

LV= Smoothed Managed Funds Pension  
Series 1  
**Plan Conditions**

Document reference: LV= SMFP (11/2024)

# Welcome to LV=, and to The LV= Smoothed Managed Funds Pension Series 1 Plan

The LV= Smoothed Managed Funds Pension Series 1 Plan is only available as an investment of the LV= SIPP (Flexible Transitions Account). Your **Plan** consists of these **Plan Conditions**, your **LV= SIPP Terms and Conditions**, and your Smoothed Managed Funds Plan Summary. These, together with any documents we send you confirming any changes to your **Plan**, form a contract between you and Liverpool Victoria Financial Services Limited.

Please read 'Your guide to how we manage our unitised with-profits Smoothed Managed Funds business' if you would like to invest in the Smoothed Managed Funds.

This investment option is referred to as LV= Smoothed Pension throughout this document.

You should also have already received the Key Features of the LV= SIPP which gives details of how your **Plan** works.

**These are important documents so please keep them in a safe place.**

This contract is provided by Liverpool Victoria Financial Services Limited. The **Plan** will start on the date stated in your **Plan Summary**.

## How do we use your personal information?



Find out how we use your personal information and what rights you have by visiting [LV.com/dataprotection](https://www.lv.com/dataprotection). This page includes who we are, how long we hold your information, what we do with it and who we share it with. Please tell us if you want us to send you a copy, or have any questions.

**Please ensure that you advise anyone else whose personal details are attached to the Plan where they can find this information.**

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## Definitions

This section explains what we mean when we use the words listed below in your **Plan Summary**, these **Plan Conditions**, and any documents we send you to confirm any changes to your **Plan**.

We explain them because they may have other meanings in everyday use. We have highlighted these words in bold so you know when they apply (other than personal terms such as 'you' and 'we').

- **'You'** means the applicant for this **Plan** named in the **Plan Summary** who are the applicants for this **Plan** and who are legally entitled to claim any payment from it. Where we use **'your'** it has the same meaning.
- **'We', 'us' or 'our'** means Liverpool Victoria Financial Services Limited (LV=). We are the provider of both the LV= Smoothed Managed Funds Pension and the LV= SIPP.
- **'Allocation Percentage'** means 100% of your investment is invested in your **Plan**.
- **'Annual Management Charge'** means the charge deducted from your **Plan** by cancelling **Units** to cover the cost of us managing your **Plan**. This charge is based on the value of your **Plan** at the time the charge is taken.
- **'Assets'** means the different types of investments in each of the **Fund Options**. For example, stocks and shares, fixed interest investments, commercial property and cash. The percentage of each **Asset** in each of the **Fund Options** will change over time reflecting investment performance and the views of the asset management team.
- **'Averaged Price'** means the **Underlying Price** of the **Units** in your chosen **Fund Option**, averaged over the previous 26 weeks (roughly six months). We work out this average at the close of business each **Working Day** and round it to the nearest 0.1 pence. This is sometimes referred to as 'Smoothing' in other documents.
- **'Cash In'** means closing your **Plan** by taking out all of the money.
- **Designated Member** means you as the named member of your SIPP, on whose behalf LV= hold the **Plan** as an investment of your **LV= SIPP**.
- **'Exit Price'** means the price we use when we value or take away **Units** in your **Plan**, when:
  - You take money from your **Plan** or **Cash In**.
  - You want to know how much your **Plan** is worth.
  - A death or **Terminal Illness** claim is made.
  - We calculate whether a guarantee applies and **Units** need to be added.
  - You change your **Fund Option**.
  - We take charges from your **Plan**.
- **'Financial Adviser'** means a firm or individual authorised to provide advice on behalf of you and the **Designated Member**, and who has signed our terms of business. These **Plan Conditions** assume that you invest using the services of a **Financial Adviser**.
- **'Fund Option'** means the investment fund option (as detailed in the "Your guide to how we manage our unitised with-profits Smoothed Managed Funds business") which has been chosen by you as an investment under the **Plan**, and which is shown in your **Plan Summary**.
- **'Gradual Averaged Price'** means the **Underlying Price** of the **Units** in your chosen **Fund Option** averaged on an increasing daily basis during the first 26 weeks. We work out this gradual average at the close of business each **Working Day** and round it to the nearest 0.1 pence. This is sometimes referred to as 'Smoothing' in other documents.
- **'Guarantee Charge'** means the charge taken to pay for a guarantee. We take this charge by cancelling units from your **Fund Option**.
- **'Guaranteed Amount'** is the amount that we guarantee to pay you at the end of the guarantee period. The **Guaranteed Amount** will reduce from the **Initial Guaranteed Amount** by any withdrawals since the guarantee was purchased.
- **'HMRC'** means His Majesty's Revenue & Customs.
- **'Initial Guaranteed Amount'** means the original amount that we guarantee to pay out:
  - When a guarantee is taken out at outset on your **Investment**, the **Initial Guaranteed Amount** will be the **Investment** amount.
  - When a guarantee is taken out on expiry of an existing guarantee, if available, the **Initial Guaranteed Amount** will be the fund value of the **Plan** at that time.
- **'Investment'** means money invested into your **Plan** in the form of a single payment.
- **'LV= SIPP'** (Flexible Transitions Account) means your LV= plan, which holds this **Plan** as an investment. The LV= pension is a Self Invested Personal Pension (SIPP) with a range of investment options.
- **'Mutual Bonus'** is a bonus that may be payable when your **Plan** ends. It's designed to reward eligible members for their support of the development and growth of LV=. You can find out more about this in our booklet 'Your guide to how we manage our unitised with-profits Smoothed Managed Funds business'.
- **'Plan'** means your Smoothed Managed Funds Pension investment. This contract consists of the **Plan Summary** and these **Plan Conditions** and any documents we send to you to confirm changes to your **Plan** (such as if you change your **Fund Option**).
- **'Plan Charge Date'** means the monthly anniversary of your **Plan** (or the next **Valuation Day** where relevant).
  - All regular activity (**Annual Management Charge**, **Guarantee Charges**) will be made on the monthly anniversary of the **Plan**.
  - If the monthly anniversary falls outside of a **Valuation Day**, the next **Valuation Day** will be used.
  - In the case of the monthly anniversary falling on a date that doesn't exist (for example, the **Plan Start Date** is 31st January and the next monthly anniversary is therefore '31st February') the next **Valuation Day** will be used e.g. 1st March.
- **'Plan Conditions'** means the product conditions of your **Plan**, contained in this document.
- **'Plan Summary'** means a summary of the **Plan** you have taken out once your **Investment** has been made.
- **'Plan Start Date'** means the date you first invest and purchase **Units** in your **Plan**. This is shown in your **Plan Summary**.

- **'Reasonable Notice'** means we must tell you before we make a change and we must give you a reasonable amount of time to take any action or make any decisions which you may need or wish to take, on account of the proposed change.
  - We'll normally give you at least 30 days' notice before any change. In some circumstances we may look to make a change before 30 days if we feel it's in your interest to do so.
  - When giving **Reasonable Notice** we'll take account of all of the circumstances of the change; for example, the length of notice that we can give may be influenced by legislative or regulatory requirements, or by an external body such as an external fund manager.
  - **'Terminal Illness'** means an incurable illness where, in the opinion of an attending consultant and our Chief Medical Officer, you would not be expected to live for more than 12 months.
- **'Underlying Price'** means the actual price of the **Units** in your chosen **Fund Option**. On each **Valuation Day**, we calculate the value of the **Assets** within your chosen **Fund Option** and then use this valuation to calculate a unit price. We take the total value of your chosen **Fund Option** and divide this by the number of **Units** within the **Fund Option** to calculate the underlying unit price and round to the nearest 0.1 pence.
- **'Unit or Units'** means a part of a **Fund Option**. Your **Plan** is made up of **Units** in your chosen **Fund Option**. For example, **Investments** will be used to purchase **Units**, and transactions such as **Annual Management Charges** will result in **Units** being cancelled.
- **'Valuation Day'** means the day we work out the **Underlying Price, Gradual Averaged Prices** and **Averaged Price**. We'll do this daily.
- **'Working Day'** means Monday to Friday, 9am to 5pm except Bank Holidays.

## Why choose the LV= Smoothed Pension?

The **LV= Smoothed Pension** is designed to offer potential for growth on your **Plan** over the long term (at least 5 years and ideally 10 years or more). When opening your **Plan**, you'll choose which of our **Fund Options** to invest in and you have the flexibility to change between these in the future, as your circumstances or attitude to investment risk change.

The asset management team aim to achieve the best possible returns for you, based on your chosen **Fund Option**. You may also share in the performance of Liverpool Victoria Financial Services Limited's other businesses (we've explained this in more detail in 'Your guide to how we manage our unitised with-profits Smoothed Managed Funds business', which you should read along with these Smoothed Pension **Plan Conditions**).

## Section A: Investing in the Plan

This section explains how we set up your **Plan**. It also explains the options you have to change your **Plan** in the future, should you wish to do so.

### A1 Investing your money

To invest in the **Plan**, you need to have an **LV= SIPP**. To open a **Plan**, you must be aged 17 or over (18 next birthday). The upper age limit is 89 attained (90 next birthday).

We reserve the right to change this age limit in future. We explain when a change can be made to your **Plan** in more detail in Condition D13. If we do this, we'll give you and your **Financial Adviser Reasonable Notice** before we make the change.

The **Plan** cannot be assigned (transferred to another person), nominated or put into trust by you, or transferred by way of an In-specie transfer to another UK **Registered Pension Scheme**.

You can only make a single lump sum **Investment** into your **Plan**.

If you wish to make any additional lump sum investments into the LV= Smoothed Pension, you will need to invest the money in a separate **Plan**. It is not possible to make an additional **Investment** into an existing **Plan**.

This will be in the latest series available at the time and therefore may have different **Plan Conditions**.

Payments into your Plan can only be made from your **LV= SIPP** plan bank account (Transitions Bank Account).

We'll set up your **Plan** when your completed application form has been received along with your **Investment**. Your **LV= SIPP** Plan Schedule will show the amount invested.

If you've previously invested in an LV= Smoothed Pension, and **Cashed In** the **Plan** after the 30 day cooling off period, you must wait at least 12 months from the date you **Cashed In** the last Plan (includes Flexible Guarantee Funds and LV= Smoothed Pension where multiple plans held).

If you've previously invested in an LV= Smoothed Pension, and subsequently cancelled the **Plan** within the 30 day cooling off period, you'll still be able to invest into a new LV= Smoothed Pension within 12 months. The cancelled **Plan** will be treated as if it never occurred.

### A2 Choosing your Fund Option

The **Investment** made into your **Plan** will be invested into a single **Fund Option**. 100% of your **Investment** will be invested into your **Plan**. You can only choose one **Fund Option** when investing in your **Plan**. We've explained these **Fund Options** in more detail in the 'Your Guide to how we manage our unitised with-profits Smoothed Managed Funds business' to help you and your **Financial Adviser** choose which one is right for the **Plan**.

We'll invest any **Mutual Bonus** added in the same **Fund Option** as your **Plan**.

We understand that personal circumstances or attitude to investment risk may change in the future. So to make your **Plan** as flexible as possible, you can change your **Fund Option** if you wish.

We've explained how and when you can do this in Condition A8.

We reserve the right to close one or more of the **Fund Options** in future. We explain when a change can be made to your **Plan** in more detail in Condition D13. If we do this we'll give you and your **Financial Adviser Reasonable Notice** before we make the change and clearly explain the options available to you at this time. See Condition A9 if you currently have a **Guarantee** within your **Plan**.

### A3 Adding Units to your Plan

Your **Investment** amount is used to add **Units** in your chosen **Fund Option** to your **Plan**. To work out how many **Units** to add to your **Plan**, we divide your amount invested (shown in your **Plan Summary**) by the **Underlying Price**.

You can see how many **Units** we've given you on your **Plan Summary**.

#### For example

If the **Underlying Price** is £1.25 on the day we receive a £20,000 **Investment**, we divide the £20,000 by £1.25.

This equals 16,000 so we create a new **Plan** with 16,000 **Units**.

### A4 Working out the value of your Plan

We work out the value of your **Plan** by multiplying the number of **Units** by the **Exit Price**. The **Exit Price** we use normally depends on whether you've invested or changed **Fund Option** recently.

#### (a) In the first 26 weeks

In the first 26 weeks after an **Investment** has been made, or a change of **Fund Option**, the **Exit Price** will be the **Underlying Price** on day one and then, from day two onwards, usually the appropriate daily **Gradual Averaged Price** except where smoothing has been suspended\*.

If the **Plan** is cashed in within the first 26 weeks as a result of your death (i.e. make a death claim) or **Terminal Illness** claim, the **Exit Price** will be the **Underlying Price** on day one or the appropriate daily **Gradual Averaged Price from day two**.

#### (b) After the first 26 weeks

26 weeks after an **Investment** has been made, or a change of **Fund Option**, the **Exit Price** we use will usually be the **Averaged Price** except where smoothing has been suspended\*.

If the **Plan** is cashed in within the first 26 weeks as a result of your death (i.e. make a death claim) or **Terminal Illness** claim, the **Exit Price** will be the **Averaged Price**.

\* Smoothing can be suspended at our discretion. This may be in exceptional conditions or if the **Underlying Price** was 80% or less of the **Averaged Price**. If smoothing was suspended your funds may need to be valued using the **Underlying Price**. We also have discretion to use a daily **Gradual Averaged Price** with an appropriate smoothing period of up to 26 weeks.

Payments will then revert back to the **Averaged Price** as the **Exit Price** when we consider it appropriate and fair to **Plan** holders after the price being used to value **Units** (either the **Underlying Price** or **Gradual Averaged Price**) recovers to equal or exceed the **Averaged Price**.

We also have discretion to revert back to the **Averaged Price** at an earlier point.

We can suspend smoothing on an individual **Fund Option** at any time due to the reasons explained above.

For more information, including why we follow this approach, please refer to the 'Your guide to how we manage our unitised with-profits Smoothed Managed Funds business'.

#### A5 How the guarantee works

You may have the option to buy a guarantee on the **Investment made** to your **Plan**, depending on whether one is available on the **Fund Option** you have chosen. Please speak to your **Financial Adviser**, or contact us, for more information on the current guarantee terms available.

The guarantee must be selected at the point you make an **Investment**. A guarantee may also be added on the expiry of an existing guarantee, again depending on whether one is available on the **Fund Option** you have chosen. Guarantees cannot be added at any other time.

The choice of guarantee terms for the **Plan** will be those that are available at the time the guarantee is purchased.

We reserve the right to adjust the availability, durations, charges and the **Fund Options**, on which new guarantees are offered at any point, including removing them completely.

At the point that you take out a new **Plan** or shortly before the term of any existing guarantee comes to an end we'll let you and your **Financial Adviser** know what guarantee options, if any, are available to you at the time.

The guarantee applies on the date the guarantee term ends only. So if you **Cash In** your **Plan** before or after this, you may get back less than the **Guaranteed Amount**.

Where a guarantee applies, at the end of the guarantee term, we guarantee that the value of your **Plan** will be at least the **Guaranteed Amount**. We work this out by taking the **Initial Guaranteed Amount** and take away any money you've taken out as a withdrawal.

- If, at the end of the guarantee term the value of the **Plan** is less than the **Guaranteed Amount** then we'll add extra **Units** to it at the **Underlying Price**, to make sure the guarantee is met.
- If the value of the **Plan** is more than the **Guaranteed Amount** you'll, of course, get the benefit of the higher amount.

Any **Mutual Bonus** added to your **Plan** will be kept separate from the guaranteed amount. So if we have to add **Units** to increase the value of your **Plan** to the guaranteed amount any **Mutual Bonus** will be on top of this.

To work out whether the guarantee applies, we'll value your **Plan** using the **Exit Price** on the **Valuation Day** on or immediately after the end of the guarantee term. Remember, you don't have to **Cash In** your **Plan** when the guarantee is applied. If you don't **Cash In**, we'll still work out the value of your **Plan** as we've explained above and, when necessary, add extra **Units** to make sure the guarantee is met.

We'll never take away these extra **Units**, but as the price of a **Unit** can change the value of the **Plan** could go below the **Guaranteed Amount** in the future.

#### For example

You invested £20,000 on 8 October 2021. At the same time, you decided to add a ten year guarantee. This means that the value of the **Plan** on 8 October 2031 is guaranteed to be at least £20,000. If you decide to **Cash In** the **Plan** at this time, and have not taken any withdrawals (including any to fund payment of an adviser charge from the LV= SIPP), you'll get at least £20,000 back plus any increase in your **Plan**.

But the guarantee doesn't just apply if you **Cash In** the **Plan**. If the value of the **Plan** on 8 October 2031 is less than £20,000, we'll add extra **Units** to the **Plan** to make up the **Guaranteed Amount**.

We'll never take away these extra **Units**, but as the price of a **Unit** can change the value of the **Plan** could go below the **Guaranteed Amount** in the future. So you could get back less than the **Guaranteed Amount** if you **Cashed In** the **Plan** after the guarantee ends.

If you hadn't added a guarantee, and the value of the **Plan** on 8 October 2031 is less than £20,000, and you've made no withdrawals, then your return will be less than the amount you invested if you **Cash In** then.

We explain our **Guarantee Charge** in more detail in Condition C1.

#### A6 Can you replace a guarantee?

You may only replace a guarantee at expiry of an existing one (subject to the guarantee terms being offered at that time).

Any **Mutual Bonus** added to your **Plan** will not be included in the amount guaranteed.

You may cancel a guarantee at any time, however, if you do cancel a guarantee you may not then purchase another guarantee.

#### A7 What happens when your guarantee ends?

Your guarantee will end after the term shown on your **Plan Summary**. We'll write to you at least 30 days before the end of the guarantee term to confirm the date it will end and to let you know what replacement guarantees, if any, are available at that time should you wish to add a new one.

We reserve the right to adjust the availability, durations, charges and the **Fund Options** on which a new guarantee is offered at any point. This means we may not offer further guarantees in the future following the end of an existing guarantee. If we do this we'll let you know when your guarantee term comes to an end. If a further guarantee is offered, you'll be able to choose from the guarantee terms available (and stay in the same **Fund Option**) or you can choose not to add a new guarantee (and stay in the same **Fund Option** or switch to a different **Fund Option**).

If you do want a new guarantee, the new **Initial Guaranteed Amount** will be the current value of the **Plan** at that time, which will include the effect of any previous guarantee. Any **Mutual Bonus** added to your **Bond** will not be included in the amount guaranteed. The **Guarantee Charge** for the new guarantee will be the current charge that applies at that time.

If you choose not to add a new guarantee at the end of any guarantee term you won't be able to add a new one at a later date. A replacement guarantee can only be selected by the end of the previous guarantee term.

If you choose to **Cash In** your **Plan** at the guarantee end date, no waiting period will apply.

## A8 Changing Fund Option

You can change your chosen **Fund Option** to any one of the others available at the time. We apply a 10 **Working Day** waiting period for all **Fund Option** switch requests, as explained in Condition D1.

To change your **Fund Option** we'll take away all the **Units** in your current **Fund Option** at the **Exit Price** (which we've explained in Condition A4). We'll then use this cash to add **Units** in your new **Fund Option**. To work out how many **Units** to give you, we divide the cash value by the **Underlying Price** of the new **Fund Option**.

We'll invest any **Mutual Bonus** in the new **Fund Option**.

### For example

If the value of your **Plan** on the date of the **Fund Option** switch is £30,000, and the **Underlying Price** of the new **Fund Option** is £1.25, we divide the £30,000 by £1.25. This equals 24,000 so we take away all **Units** in your current **Fund Option** and add 24,000 **Units** to your **Plan** under the new **Fund Option**.

You can change your **Fund Option** free of charge up to three times for each **Plan** year but if you do this more often

we'll apply an administration charge. We've explained the charges and when they apply in Condition C1.

If you choose to change your **Fund Option**, the total value of your **Plan** must be switched at the same time. Once a request to complete a **Fund Option** switch is received it cannot be changed or cancelled.

We apply a 10 **Working Day** waiting period for all **Fund Option** switch requests, as explained in Condition D1.

Following a **Fund Option** switch the **Underlying Price** will apply on day 1 and then, from day 2 onwards, usually the appropriate daily **Gradual Averaged Price**. We've explained how the value of your **Plan** is calculated in Condition A4.

We may decide to close a **Fund Option** in the future. But don't worry; if we decide to close the one you're invested in, we'll give you and your **Financial Adviser Reasonable Notice** in advance to choose an alternative **Fund Option**. If we don't hear anything from you by the end of this period, we'll move your money into the **Fund Option** we feel most closely matches your existing one. You'll of course have the option to **Cash In** your **Plan** if you don't want to invest in any of the alternative available **Fund Options**.

We reserve the right to change the basis on which **Fund Option** switches are calculated, and the charges that apply. Such a decision won't be used to increase our profits. For example, the **Fund Option** switch charge may be amended to reflect increased switching costs. If we do this we'll give you and your **Financial Adviser Reasonable Notice** before we make the change.

## A9 What happens to your guarantee when you change Fund Option

If you have a guarantee in place it'll end when you change your **Fund Option**, and we'll stop charging you for it.

You won't be able to replace the guarantee with a new one.

The only exception to this would be if we decided to close a **Fund Option** in the future where you had a guarantee in place. We'll give you and your **Financial Adviser Reasonable Notice** in advance of any change and provide you with suitable options to take.

We apply a 10 **Working Day** waiting period for all **Fund Option** switch requests, as explained in Condition D1.

If the end of the waiting period is before your guarantee end date, we'll remove the guarantee as soon as we receive your instruction. This is to ensure you don't continue to pay for a guarantee that you won't benefit from.

If the end of the waiting period is on or after your guarantee end date, we'll leave the guarantee in place, to ensure any additional **Units** are applied before we carry out your switch instruction.

## A10 Cancelling a guarantee

We understand that there may be situations where you want to cancel your guarantee. You can do this at any time – simply let us know, and we'll send out the form you'll need. If you do cancel a guarantee, we'll stop charging you for it. But remember, the value of the **Plan** can go down as well as up, and you might not get back the amount that was guaranteed.

We don't refund charges already taken in respect of the guarantee.

We won't charge you if you decide to cancel an existing guarantee.

Once you have cancelled a guarantee, you won't be able to add another guarantee to the **Plan** at a later date.

## A11 Taking money out of your Plan

To make our LV= Smoothed Pension as flexible as possible you can make regular and/or ad-hoc withdrawals from your **Plan**. However, to get the best potential for returns from your **Plan** which will always be paid into your LV= SIPP plan bank account (SIPP Bank Account), you should leave your money invested for at least 5 years and ideally 10 years or more.

To take money out of your **Plan**, you'll need to contact us. We'll send you the right form to complete.

Withdrawals from your **Plan** will be made by cancelling **Units**, and will only be paid to your **SIPP Bank Account**.

### Regular and ad-hoc Withdrawals

**Regular Withdrawals** – you can make regular withdrawals into your SIPP Bank Account on a monthly, 3 monthly, 6 monthly or yearly basis. You can do this at any time, and there is no minimum withdrawal amount. When taking **Units** away, we'll use the **Exit Price** (which we've explained in Condition A4) on the **Valuation Day** on or immediately after the date we're due to pay you.

To make sure you receive your payments into your SIPP Bank Account when you want them, you need to give us at least one month's notice of when you want them to start.

If withdrawals are taken from your **Plan** and you have a guarantee then this will reduce the guaranteed amount payable at guarantee expiry.

**Ad-hoc Withdrawals** – If you only want to pay money into your SIPP Bank Account once in a while, you can withdraw a lump sum. You can take money out whenever you want. When taking **Units** away, we'll use the **Exit Price** (which we've explained in Condition A4) on the **Valuation Day** on or immediately after the date we receive your instruction.

You must leave at least £500 in your **Plan**. If you don't we'll pay the remaining balance to you, and close it. If we do this, we'll tell you before we close your **Plan**, so that you can decide what to do. We may change the minimum balance amount in the future, and if we do, we'll give you and your **Financial Adviser Reasonable Notice**.

We may apply up to a 10 **Working Day** waiting period for all occasional withdrawals as explained in Condition D1.

## Cashing In the Plan

You can take all your money out of your **Plan** at any time and have the proceeds paid into your SIPP Bank Account. If you do, we'll close the **Plan**. When working out what to pay out, we'll multiply the number of **Units** in your **Plan** by the appropriate **Exit Price** (which we've explained in Condition A4). If you have a guarantee in place when you **Cash In** the **Plan**, the guarantee will also end at that time. Once we've worked out the value of your **Plan** we'll add any **Mutual Bonus**.

We may apply up to a 10 **Working Day** waiting period if you want to **Cash In** your **Plan**, as explained in Condition D1.

If you **Cash In** your **Plan**, we will only pay the money to your SIPP Bank Account.

### For example

You invested £20,000 on 8 October 2021. At the same time, you decided to add a ten year guarantee. This means that the value of your **Guaranteed Amount** on 8 April 2031 will be at least £20,000.

If you decide to **Cash In** your **Plan** at this time, and you've taken £4,000 in withdrawals, you'll get at least £16,000 back, plus any increase in the **Plan**.

## Section B: Death Benefits

This section explains what happens to your **Plan** if you die, and **Plan** is cashed in.

### B1 Amount payable

We'll pay out 100.1% of the value of the **Plan** upon your death. To work out the value of the **Plan**, we'll use the **Exit Price** (which we've explained in Condition A4) multiplied by the number of **Units** in the **Plan**. We'll use the number of **Units** on the date we're notified of your death and the **Exit Price** on the **Valuation Day** on or immediately after the date of notification of your death. If a death claim is made during the first 26 weeks from the **Plan Start Date**, or a fund switch we'll always use the **Underlying Price** on day 1 or the appropriate daily **Averaged Price** from day 2 as the **Exit Price**. If death claim is made after the first 26 weeks from the **Plan Start Date**, or 26 weeks after a fund switch, we'll always use the **Averaged Price** as the **Exit Price**. Once we've worked out the value of your **Plan** we'll add any **Mutual Bonus**.

### B2 Terminal Illness Cover

This section explains the **Terminal Illness** cover included in your **Plan**, and when we'll pay out.

We'll pay a **Terminal Illness** claim if you are diagnosed with a **Terminal Illness**. We'll pay out 100.1% of the **Exit Price** (which we've explained in Condition A4) multiplied by the **Units** in your **Plan**. We'll use the number of **Units** in your **Plan** and the **Exit Price** on the **Valuation Day** on or immediately after the day we approve your claim. Once we've worked out the value of your **Plan** we'll add any **Mutual Bonus**.

### B3 Making a claim

Any claim under the **Plan** will be dealt with as part of the wider process of dealing with a death claim in respect of your **LV= SIPP**.

As a result of a death or **Terminal Illness** claim, we will only pay the money to your **LV= SIPP** bank account (SIPP Bank Account), where it will be used to provide benefits to you, upon diagnosis of a **Terminal Illness**, or to your beneficiaries or estate, taking into account any expression of wishes you made to **LV=**.

## Section C: Our charges

This section explains the charges that we apply to meet the costs of providing and administering your **Plan**.

### C1 Our charges and how they are taken

We take **Units** away from your **Plan** at the **Exit Price** (which we've explained in Condition A4) on the **Valuation Day** on or immediately after the date the charge is due. Our charges are as follows:

#### Annual Management Charge

The **Annual Management Charge** will apply to your **Plan**. We take this charge on the **Plan Start Date** and on the same day each month after that, (or on the next **Working Day**, if it isn't one).

The monthly charge is a percentage of the value of **Units** as at the last **Valuation Day**. The **Annual Management Charge** percentage is based on the value of your **Plan** including any **Mutual Bonus** at the time the charge is taken. The percentage rate is shown on your **Plan Summary** or subsequent documents we send out to confirm changes. We take this separately as a charge from the value of your **Plan** excluding any **Mutual Bonus**, and also as a charge from the value of any **Mutual Bonus**.

We reserve the right to change the **Annual Management Charge** that applies to existing **Plans** where necessary. Such a decision won't be used to increase our profits. For example, we may need to amend our charges to reflect increased fund management costs.

If we amend the charges on your **Plan**, we'll give you and your **Financial Adviser Reasonable Notice** before we make a change. An explanation of why we may do this can be found in Condition C2.

#### Guarantee Charge

You'll find more information about this charge in your Key Features Document. If you choose to buy a guarantee on your **Investment**, the charge for it will be shown on your **Plan Summary**.

This charge is in addition to the **Annual Management Charge**. We will take this immediately on the day the guarantee is added and then the same day each month after that, (or on the next **Working Day**, if it isn't one).

The charge will be calculated based on the **Guaranteed Amount** at the date the charge is taken. The **Guarantee Charge** will be applied by cancellation of **Units** from your **Plan**.

The charge that applies for any new guarantee will be the charge that applies at the time you add the new guarantee – this may not be the same as any **Guarantee Charge** you may have had before. Please ask us for details of our current charges and available guarantee terms.

**Any withdrawals taken from your Plan will reduce the Guaranteed Amount.**

### For example

You invest £100,000 into an **LV= Smoothed Managed Funds Pension**. You choose the **Cautious Fund**, and add a 10 year guarantee. You set up a regular withdrawal into your **SIPP Bank Account** of £50 every month, starting 1 month after you invest. We calculate the **Guarantee Charge** every month with the first charge payable when the guarantee is applied.

The table below shows how this works in the first 6 months of the **Plan** assuming a yearly guarantee charge of 1.0%. The amount of **Guarantee Charge** for your **Plan** may be different.

	Initial Guaranteed Amount	Total withdrawals taken since guarantee added	Guaranteed Amount used to calculate Guarantee Charge	Value of Guarantee Charge taken (0.083%)*
Month 1	£100,000	£0	£100,000	£83.00
Month 2	£100,000	£50	£99,950	£82.96
Month 3	£100,000	£100	£99,900	£82.92
Month 4	£100,000	£150	£99,850	£82.88
Month 5	£100,000	£200	£99,800	£82.83
Month 6	£100,000	£250	£99,750	£82.79

\*This is the monthly equivalent of a yearly **Guarantee Charge** of 1.0%

We'll stop taking this **Guarantee Charge** when your guarantee ends, or if you cancel it, or if the money taken from your **Plan** means the **Guaranteed Amount** reduces to zero.

### Administration Charge

This is £25. We'll only take this if you change **Fund Option** more than three times in any **Plan** year. We'll take it on the **Valuation Day** that we process your request. This fee is deducted in the old **Fund Option** before the **Units** are encashed and switched into the new **Fund Option**.

#### For example

You invested in an LV= Smoothed Pension in August 2020. You selected the Balanced **Fund Option** when your **Plan** started. In January 2021 you decide to change your **Fund Option**. As you haven't changed your **Fund Option** since August 2020, you can do this without paying an administration charge.

You could change your **Fund Option** another two times before August 2021 without paying an administration charge.

We won't apply an administration charge if you want to cancel your guarantee.

### C2 Changes to charges

The various charges we make are intended to cover the costs of administering your **Plan**. These charges are described in Condition C1. We reserve the right in future to change these charges as described in Condition C1 to take account of inflation or other factors which may affect the running of our business. The change may be in your favour, if for example, future advances in technology result in significant decreases in our administration costs. Below we provide more detail of when we may increase charges in the future as we believe this will be of more immediate interest to you.

If we ever need to increase charges, we'll aim to limit these to reasonable amounts, reflecting any increases in our costs for operating the LV= Smoothed Pension. This may happen, for example:

- If we experience increases in the general administrative costs that we incur in operating the LV= Smoothed Pension.
- If there is a change in tax regulations or financial services regulations that increase our costs, for example due to the regulatory conditions imposed on us.

We'll give you and your **Financial Adviser Reasonable Notice** in writing if we make any change to charges described in these **Plan Conditions**. If you're unhappy with any changes you should contact us.

## Section D: General Conditions

This section explains the general conditions that apply to your **Plan**.

### D1 Following your instructions

We'll usually start to process your instructions on the date that we receive them. However, if we receive an instruction from you after midday, we'll treat it as though we received it the next **Working Day**. This applies for instructions to:

- Invest in your **Plan**.
- Take money out of your **Plan** (unless a waiting period is applied as detailed below).
- Cash In** (unless a waiting period is applied as detailed below).
- Replace or cancel a guarantee.
- Process a death or **Terminal Illness** claim.

We may apply a waiting period of up to 10 **Working Days** before we process a request to set up regular withdrawals, or take ad-hoc withdrawals, or **Cash In** your **Plan**. We'll only apply this waiting period if we feel it is in the best interests of all of our with-profits members and if required to protect our with-profits funds. If we choose to apply a waiting period, we'll let you know that we've received your request, and confirm how long the waiting period will be. The maximum waiting period we'll normally apply is 10 **Working Days**. During the waiting period we will continue to take any charges due.

We won't apply a waiting period if it is to **Cash In** your **Plan** in the following circumstances:

- On the date your guarantee ends; or
- on a death claim or diagnosis of a **Terminal Illness**.

We'll always wait for 10 **Working Days** before we process any request to change your **Fund Option**. Once you've asked us to change your **Fund Option**, you can't change your mind, and will have to wait a further 10 **Working Days** before we process any request to change it back again. During the waiting period we'll continue to take any charges due and pay requested withdrawals.

In addition to the delays to withdrawals and **Fund Option** switches we've explained above, there may be circumstances outside of our control which prevent us from acting on your instructions as set out above. We may need to delay buying, selling or switching **Units** where we believe that otherwise the remaining policyholders invested in that fund would suffer an unfair reduction in the value of their investment, or would suffer some other form of unfair treatment. Examples of scenarios in which we may delay requests to change investments or take money out for more than 10 **Working Days** include:

- Where we cannot realise sufficient investments to meet demand, or to do so we would have to sell at significantly less than a fair market value,
- Where we're unable to sell units in an externally linked fund due to restrictions imposed by the external company, and
- Where the need to make payments could lead to us selling one particular type of **Asset**, leaving too little of that **Asset** invested in the remaining **Fund Option**.

If we do need to delay a transaction for more than 10 **Working Days** as set out above, we'll let you know when we receive your request. You'll be able to give us alternative instructions at this time, if you wish to. We wouldn't expect to delay any transactions for more than six months, and will never delay a transaction for longer than reasonably required. However, we cannot guarantee that we'll never delay a transaction for more than six months. For more information, including why we follow this approach, please refer to the 'Your Guide to how we manage our unitised with-profits Smoothed Managed Funds business'.

You should send all instructions to:

LV= Savings & Retirements,  
PO Box 343,  
Wymondham,  
NR18 8HT.

### D2 How we pay money out

If you take money out, or we pay a death or **Terminal Illness** claim, any payments from your **Plan** will always be paid to your **LV= SIPP** plan bank account (SIPP Bank Account).

If you **Cash In** your **Plan** or we pay a death or **Terminal Illness** claim, your **Plan** will automatically end.

### D3 Plan ownership

The LV= Smoothed Managed Funds Pension Series 1 Plan is only available as an investment of the **LV= SIPP**.

Other than money you may ultimately receive from your **LV= SIPP** if you **Cash In** all or part of your **Plan** to receive money into your SIPP Bank Account, neither the **Plan**, nor any rights under the **Plan**, or any share or interest in the **Plan**, can be transferred directly to you as the **Designated Member** under the Plan.

No part of the **Plan** or any part of the rights or benefits under the **Plan** can be assigned (e.g. transferred in-specie) to another registered pension scheme.

### D4 When you must contact us

You're responsible for informing us if any of the information in connection with this **Plan**, or your **LV= SIPP** changes during the term of your **Plan**. This includes:

- You change your **Financial Adviser**.
- Any of the information you have given us changes (for example, you change your name or address details).

### D5 How to contact us

If you need to write to us about your **Plan**, our address is:

LV Savings & Retirements,  
PO Box 343,  
Wymondham,  
NR18 8HT.

## D6 Our right to cancel the Plan

We will terminate the **Plan** if we find out that it has stopped being held as an eligible investment under your **LV= SIPP**. For example, if you assigned all or part of the **Plan**, which we explain in more detail in Condition D4.

If we terminate the **Plan** we reserve the right to withhold repayment of the proceeds until **HMRC** has confirmed to us that the money should be repaid.

We can also terminate the **Plan** and pass details to crime prevention and law enforcement agencies if we identify your involvement or association with financial crime.

## D7 Financial crime and terrorist financing

The personal information LV= have collected from you will be shared with crime prevention agencies who will use it to prevent financial crime and money-laundering and to verify your identity. If financial crime is detected, you could be refused certain services, finance or employment. Further details of how your information will be used by LV= and these fraud prevention agencies, and your data protection rights, can be found by contacting us at:

GFC LV=,  
County Gates,  
Bournemouth,  
BH1 2NF.

LV= use your information to make sure we comply with any financial sanctions that apply in the UK and overseas. This includes;

- Checking your information against sanctions lists
- Sharing your information with HM Treasury and international regulators if required.

LV= will contact you if more information is needed to comply with any financial sanctions.

## D8 Currency

Every **Investment** paid into your **Plan** and any money taken out of your **Plan** will be in pounds sterling only.

## D9 Taxation

Investments in pension funds in which UK **Registered Pension Schemes** are invested are given important tax benefits. The **Fund Options** available under the **Plan** will be managed by LV= in line with **HMRC** current practice.

## D10 The law that applies to your Plan

The LV= Smoothed Pension and its terms and conditions are governed by the laws of England and Wales. In the unlikely event of any legal disagreement, it would be settled exclusively by the courts of England and Wales. We'll always communicate in English.

## D11 How to make a complaint

If you have a complaint about any part of the service you receive from us, it's important that we know about it, so we can help put things right. You can let us know by calling us on **0800 681 6292** (for text phone, dial 18001 first).

Or, you can write to us at:

Box 2,  
LV=,  
County Gates,  
Bournemouth,  
BH1 2NF.

Your complaint will be dealt with promptly and fairly and in line with the Financial Conduct Authority's requirements, and if you want more information on how we handle complaints, please contact us, or visit [LV.com/complaints](https://www.lv.com/complaints)

We hope that we'll be able to resolve any complaint that you have. If you're unhappy with the resolution of your complaint, the Financial Ombudsman Service may be able to help you free of charge, but you'll need to contact them within six months of receiving our final response letter. Their website is [financial-ombudsman.org.uk](https://www.financial-ombudsman.org.uk) which includes more information about the service, including details of the various ways they can be contacted.

If you make a complaint it won't affect your right to take legal action.

## D12 Changes to your Plan Conditions

We can change or replace these **Plan Conditions** when all the relevant following conditions are met:

- We've introduced a new product that invests in the same **Assets** as your current product.
- We can demonstrate that the new product is better than your current product. The new product provides extra flexibility or benefits for you but doesn't increase charges, reduce existing features or flexibility or apply new restrictions.
- We can make changes set out in these **Plan Conditions** providing we give you **Reasonable Notice** and obtain your consent. If, having given **Reasonable Notice**, we don't receive any response from you by the date specified in our communication, we'll be entitled to infer your consent to the change.

If these conditions apply we'll either issue you a new set of **Plan Conditions** or issue a document that updates your existing **Plan Conditions**.

If you'd like us to send you this document or any future correspondence in another format, such as Braille or large print, please just let us know.

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

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