is a registered pension scheme under the Finance Act 2004. This means that as a member you benefit from some important tax advantages:

- generally you receive full tax relief on your contributions subject to the annual allowance which is outlined above
- your investments are free from tax on interest income and capital gains
- you have the option of taking part of your pension as a tax-free cash sum.

You should also be aware that the carry forward facility does not apply to this allowance.

This is a complex area and we therefore recommend you speak to a financial adviser if you are thinking of accessing your benefits flexibly.

Enhanced or Fixed Protection

If you have obtained enhanced or fixed protection in relation to the lifetime allowance, then membership of this Plan may invalidate that protection and lead to possible tax charges on your benefits.

For more information and detailed guides on all the tax benefits and allowances that relate to pensions, you can visit: https://retirement.fidelity.co.uk/planning/pension-allowances-tax-benefits/

HMRC allowances

The benefits provided by the Plan are subject to certain allowances that are set by HMRC.

Under normal circumstances your benefits will be within these allowances and they will be paid with no restrictions. If we become aware that certain limits may affect the payment of your benefits, we will notify you of this and get confirmation from you on how you would like to proceed.

However, you should know that you are responsible for reporting to HMRC if the total of contributions paid on your behalf or by you exceed the annual allowance via your self-assessment tax return. If you do not currently complete a tax return, we suggest that you contact your local tax office directly.

Rules and regulations

The scheme is administered according to a strict set of rules, which meet the requirements of HMRC. You can contact the Pensions Service Centre on **0800 3 68 68 65** for a copy of the rules.

This document is a guide to the scheme and will always be overruled by the rules, and current legislation specifically, if there is any difference between the two.

Lifetime Allowance

This is the total amount you can build up in pension benefits over your lifetime that will enjoy full tax advantages. If you go over the allowance you will generally pay a tax charge on the excess when you take a lump sum or income from your pension pot, transfer overseas or reach age 75 with unused pension benefits.

For the tax year 2019-20 the lifetime allowance is £1.055m. This should increase yearly in line with inflation. If you exceed the allowance you pay tax on the excess amount (called the 'Lifetime Allowance Charge'). The charge is 55% if taking money from the pension as a lump sum or at 25% if taken as income. When income is taken, tax is payable on it at your usual rate of Income tax.

Small pot commutation

If the value of your pension account is small, you could consider taking all your benefits as a cash sum, separate from any other retirement savings you have. The value of your pension account must not be greater than £10,000 to qualify for this.

Data protection

The personal data that you provide or which is provided about you through the course of your relationship with Fidelity will be held on and processed by computer or other means in order for Fidelity or its affiliated or associated companies or agents to administer the scheme. This may involve the transfer of data by electronic means including the internet and may also include the transfer of such data to affiliated or associated companies or agents based outside the European Economic Area. Where we engage with these third parties, we will make sure that they apply the same level of protection, security and confidentiality we apply. Your information will be held in confidence and not passed to any other company or organisation without appropriate permission from either yourself or the trustees where relevant, or unless:

- Fidelity is required or permitted to do so by law
- to comply with any regulatory requests or obligations
- to prevent and detect crime
- it is necessary in order to administer the scheme
- Fidelity is provided with updated address details or other information by either you or your current employer or the trustees, in which case we will update the information kept for any other schemes of which you are a member and for which we hold records on our database
- at the request of the trustees, Fidelity may provide some information to your employer to help Fidelity administer the scheme
- at the request of the trustees, Fidelity may also provide certain information to a financial adviser or in any event to a financial adviser who is acting on your behalf. Where Fidelity provides information to a financial adviser at the request of the trustees, this may be to allow you to receive advice
- Fidelity transfers rights and obligations under this agreement.

You have the right to obtain a copy of the personal data held about you for which you may be charged a fee – simply contact the Pensions Service Centre by email **pensions.service@fil.com** or call **0800 3 68 68 65**

Liability

Fidelity will not be responsible for losses arising through it providing services under the scheme or for anything it does or omits to do unless that failure is a breach of the Financial Services and Markets Act 2000, the Prudential Regulation Authority / Financial Conduct Authority rules, or is the result of lack of due skill, care and diligence by Fidelity or its employees or agents. Fidelity will not, therefore, be responsible for losses arising from matters beyond its control, including fire, explosion, war, industrial disputes, or breakdown of equipment.

Amendment or discontinuance

RSA reserves the right to amend the scheme at any time. If your benefits or rights are affected you will be given written notice. If the scheme is discontinued, a statement detailing the value of your pension account will be sent to you and your options will be explained to you.

The Funds

Contributions will be allocated to funds of FIL Life Insurance Limited (FIL Life). Through these funds, FIL Life invests in underlying Fidelity unit trusts and open-ended investment company (OEIC) funds managed by FIL Investment Services (UK) Limited, authorised and regulated by the Financial Conduct Authority.

The Cash Pensions Fund invests in the Fidelity Cash Fund, a UK-authorised unit trust managed by FIL Investment Services (UK) Limited.

FIL Life Insurance Limited (FIL Life) may also invest into funds managed by non-Fidelity group fund managers or be reinsured by non-Fidelity group life insurance companies. The name of the non-Fidelity group insurance company or fund manager will normally be shown in the name of the FIL Life fund.

Complaints

Fidelity has procedures for the consideration of complaints. You can call the Pensions Service Centre or write to Fidelity to obtain a copy of the procedures or to complain.

Should you have a complaint in relation to your benefits under the scheme, the trustees have, in line with the Pensions Act 1995 and subsequent amendments, established a formal procedure to deal with your concerns. This procedure is known as the Internal Dispute Resolution Procedure (IDRP) and details of this can be obtained from the Pensions Service Centre.

You will receive a full written response within two months. If the matter is not resolved, you can refer your concerns to the trustees within six months of the original response.

Termination

The provision of Fidelity's services to you under the scheme will terminate if the agreement between it and the trustees is terminated or if the trustees decide that the services may not be provided to you or any category of members to which you belong. Even where Fidelity receives notice of termination it will be entitled to complete all transactions already initiated in relation to your pension account.

If your employer wishes to end their relationship with the Master Trust, they can cease to participate at any time and request the trustee to make a non-consent bulk transfer of the assets in their section to a new provider.

The power to appoint and remove the trustee is set out in the Trust Deed and Rules and lies with Fidelity as scheme sponsor. If Fidelity are unhappy with the trustee's services they can give notice and select a new trustee. Fidelity would not do this without informing all employers of the reasons why they would take such a course of action.

In the event of termination Fidelity will be entitled to complete all transactions already initiated in relation to your pension account.

Useful contacts

Pensions Service Centre

The Pensions Service Centre is open UK business days from 8am to 6pm. Outside these hours, you can leave a message on the confidential answering service and a pension representative will contact you on the next business day. Fidelity Pensions Service Centre representatives have a thorough understanding of the Rules of the scheme. They aim to give you all the information you need to manage your pension savings pot effectively but they cannot give you financial advice. You should consult a Financial Adviser for this:

Call the Pensions Service Centre on **0800 3 68 68 65**

Email enquiries to **pensions.service@fil.com**

Write to the Pensions Service Centre

Fidelity Pensions Service Centre
Beech Gate
Millfield Lane
Lower Kingswood
Tadworth
Surrey
KT20 6RP

RSA pensions team

Email enquiries to **my.pension@uk.rsagroup.com**

The Pensions Ombudsman - Early Resolution Service

The role of the Pension Ombudsman's Early Resolution Service is to help members or their beneficiaries at any time with any concerns they may have about the Plan or with any difficulty they failed to resolve with the Trustees or administrator.

The Pensions Ombudsman
10 South Colonnade
Canary Wharf
London E14 4PU

Tel: **0800 917 4487**
www.pensions-ombudsman.org.uk
Email: **enquiries@pensionsadvisoryservice.org.uk**

Pensions Ombudsman

The Pensions Ombudsman may be able to investigate any complaint or dispute that the early resolution service is unable to resolve for you. The Ombudsman can also be contacted at:

The Pensions Ombudsman
10 South Colonnade
Canary Wharf
London E14 4PU

Tel: **0800 917 4487**
www.pensions-ombudsman.org.uk
Email: **enquiries@pensionsadvisoryservice.org.uk**

Financial Ombudsman Service

Complaints about the sales and marketing of pension schemes are dealt with by the Financial Ombudsman Service. They can be contacted at:

The Financial Ombudsman Service
Exchange Tower
Harbour Exchange Square
London
E14 9GE

Tel: **0800 023 4567** – free for people phoning from a fixed line (a landline for example)

Tel: **0300 123 9123** – free for mobile-phone users who pay a monthly charge for calls to numbers starting 01 or 02

Tel: **+44 20 7964 1000** – for calls from outside the UK
www.financial-ombudsman.org.uk
Email: **complaint.info@financial–ombudsman.org.uk**

The Pensions Regulator

There is a regulatory body that oversees the running of pension schemes. The Pensions Regulator can intervene where trustees, employers or professional advisers fail in their duties. For more information about The Pensions Regulator, please contact:

The Pensions Regulator
Napier House
Trafalgar Place
Brighton
East Sussex
BN1 4DW

Tel: **0870 606 3636**
www.thepensionsregulator.gov.uk
Email: **customersupport@thepensionsregulator.gov.uk**

The Pensions Advisory Service

If you have general requests for information or guidance concerning your pension arrangements contact:

The Pensions Advisory Service
11 Belgrave Road
London SW1V 1RB

Tel: **0800 011 3797**
www.pensionsadvisoryservice.org.uk

Pension Wise

The government offers a free and impartial guidance service to help you understand your options at retirement. This is available via the web, telephone or face-to-face through government approved organisations, such as The Pensions Advisory Service and the Citizens Advice Bureau. You can find out more by going to pensionwise.gov.uk or by calling Pension Wise on **0800 138 3944**.

Notes

Notes

When it comes to your retirement planning...

you're in good company

If you need any other information visit
fidelitypensions.co.uk