Protected Retirement Plan

Flexi Access Drawdown Plan Conditions
Customer Version

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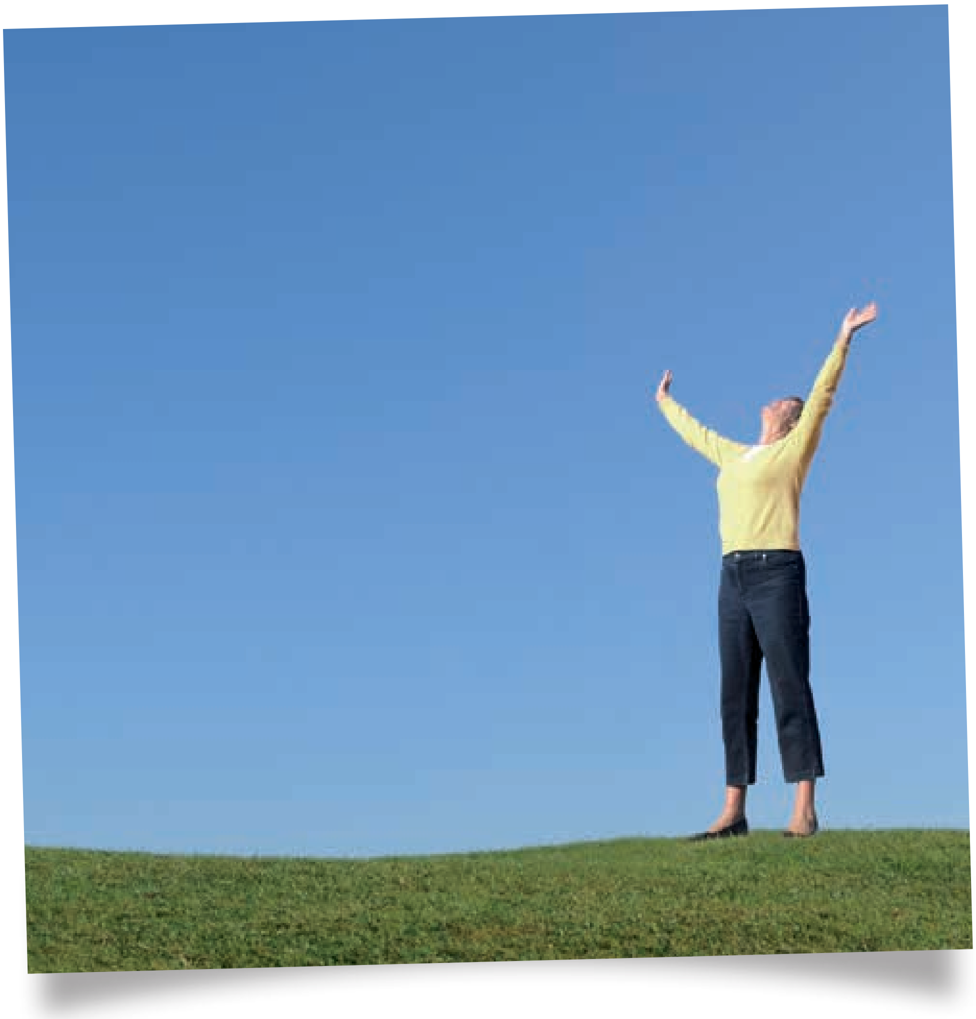

Protected Retirement Plan

Plan Conditions

Welcome to LV=, and thank you for choosing to invest in our Protected Retirement Plan.

These plan conditions, together with the plan schedule, application form, and any documents we send you confirming changes to the plan, form a contract between you, NM Pensions Trustees Limited and Liverpool Victoria Friendly Society Limited. **These are important documents so please keep them in a safe place.**

This contract is signed on behalf of Liverpool Victoria Friendly Society Limited.

It starts on the date stated in the plan schedule.

Richard Rowney
Chief Executive

Contents

Definitions

This section explains what we mean when we use the words listed below in the plan schedule, these plan conditions, and any documents we send you to confirm any changes to the plan.

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

'**we**', '**us**', or '**our**' – means Liverpool Victoria Friendly Society Limited.

'**you**' – means the person named in your plan schedule as the Member. The Member will be paid the income from this **plan** for the **plan** term, or until they die if earlier.

'**beneficiary**' – means the person named in your plan schedule who a **beneficiary's income** will be payable to. A **beneficiary's income** can be paid to someone you are married to or in a civil partnership with, or someone who you would like to benefit financially, when you die.

'**beneficiary's income**' – means the regular income that is payable to your **beneficiary** if they qualify (as detailed in Section B3) until the earlier of the **maturity date** and the date the **beneficiary** dies.

This is as long as:

- the **beneficiary** outlives you, and
- if you die before the end of a **guarantee period** the **beneficiary** is still alive at the end of the **guarantee period**, and
- your **plan** includes this benefit.

The amount of income paid to the **beneficiary** is a set percentage of your income. If the **plan** includes this benefit we show this in your plan schedule.

'**beneficiary's maturity value**' – means the selected percentage of the **guaranteed maturity** value available at the maturity date if:

- you die before the **maturity date**, and
- you chose a **beneficiary's income**, and
- your **beneficiary** is still alive at the **maturity date**.

The selected percentage of the **guaranteed maturity value** is the same percentage as the chosen **beneficiary's income**. Your **beneficiary** can use the beneficiary's maturity value to transfer to another registered pension scheme, buy an annuity, invest in another Protected Retirement Plan, or take a taxable cash lump sum.

If you've chosen a **guaranteed maturity value** of zero, the beneficiary's maturity value will also be zero.

'**drawdown pension**' – means a pension plan or arrangement where you've already started taking pension benefits in the form of a tax free cash lump sum and/or a regular income paid directly from the pension fund.

'**Flexi-access drawdown**' – means you can take any amount on a regular basis from your **plan**. This means you could take all the value across the plan term, or take less and have a **guaranteed maturity value** at the end.

If you choose to take an income from your plan, the amount of tax relievable pension contributions you, or someone on your behalf, can make to a money purchase pension without incurring a tax charge (known as your Money Purchase Annual Allowance (MPAA), will reduce from £40,000 a year to £4,000 a year.

When your **plan** starts and you're taking an income, you have 91 days to tell all the other Money purchase pension schemes you are contributing, or expect to contribute to, that you've flexibly accessed your pension fund and are subject to the 'money purchase annual allowance rules'

'**guaranteed maturity value**' – means the fund value available at the **maturity date** if you are still alive at the **maturity date**. You can use this to transfer to another registered pension scheme, buy an annuity, invest in another Protected Retirement Plan, or take a taxable cash lump sum.

'**guarantee period**' – means the period from the **income start date** of the **plan** in respect of which your income will be paid, even if you die during this period. If the **plan** includes this benefit we show this in your plan schedule.

'**income review date**' – means each 12-month anniversary from the **income start date** of the **plan**.

'**income start date**' means the date we can start paying your income. If you have chosen to be paid in arrears the date you receive your income will actually be after your income start date. This will be shown on your Plan schedule.

'**lifetime allowance**' – means the amount of tax privileged pension savings that you can build up in all of your pension schemes, before an additional tax charge becomes payable when you take your benefits.

‘**lifetime allowance excess**’ – means the amount of your **pension fund** received to set up the **plan** which is above your personal **lifetime allowance**. If this applies to you and you’re under age 75 this will be refunded as a lump sum less tax, and we’ll show this in your plan schedule.

‘LV=’ means Liverpool Victoria Friendly Society Limited.

‘**LV Personal Pension Scheme**’ – means our personal pension scheme, which is a UK registered pension scheme.

‘**maturity date**’ – means the chosen **plan** end date.

‘**nominated beneficiary**’ – means the person you would like to be paid any lump sum under a **guarantee period** or **value protection** if you die before the **maturity date**. If you’ve chosen a **nominated beneficiary** in the application form you can change this at any time before you die.

‘**pension fund**’ – means the fund used to set up the **plan**.

‘**plan**’ – means the Protected Retirement Plan that the **trustees** have invested your **pension fund** in.

‘**Scheme Administrator**’ – means Liverpool Victoria Friendly Society Limited

‘**start date**’ – means the date when the **plan** starts, which we show in your plan schedule.

‘**tax free cash payment**’ – means the tax free cash (also known as pension commencement lump sum) you may have chosen to take before the **plan** starts. If this applies we show this in your plan schedule.

‘**transfer**’ – means you transfer your **pension fund**, from which you haven’t yet taken any benefits, to the **LV Personal Pension Scheme**.

‘**trustees**’ – means NM Pensions Trustees Limited, who are the trustees of the **LV Personal Pension Scheme**.

‘**value protection**’ – means the lump sum to protect your original **pension fund** which will be payable if you, and any **beneficiary**, die before the **maturity date**. If the **plan** includes this benefit we show this in your plan schedule.

What is the LV= Protected Retirement Plan?

The Protected Retirement Plan is designed to provide you with a selected income, if chosen for a selected term. The income can either stay the same, or increase by a selected amount each year. If you survive until the **maturity date**, a **guaranteed maturity value** will be paid, if chosen.

The **plan** is set up as a Trustee Investment Plan as an investment of a **drawdown pension**. This means that you transfer your **pension fund** to the **LV Personal Pension Scheme**, and you immediately enter **drawdown pension**, if you aren’t already in it. The **scheme administrator** will then instruct the **trustees** to invest your **pension fund** in a LV= Protected Retirement Plan.

The **plan** provides benefits allowed under the rules of the **LV Personal Pension Scheme**. If at any time there’s a conflict between these plan conditions and the rules of the **LV Personal Pension Scheme**, the **scheme administrator** will refer to the rules when making any decisions. If you want a copy of these rules, please let us know.

Section A – Money paid whilst you are alive

This section tells you what benefits will be paid to you whilst you are alive during the term of the **plan**, depending on what benefits you chose. We show you the benefits you've chosen in your plan schedule.

A1 – Lump sums paid before the plan starts

If you've not previously taken any benefits from your **pension fund**, you can choose to take a **tax free cash payment** before the **plan** is set up. We show the amount paid to you in your plan schedule.

You may also be paid a **lifetime allowance excess** lump sum. If this applies to you, we show this in your plan schedule. This will be paid after a tax charge has been taken off, which is currently 55%.

A2 – Regular income paid during the plan term

If you chose a regular income, this will be paid from your **income start date** shown in your plan schedule. This will be paid for the rest of the **plan** term, unless you die before the end of the term. In this case, no further benefit will be paid, unless you've chosen one of the death benefits detailed in Section B.

Your plan schedule will also confirm whether payments will be made:

- every month, or
- every three months, or
- every six months, or
- once a year.

Your income will either remain level, or will increase at the **income review date** by a selected amount, for example 5%. This is shown in your plan schedule.

All regular income will be paid on the payment due date, or the working day immediately before this. Your plan schedule confirms when your income starts being paid and when the final income payment is payable, assuming you (or a **beneficiary** being paid a **beneficiary's income**) survive until the **maturity date**.

If you die before the **maturity date** we'll pay the last regular income payment on the payment date that falls on or before the day you die. However, regular income may continue to be paid after you die, depending on when you die and the benefits shown in your plan schedule, as described in Section B.

A3 – Lump sums paid at the end of the plan

If you survive until the **maturity date** the chosen **guaranteed maturity value** will be paid (which may be zero if you choose this amount). You can use this to transfer to another registered pension scheme, buy an annuity, invest in another Protected Retirement Plan, or take the **guaranteed maturity value**, if there is one, as income instead (subject to income tax). We show the amount to be paid in your plan schedule.

Section B – Money paid after you die

This section only applies if you've chosen a death benefit and this is confirmed in your plan schedule. If you've not chosen a death benefit and you die before the **maturity date**, then all income will stop and no further benefit will be paid from the **plan**, including the **guaranteed maturity value**.

Sections B1, B2, B3 explain what happens if you've chosen a **guarantee period**, **value protection**, or a **beneficiary's income**. Section B4 explains who the **scheme administrator** will pay any death benefits to and how they will be paid.

If you die before age 75, both the regular income and lump sum guarantee options are paid tax-free.

If you die at age 75 or older, from the tax year 2016/17 both lump sum and regular income payments will be taxable at the beneficiary's personal rate of income tax

If we pay a beneficiary's pension to a named **beneficiary**, who isn't a spouse or civil partner, the receiving **beneficiary** may be subject to an Inheritance Tax liability. This is because we, as the **scheme administrator**, do not have any discretion in who to pay.
In this situation, you may wish to consider a lump sum benefit as an alternative, as this is currently not subject to the same potential Inheritance Tax issue

B1 – If you've chosen a guarantee period

This section only applies if the **plan** includes a **guarantee period** and you die within this period. If the **plan** includes a **guarantee period** a further benefit will be paid from the **plan** if you die before the end of the **guarantee period**. This is shown in your plan schedule.

The **scheme administrator** will pay out benefits depending on whether the **plan** includes a **beneficiary's income**, when your **plan** started, as follows:

If the plan includes a **guarantee period** and a **beneficiary's income** and you die before the end of the **guarantee period**	If the **plan** includes a **guarantee period** and no **beneficiary's income** and you die before the end of the **guarantee period**
As long as your named **beneficiary** is alive and still qualifies your income will continue to be paid until the end of the **guarantee period**. The income will either stay the same, or will change every year by the same percentage as your income would have done if you were still alive. If the **beneficiary** also dies before the end of the **guarantee period**, any remaining income payable after both you and the **beneficiary** have died until the end of the **guarantee period** will be payable as a lump sum.	The total amount of income payments that would have been paid until the end of the **guarantee period** will be payable as a lump sum.

For example – a guarantee period with a beneficiary's income

Geoff decides to use his pension fund to buy a LV= Protected Retirement Plan.

He chooses a ten year term, a level income of £10,000 per year, and a five year guarantee period. He also chooses a beneficiary's income of 50% of his income, to be paid to his wife, Helen, after the guarantee period. Unfortunately, three years after his income start date, Geoff dies.

As Geoff dies within the guarantee period his yearly income of £10,000 will continue to be paid for the rest of the guarantee period. After this, if Helen is still alive, she will be paid the beneficiary's income of £5,000 per year for the rest of the plan term. If Helen survives until the maturity date 50% of the guaranteed maturity value will be paid out for her to either buy an annuity, stay in drawdown pension, or take a cash lump sum which she might need to pay income tax on.

For example – a guarantee period without a beneficiary's income

David decides to use his pension fund of £100,000 to buy a LV= Protected Retirement Plan. He chooses a ten year term, a level income with a five year guarantee period, and no beneficiary's income.

Just before the third anniversary of his income start date David dies having already received income from 36 monthly payments. When he died David was receiving an income of £500 a month.

Because David did not select a beneficiary's income, the income payable until the end of the guarantee period will be paid as a lump sum as follows:

Firstly we work out the total number of income payments due until the end of the guarantee period:

- total guarantee period of five years = 60 monthly payments
- less 36 monthly payments already paid
- leaving 24 payments to be paid as a lump sum

As David chose his income to stay the same each year this means the monthly income he would have received over the next two years is:

- first year = £500 x 12 = £6,000
- second year = £500 x 12 = £6,000

The lump sum is then calculated by adding together all the monthly payments yet to be paid:

- This equals £6,000 + £6,000 = £12,000

B2 – If you've chosen value protection

This section only applies if the **plan** includes **value protection** and you die before the **maturity date**. **Value protection** allows you to protect up to 100% of your original **pension fund** used to buy the plan even if you and any **beneficiary** die before the **maturity date**. If **value protection** has been included a further benefit may be payable from the **plan** after you die, depending on how much income has been paid out, less tax, (depending on your age when you die). If this benefit has been included in the **plan** the amount of **value protection** is shown in your plan schedule.

If the **plan** also includes a **beneficiary's income**, the value protection lump sum will only be payable if both you and your **beneficiary** die before the **maturity date**. If the plan doesn't include a **beneficiary's income**, or we can't pay a **beneficiary's income** because your **beneficiary** has already died or is no longer eligible, the **value protection** lump sum will be payable if you die before the maturity date. We'll pay the chosen amount of **value protection** lump sum, less the total of all income payments paid to you and your **beneficiary**, if applicable. Benefits will be paid out as explained in Section B4.

If the amount of income already paid to you when you die, and any **beneficiary** when they die, is greater than or equal to the chosen **value protection** amount then nothing will be paid out.

For example

Brenda decides to use her £50,000 pension fund to buy an LV= Protected Retirement Plan with a ten year term. Brenda decides to include 100% value protection, and as she is married she also decides to include a beneficiary's income of 100% of her income.

Unfortunately, four years after her income start date Brenda dies, having been paid a total of £15,000 of income before tax. At this point the beneficiary's income is paid to John, her husband.

Four years later, John also dies, having been paid a total of £15,000 of income before tax.

As the plan includes a beneficiary's income, the value protection lump sum will only be paid after both Brenda and John have died.

The amount payable is the original value protection amount of £50,000 less the combined income of £30,000, which equals £20,000.

The lump sum of £20,000 will be paid after John dies, less tax (depending on John's age when he dies).

B3 – If you've chosen a beneficiary's income

This section only applies if the **plan** includes a **beneficiary's income** and you die before the **maturity date** and your **beneficiary** is still alive.

If your **beneficiary** qualifies to receive a **beneficiary's income** then we'll pay a **beneficiary's income**. Details of how they qualify are set out below:

If the beneficiary is your spouse or civil partner

If the **beneficiary** named in your plan schedule is your spouse or civil partner on the day you die we'll pay them a **beneficiary's income**. If the **beneficiary** named in your plan schedule has already died, or is no longer your spouse or civil partner on the day you die, then we won't pay a **beneficiary's income**.

If the beneficiary isn't your spouse or civil partner

If you've chosen a **beneficiary's income** for a named **beneficiary** (other than your spouse or civil partner), we'll pay them a **beneficiary's income**. If the **beneficiary** named in your plan schedule has already died, or is no longer dependent on you on the day you die, then we won't pay a **beneficiary's income**.

If we pay a **beneficiary's income** to a named **beneficiary**, who isn't a spouse or civil partner, the receiving **beneficiary** may be subject to an Inheritance Tax liability. This is because we, as the **scheme administrator**, do not have any discretion in who to pay. In this situation, you may wish to consider a lump sum benefit as an alternative, as this is currently not subject to the same potential Inheritance Tax issue

The **beneficiary's income** included in the **plan** and the proportion of your income we will pay to your **beneficiary** is shown in your plan schedule.

The **beneficiary's income** is payable as follows:

- If the **plan** includes a **guarantee period** of less than the **plan** term, and you die within the **guarantee period**, a **beneficiary's income** will be payable after the **guarantee period**.
- If the **plan** includes a **guarantee period** of the full **plan** term, and you die before the **maturity date**, a **beneficiary's income** won't be paid. However, where a **guaranteed maturity value** has been selected at outset, a **beneficiary's maturity value** will still be paid if the **beneficiary** lives until the **maturity date**.
- If the **plan** doesn't include a **guarantee period**, or you die after the end of a **guarantee period**, a **beneficiary's income** will be payable from the next payment due date after you die.

If a **beneficiary's income** is paid, this will continue to be paid on the day of, or the working day before, the payment due date, until the **maturity date**, or until your **beneficiary** dies if earlier. The income will be paid at the same frequency as your income, as shown on your plan schedule. The income will either remain the same, or will change each year by the same percentage as you've chosen for your income.

After your **beneficiary** dies nothing else will be paid, unless:

- your income includes a **guarantee period** and you both die within this period, or
- the **plan** includes **value protection**

At the **maturity date** if your **beneficiary** is still alive the **beneficiary's maturity value**, if any, will be paid to the **beneficiary** as explained in section B4.

For example

Paul decides to use his £80,000 pension fund to buy a LV= Protected Retirement Plan with a ten year term and a 50% beneficiary's income.

The guaranteed maturity value of the plan is £40,000 Unfortunately, seven years after his income start date Paul dies. As his wife Sarah is still alive the beneficiary's income of 50% of his income will be paid to her.

Sarah is still alive when the plan matures three years later. At this point 50% of the guaranteed maturity value, which is equal to £20,000, is paid.

B4 – Who the death benefits will be paid to

If you die before the maturity date the **scheme administrator** will pay any death benefits in line with the options you've chosen, as follows:

Options you've chosen	Who we will pay death benefits to
a **beneficiary's income only**	A **beneficiary's income** will be payable to the **beneficiary** from the date you die, until the earlier of their death and the final income payment date shown in your plan schedule. At the **maturity date** if the **beneficiary** is still alive, the **beneficiary's maturity value** will normally be paid as a lump sum to an annuity or **drawdown pension** provider of their choice or they can choose to take this as income instead, subject to income tax.
a **guarantee period** and no **beneficiary's income**	If you die before the end of the **guarantee period**, the **scheme administrator** will use their discretion when considering who should receive any lump sum payable under the **guarantee period** benefit. They will take into account your **nominated beneficiary** details, but aren't bound by this.
a **guarantee period** and a **beneficiary's income**	If you die before the end of the **guarantee period**, the **scheme administrator** will pay the **guarantee period** benefit as continuing income to the **beneficiary**. At the end of the **guarantee period** the **beneficiary's income** will be payable, unless the **guarantee period** is equal to the term of the **plan**. At the **maturity date** if the **beneficiary** is still alive, the **beneficiary's maturity value** will normally be paid as a lump sum to an annuity or **drawdown pension** provider of their choice or they can choose to take this as income instead, subject to income tax. If you die before the end of the **guarantee period** and the **beneficiary** has already died, or the **beneficiary** is no longer eligible to receive the **beneficiary's income**, no **beneficiary's income** will be paid. In this case the **scheme administrator** will pay the **guarantee period** benefit as a lump sum, less tax (depending on your age at death). The **scheme administrator** will use their discretion when considering who to pay the lump sum. They will take into account your **nominated beneficiary** details, but aren't bound by this.
value protection	The **value protection** benefit will be payable as a lump sum, less tax (depending on your age at death), at the discretion of the **scheme administrator**. They will take into account your **nominated beneficiary** details, but aren't bound by this.
value protection and a beneficiary's income	A **beneficiary's income** will be payable to the **beneficiary** from the date you die, until the earlier of their death and the final income payment date shown in your plan schedule. At the **maturity date** if the **beneficiary** is still alive, the **beneficiary's maturity value** will normally be paid as a lump sum to an annuity or **drawdown pension** provider of their choice or they can choose to take this as income instead, subject to income tax. The **value protection** benefit will be payable as a lump sum, less tax (depending on your age at death), at the discretion of the **scheme administrator**. They will take into account your **nominated beneficiary** details, but aren't bound by this.

Section C – General conditions

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

C1 – Who owns the plan

The **trustees** own the **plan**, with the **scheme administrator** paying the **plan** benefits in line with the rules of the **LV Personal Pension Scheme** and these plan conditions. The **scheme administrator** will pay the benefits as directed by you in your application form, or using their discretion, as scheme administrator of the **LV Personal Pension Scheme**, where applicable.'

C2 – Charges built into the plan

We take off a charge at the start of the **plan** to cover the set up costs, as well as a yearly administration charge. We take these into account before we calculate your income and **guaranteed maturity value**. This means we won't apply further charges to your **plan**, unless legislation or a Court Order requires us to change the **plan** in any way.

C3 – How the payments are taxed

Tax is taken off your income, and your **beneficiary's income** where this is paid, under the Pay As You Earn (PAYE) system. This is similar to tax on employment income. We will deduct tax according to your tax code on your P45 and pass the tax on to HM Revenue & Customs. If we don't have all the tax information needed when your income starts you'll be taxed on the emergency code (month 1) basis to start with.

Any lump sum payment paid out by us as a result of your death, or the death of your **beneficiary**, will be paid after tax.

If you die before age 75, both the regular income and lump sum guarantee options are paid tax-free.

If you die at age 75 or older, from the tax year 2016/17 both lump sum and regular income payments will be taxed at the nominated beneficiary's personal rate of income tax.

If we pay a **beneficiary's income** to a named **beneficiary**, who isn't a spouse or civil partner, the **beneficiary** receiving **beneficiary income** may be subject to an Inheritance Tax liability.

This is because we, as the **scheme administrator**, do not have any discretion in who to pay. In this situation, you may wish to consider a lump sum benefit as an alternative, as this is currently not subject to the same potential Inheritance Tax issue.

C4 – Other deductions which may reduce the income paid

From time to time there may be a need to pay a tax, duty or other payment from the **plan** due to a law, order or regulation. If this needs to be done this we'll let you know as soon as possible.

C5 – When your plan starts

Your **plan** will start on the day we receive your application form. However we will only be able to begin paying your income when we have received the funds from your previous pension scheme. We call this your **income start date**. Your **start date** and **income start date** will be shown on your plan schedule.

C6 – When we can change your plan before your income start date

We've designed your **plan** with the aim that your chosen benefits won't change during the **plan** term.

We show you how much income you might get in your personal quote, which is guaranteed for 30 days.

If we receive your application and funds from your previous pension scheme after the quote guarantee date, we cannot guarantee that the rate will stay the same.

If the rate does change, we'll send your financial intermediary a new quote showing how this will affect your **plan**. You have three days to let us know if you no longer want to proceed. At the end of this time, if we haven't heard from you, we'll set up your **plan** on this basis.

C7 – When we can change your plan after your income start date

We work out your benefits based on our current understanding of:

- the way your income is taxed and
- the factors that we're legally able to take into account.

We'll only change your benefits after the **income start date** of your **plan** for the

following reasons:

- changes to legislation that affect the way your **plan** is taxed
- changes to legislation that affect the factors we can legally use
- a decision by a UK court or the European Court of Justice that affect the factors that we can take account of to comply with a court order, for example if you get divorced

These are the only times when we can change your benefits.

We can't change your benefits for any of the following reasons:

- to increase our profits
- to make up for any losses we've made in the past
- if the change would mean that it became an unauthorised payment under pension legislation

If we need to change your benefits we'll let you know at least 60 days before we change them.

C8 – Overpayments

We'll do our very best to make sure the **plan** is set up correctly and you're paid the correct regular income, and **tax free cash** payment if applicable. However, mistakes can happen.

If we make a mistake and pay out too much money we'll arrange to change the amount paid to you and claim back any money that we mistakenly paid out. If we do this we'll let you know as soon as possible and before any money is claimed back.

Also, if we pay out any regular income after it should have stopped, for example after you die, we'll arrange to claim back any money that we mistakenly paid out. Again, if we do this we'll let you or your legal representative know as soon as possible.

Of course if we pay out too little by mistake we'll correct this as soon as possible after we find out about the mistake.

C9 – Evidence we may ask from you or your beneficiary

We may need to see evidence of name and age from you or your **beneficiary**, such as a passport, before we pay money out from the **plan** or make any changes to the **plan**.

We recognise that these are valuable documents that other people may need to see at the same time. We'll look after the documents carefully, and return them quickly.

From time to time we may also ask for evidence that we hold your correct details, or the correct details of whoever is receiving the income. If you, and your **beneficiary** if they survive you, die before the **maturity date** we'll ask for evidence of the date of death. Also, before we start paying a **beneficiary's income** we'll ask for evidence that they are still alive and were still dependent on you when you died.

C10 – Cancelling the plan

After your 30 day cancellation period has ended you cannot cancel the **plan** or cash it in at any time. You can find out more about the cancellation process in the Key Features document, a copy of which is available on request at any time.

C11 – Transferring the plan to another registered pension scheme

You have the option to transfer the **plan** to another registered pension scheme at any time. If you do this another pension scheme accepts the **plan** from the trustees as an investment in their scheme. If this happens we'll pay any benefits of the **plan** to the trustees of the new pension scheme, who will become the new owner of the **plan**. If you wish to consider transferring the **plan** you should speak to your financial adviser. Notice of any transfer should be given to us at our registered office address.

C12 – Converting the plan when your circumstances change

You can end your plan at any time, for any reason, giving you the flexibility to change your income in retirement, as your circumstances change. This conversion option is automatically included in your plan at no extra charge.

If you choose to exercise the conversion option, you can use the transfer value to:

- pay you a final income payment, subject to income tax
- buy an annuity
- transfer to another pension scheme, or
- invest in another LV= retirement product

We recommend you speak to your financial intermediary before you decide what to do.

When you ask us to convert your **plan** we'll pay the current value of your **guaranteed maturity value** and the income payments we would have paid you if you had continued the **plan** until the **maturity date**.

To calculate the current value we look at what the investments we bought when you took out the **plan** can now be sold at. If the price has gone down we take the difference away from the **guaranteed maturity value** we would have paid out had you waited until the **maturity date**. If the price has gone up we will add the difference to the **guaranteed maturity value** we would have paid.

We won't apply any fee or penalty to convert your **plan**

Please note the amount we pay when you convert your **plan** may be a lot less than the **guaranteed maturity value** or in some cases the original investment, that you would have received if you had kept your **plan** until the **maturity date**.

C13 – Currency

Every payment into or out of your **plan** must be to a UK bank account and in UK currency, which is currently pounds sterling.

C14 – The law that applies to the plan

The Protected Retirement Plan 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.

C15 - How to make a complaint

If you have a complaint about any part of our service 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 783 7533 (for textphone, dial 18001 first). Or you can write to us at: LV= Retirement Solutions, Pease House, Tilehouse Street, Hitchin, Herts, SG5 2DX. Your complaint will be dealt with promptly and fairly and in line with the Financial Conduct Authority's requirements. If you want more information on how we handle complaints, please contact us, or visit www.LV.com/complaints.

We hope that we will be able to resolve any complaint that you have. If you're unhappy with the outcome of your complaint, the Financial Ombudsman Service may be able to help you free of charge.

You'll need to contact them within six months of receiving our final response letter. Their website is 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.

You can get this and other documents from us in Braille or large print by contacting us.

Liverpool Victoria Friendly Society Limited, Tilehouse Street, Hitchin SG5 2DX.

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