

Flexible Transitions Account

Product Profile

In this document we outline the relevant product information about the LV= Flexible Transitions Account. We set out the product's target market, distribution strategy, main features, limits, suitability, risks, options and costs.

It is a summary; for full details please refer to the Plan Terms and Conditions.

Target Market

The LV= Flexible Transitions Account is a pension plan that is designed to allow members to control how their pension fund is invested and to provide flexibility at retirement. The plan is also designed to allow members to take pension benefits directly from their plan, using drawdown.

This plan is primarily targeted at individuals approaching retirement wishing to either consolidate and/or take benefits from their plan. They are likely to be financially aware and wish to utilise the various investment and benefit options available under the plan.

The product is not designed to be sold heavily in the regular premium market where a stakeholder pension may be a more appropriate option.

Investing solely in LV= Core Funds or LV='s Smoothed Managed Funds offers access to a low cost personal pension, designed for people with moderate to high transfer values or single contributions to start up their plan.

The plan can receive transfers from Defined Benefit schemes where appropriate financial advice has been given.

Distribution

To ensure your client receives a product that is right for them we believe the plan should only be available on an advised basis, whether this be face to face or over the phone.

Main Features

- Can accept transfers from other UK Registered Pension Schemes or Recognised Overseas Pension Schemes (ROPS).
- In-specie transfers (but not in-specie contributions) and drawdown transfers are allowable (including beneficiary drawdown).
- Ability to accept single and regular contributions from members, employers and third parties on a one off basis and via direct debit on a regular basis up to the age of 75..
- A choice of over 200 LV= Core Funds to invest in a low cost pension including a range of ESG funds.
- A range of LV= Smoothed Managed Funds which offer smoothed returns and an optional capital guarantee (the latest guarantee options are available on request).
- Access to the LV= panel of 8 discretionary fund managers. Other DFMs may also be used.
- Tax free cash can be taken once the member's retirement age has been reached. The member has the option of crystallising some or all of their plan at a time. The tax free cash can be paid in equal instalments over a fixed 12 month period using our Monthly Cash Policy.

Risks

- The value of investments can go down as well as up and the client may get back less than any amounts invested.
- LV= will setup a bank account within the SIPP to receive and send monies to the investments that are selected. If the amount of cash in the SIPP Bank Account is greater than the FSCS protection limit, the client may lose money in the event of the underlying financial institutions becoming insolvent.

Limits and Basis

To open a Flexible Transitions Account clients must:

- Have received advice from a financial adviser.
- Have at least £30,000 to transfer or contribute to the pension at the time of setup. If entering drawdown you should have at least £30,000 after tax free cash has been paid.
- Alternatively pay £250 monthly into the plan, or £3,000 if paying yearly.



Eligibility

- The plan is available to any 'relevant UK individual' up to and including age 85 (86 next birthday).
- The plan can accept transfers in from other UK Registered Pension Schemes or Recognised Overseas Pension Schemes (ROPS), if the member is currently resident in the UK.
- The plan can accept transfers for people who are resident overseas (anywhere but the USA), provided they are either already in drawdown or are going to immediately crystallise the whole fund into drawdown. They will not be able to make any contributions to their plan. The plan can't hold uncrystallised funds for overseas residents.
- Members of the LV Personal Pension Scheme who move overseas must notify us when they leave the UK.
- The plan can accept transfers from Defined Benefit schemes as long as appropriate financial advice has been given.

The LV= Flexible Transitions Account

Is suitable for individuals who:	Is not suitable for individuals who:
<ul style="list-style-type: none"> ✓ Have had financial advice and want to consolidate their existing pensions into one product. ✓ Have at least £30,000 to transfer or contribute to a new pension as an initial lump sum. Alternatively pay £250 monthly into the plan, or £3,000 if paying yearly. ✓ Want to setup a pension that gives them flexibility over where their money is invested and the ability to change this over time within the same plan. ✓ Want a pension that gives them access to a range of 'smoothed' funds. ✓ Wants access to a range of over 200 competitively priced insured funds to invest their money in and may be interested in ESG funds. ✓ Want the option of using the services of a Discretionary Fund Manager to manage their investments or user wider self investment options. ✓ Want the ability to access their pension benefits using income drawdown either now or in the future and want the payments to be made to a UK bank account in £ sterling. ✓ Want a pension that provides a wide range of death benefits to assist with Inheritance Tax planning. ✓ Have taken advice and are looking to transfer a Defined Benefit pension into a Defined Contribution plan. 	<ul style="list-style-type: none"> ✗ Want to setup a pension without the use of a financial adviser or on an execution only basis. ✗ Are resident outside the UK and want to transfer pension plans which aren't already fully crystallised or will immediately fully crystallise upon transfer to LV=. ✗ Are resident outside the UK and wish to make contributions to their pension with LV=. ✗ Are a United States (U.S.) person for the purpose of the Foreign Account Tax Compliance Act (FATCA). ✗ Want to pay less than £250 per month or £3,000 a year into their plan without first transferring /contributing at least £30,000. ✗ Are in serious ill health and have a life expectancy of less than two years. ✗ Want to consolidate their existing pensions and then use all of the funds to immediately purchase a lifetime annuity.

Benefits of being an LV= member

When taking out a Flexible Transitions Account your client receives LV= membership and is entitled to a range of benefits. By taking out this product your client will agree to become a member of Liverpool Victoria Financial Services Limited (LV=). As LV= is a mutual we are owned by our members, which means our members have a say on how the company is run. Our members also get access to a range of LV= benefits. To see the full range, and any conditions that may apply, visit [LV.com/benefits](https://www.lv.com/benefits). LV= benefits are non-contractual and can be changed or removed at any time.

Costs and Charges

The Flexible Transitions Account applies different wrapper charges depending on the features that the client uses and the investments chosen. The wrapper charges shown below are the yearly charges. We deduct the charge from the account on a quarterly basis.

The wrapper charges may be increased as investments change but will not be decreased if clients move from 'full SIPP' to insured funds.

A breakdown of charges is shown in the table below:

		LV= Core Funds	Selected Partner Funds	Extended Fund Options
		A range of passive and active insured funds, including the LV= Smoothed Managed Funds (known as LV= Smoothed Pension)	Bespoke investment options via our panel of eight Discretionary Fund Managers or some approved external TIPs	Self-investment, including commercial property, and non-panel DFMs
Flexible Transitions Account (the LV= SIPP) wrapper charge		Up to £700,000 - 0.2%, over £700,000 - Nil	Up to £700,000 - 0.25%, over £700,000 - Nil	Up to £700,000 - 0.3%, over £700,000 - Nil
Minimum wrapper charge		£195	£195	£195
Drawdown charge for clients investing from 1st July 2020		Nil	Nil	Nil
Initial Drawdown charge for existing clients at 1 July 2020		Funds over £37,500 - £175 Funds under £37,500 - £295 (After PCLS)	Nil	Nil
Ongoing Drawdown charge for existing clients at 1 July 2020 (See Note 1)		Funds over £37,500 - £175 Funds under £37,500 - £295 (After PCLS)	Nil	Nil
Minimum Contributions	Single / transfer	£30,000	£30,000	£30,000
	Drawdown	£30,000 (net of PCLS)	£30,000 (net of PCLS)	£30,000 (net of PCLS)
	Additional single or transfer	£1,000	£1,000	£1,000
	Minimum insured fund investment	N/A (all investment is in insured funds)	£3,000 in LV= Core Funds, £5,000 in LV= Smoothed Managed Funds or £10,000 in LV= Protected Retirement Plan	£3,000 in LV= Core Funds, £5,000 in LV= Smoothed Managed Funds or £10,000 in LV= Protected Retirement Plan

Note 1: The Flexi-access Drawdown ongoing charge applies when additional funds under the plan are moved into drawdown (Terms and Conditions apply). However, the charge won't apply; on the first crystallisation after each anniversary of paying the Flexi-access Drawdown initial charge. However, the drawdown on-going charge will apply to each subsequent tranche in the year. This resets each year so that following every 12 month anniversary of paying the Flexi-access Drawdown initial charge, the first time another tranche of funds under the plan is moved into drawdown this will not attract a charge. However, if during a subsequent 12 month period, more than one additional tranche of funds is moved into drawdown, then the Flexi-access Drawdown ongoing charge will apply to each subsequent tranche.

Please read this guide together with the FTA Adviser Guide.

To request a copy or for details of the investment charges that apply, please speak to your business development manager or call us.



0800 032 2990

Lines are open 9am – 5pm Monday to Friday. Calls will be monitored and/or recorded for training and audit purposes.

If this document is not accessible for you, you can contact us and ask for an alternative format. It will help us if you tell us what assistive technology you use.

Liverpool Victoria Financial Services Limited, Tilehouse Street, Hitchin SG5 2DX

LV= and Liverpool Victoria are registered trademarks of Liverpool Victoria Financial Services Limited and LV= and LV= Liverpool Victoria are trading styles of the Liverpool Victoria group of companies. Liverpool Victoria Financial Services Limited, registered in England with registration number 12383237 is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority, register number 110035. NM Pensions Trustees Limited, (registered in England No. 4299742), acts as scheme trustee. Registered address for both companies: County Gates, Bournemouth BH1 2NF

41012-2023 07/23

