

ABERYSTWYTH UNIVERSITY PENSION PLAN

A presentation for Aberystwyth University from
Legal & General.

February 2015

A STRONG COMPANY

Legal & General is committed to delivering.

- Responsible for investing £467 billion* worldwide funds on behalf of investors, policyholders and shareholders.
- Has over 7.9 million* customers in the UK for life assurance, pensions, investments and general insurance plans.
- One of the biggest providers of index-tracking investments in the UK, managing £288 billion*.

*Legal & General Group as at 30 June 2014.



AGENDA

Helping you plan for your retirement

Your Plan

Options at retirement

Supporting your journey

Summary

Questions

WHAT'S HAPPENING?

- A new retirement plan: “Aberystwyth University Pension Plan”
- From 1 April 2015:
 - Legal & General is the Plan administrator
 - If you were in the existing Defined Benefit Pension Scheme you will be auto enrolled into the new pension scheme
 - All employee and Company contributions will be invested in a Legal & General Group Personal Pension Plan
 - If you previously opt-out of the previous pension scheme you will have the opportunity to opt-in to the new scheme
 - The new Plan is a defined contribution plan. The value of your benefit at retirement depends on what you and the Company pay in and how the investments perform

YOUR PLAN.

The Aberystwyth University Pension Plan

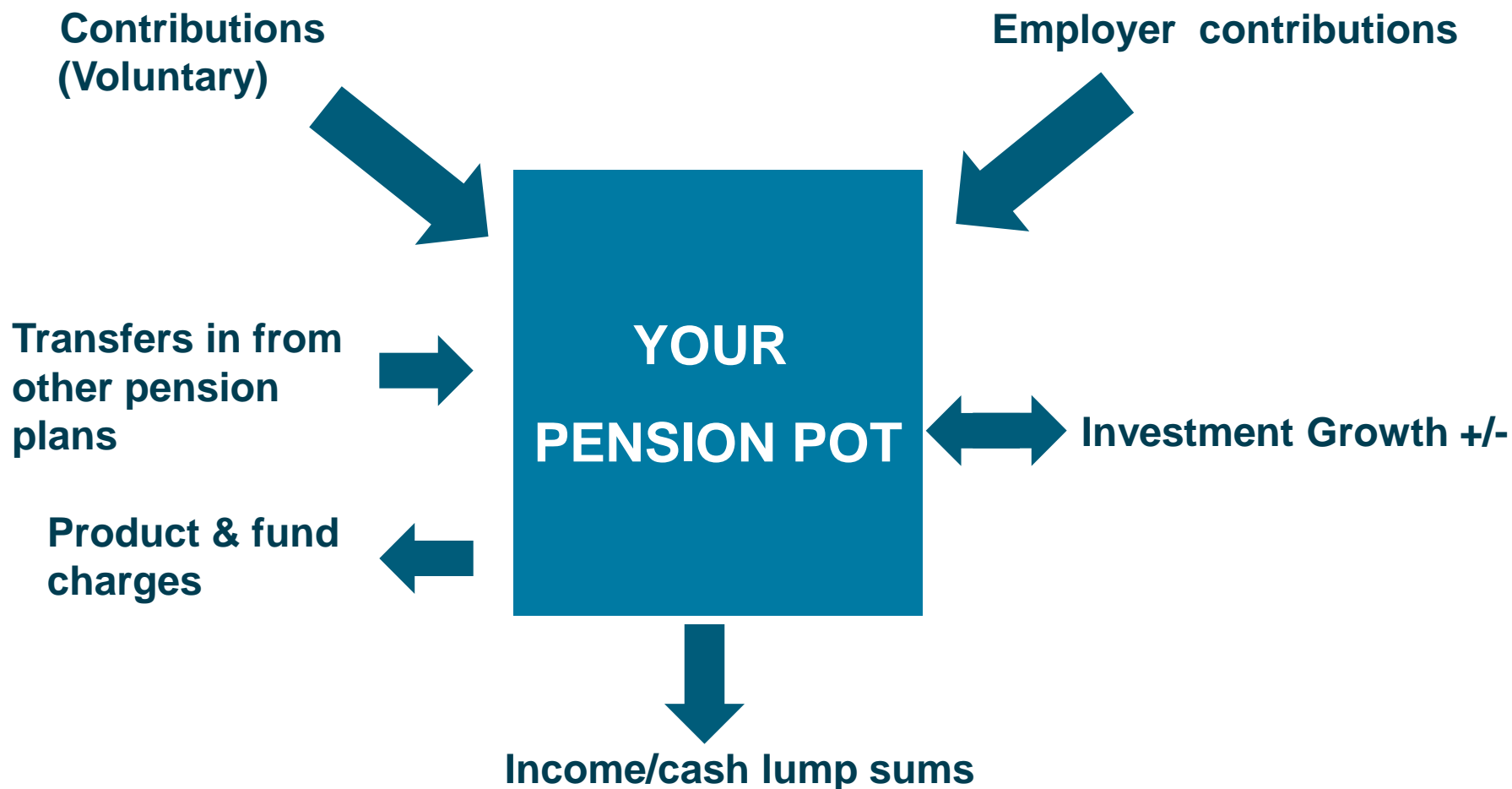
- Helps you plan for retirement
- A contribution from your employer
- A helping hand from the government in the form of tax relief
- It is a defined contribution plan
- Provides an income and / or lump sum(s) when you decide to take your benefits
- Contributions can be taken straight from your pay by way of salary sacrifice
- Transfers out with no charge

The value of your pension fund may fall as well as rise. Choose your investments carefully and review them regularly, particularly if you are close to taking your benefits.

Any money you invest in the plan will be tied up until you take your benefits.

Your retirement fund could also be more or less than the amount you have paid in.

HOW THE PENSION PLAN WORKS.



Any money you invest in the plan is tied up until you access your pension pot to take an income and/or any cash lump sums.

The value of your pension pot may fall as well as rise and is not guaranteed.

CONTRIBUTION STRUCTURE.

DATE	YOUR EMPLOYER'S CONTRIBUTION	YOUR SALARY SACRIFICE CONTRIBUTION	TOTAL EMPLOYER CONTRIBUTION
1 April 2015	10%	❖ 6.35%	16.35%

- ❖ This is the standard employee contribution, you have the option to pay a different amount

Additional employee payments (up to a maximum contribution of 100% of salary) can be paid. Tax relief cap applied (£40,000 for 2014/2015).

Contribution percentages are applied to basic earnings.

The default position will be for contributions to be paid via Salary Sacrifice.

WHAT ARE THE CHARGES?

Rate of Annual Management Charge

0.25%

Plus

Rate of Fund Management Charge

Default fund up to – 0.13%
Other funds ranging from 0.08% to 1.86%* a
year depending on fund chosen

=

Total Charge (Assuming default fund)

0.38%

*These are the highest and lowest Fund Management Charges as at October 2014.

INVESTMENT CHOICES

Pension Funds

- Choice of funds and Lifestyle Profiles
- Simple default investment option at point of joining
- You can then stay invested in the Default Lifestyle option or choose the funds that suit you
- Switch funds at no extra cost

The value of your pension fund may fall as well as rise.

Any money you invest in the plan is tied up until you take benefits.

Our charges can change but we will always let you know.

DEFAULT INVESTMENT OPTION

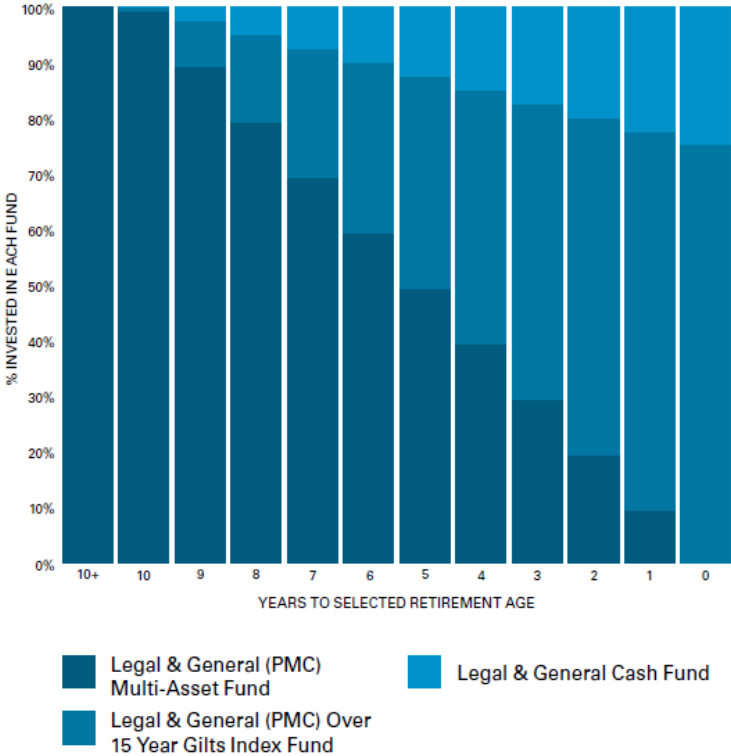
- Multi-Asset Fund with 10 Year Lifestyle Profile
- Investment in the early years to maximise potential for growth
- Gradual fund consolidation in the years leading up to retirement into lower risk funds

Lifestyle switches may be made at a time that is not to your advantage. Moving to lower risk funds does not guarantee that the value of your fund will not fall.

MULTI-ASSET LIFESTYLE PROFILE

- The lifestyle automatically switches into a combination of cash and gilts over a 10 year period.
- Switching occurs on a monthly basis over the last 10 years before your selected retirement date.

LIFESTYLE PROFILE SWITCHING PHASE



OPTIONS AT RETIREMENT.

The choice is yours – new pension flexibilities

- Uncrystallised funds pension lump sum
 - Single – empty pot in one go (25% tax free, the rest subject to tax at your marginal rate)*
 - Multiple – empty pot in a few goes (25% tax free, the rest subject to tax at your marginal rate)*
- Flexi- Access Drawdown
 - Regular payments (as instructed by member)
- Income for your life (level or increasing)
- Guidance Guarantee (TPAS/CAB)



* Available from April 2015

EMPLOYEE WEBSITE

Making it simple

- Key features
- Full fund information
- AE Guide and video
- Manage Your Account
- Retirement Planner
- Attitude to Risk tool
- Financial education

Find all you need in one place

Website: www.legalandgeneral.com/pau

Legal & General

PRIFYSGOL
ABERYSTWYTH
UNIVERSITY

ABERYSTWYTH UNIVERSITY PENSION PLAN

Home Useful documents Useful tools Help and support Choice Manage Your Account

WELCOME.

Welcome to the gateway to your WorkSave Pension Plan.

From here, you can access information and tools to help you make the most out of your pension, and you can log in to Manage Your Account giving you access to your pension and savings information whenever you want.

UNDERSTAND YOUR FINANCES

Learn more about debt, savings and planning your money with our fun and interactive Cash Family Challenges.

Our popular [Cash Family Challenges](#) are a series of

OPT OUT

CHECK HOW YOUR SAVINGS ARE DOING.

It's a simple thing but many of us forget that our finances need regular reviews to make sure they're doing ok.

If you are already a member of the Plan, you can register and log in to [Manage Your Account](#), to review your savings to ensure your money is

RETIREMENT PLANNING TOOLS TO HELP MAKE IT SIMPLE.

ATTITUDE TO RISK

RETIREMENT PLANNER

Legal & General **MAKING THE MOST OF YOUR MONEY.**

Attitude to risk

What's your risk profile?

Your risk profile is an assessment of your attitude to investment risk that can be used as a guide for selecting an appropriate investment strategy.

Sample investment forecast: []

Risk questionnaire

What's your risk profile?

18 questions to answer

Roughly 10 minutes to complete

The risk questionnaire asks about your thoughts, attitude and experience when making financial decisions and investments. There are no right or wrong answers but together your responses will help to establish a risk profile that in turn will help you decide how to invest your money.

- ✓ Read each question and choose the answer that best describes you or your point of view.
- ✓ Don't spend too much time thinking about your answer. Your first response is probably the best.
- ✓ Answer every question even if you feel it doesn't really apply to you.

Start risk questionnaire

3) Your knowledge and experience is important as this affects how comfortable you are making your own investment choices. Don't forget to revisit the tool as your attitude to risk may change over time.

4) Your goals and timescales may affect how much risk you are willing to take.

Home Retirement Planner Ms Sarah Sample

Pensions and Investments Targets Salary Forecast explained

My pension at age 68

Retirement age 68

Current fund value £ 20,000

Monthly contribution 8.0 % (£200)

Lump sum contribution £ 0

Investment style Risk rated

Dm: Category D (middle)

For more information on understanding your risk rating, please return to home and use our risk profile tool

State benefit at age 67

Add another pension or investment

Forecast at 68 Retirement income Bar chart

Income Target reached? Tax free cash

	Weak return	Average return	Strong return
Income	£11,000	£18,100	£45,200
Target reached?	X	✓	✓
Tax free cash	£18,700	£49,200	£157,000

The forecast is adjusted for inflation so you can view the values as if it were money received today.

Income includes State benefit of £7,488

"3-in-1" Retirement Options planner



Today's Prices Pop Up :

We've adjusted your forecast to account for inflation, so that you can see how much your money would be worth today.

Market Conditions Pop Up :

The way markets perform over the years will affect how your money grows in future. We look at around a thousand different possible outcomes – most of these fall into a middle ground and we use the "most likely" outcomes in your planning. Try sliding the market conditions bar to see what could happen to your money if markets are weak or strong.

What would you like to do with your **£ 188,800** at 66?

Results are in [today's prices](#) and assume the [market conditions](#) shown. Use the slider bar to show the effect of different market conditions.

Weak Average Strong

WHAT IS MY LIFE EXPECTANCY?

HOW MUCH MIGHT I NEED?

Annuity

WHAT'S THIS?

Take 25% as a tax-free lump sum:

£ 47,200

followed by a gross annual income guaranteed for the rest of your life:

£ 9,091

Subject to income tax

Click 'What's this?' to learn about the advantages and disadvantages of annuities.

EXPLORE FURTHER

Drawdown

WHAT'S THIS?

Take 25% as a tax-free lump sum:

£ 47,200

followed by the gross annual income you requested until the money runs out at the age shown:

£ 20,650 until age 78 ⚠

Subject to income tax

Click 'What's this?' to learn about the advantages and disadvantages of drawdown.

EXPLORE FURTHER

Cash

WHAT'S THIS?

Take it all as a lump sum and get:

£ 132,200

after you've paid estimated income tax of:

£ 56,600

Click 'What's this?' to learn about the advantages and disadvantages of taking your pot in cash.

EXPLORE FURTHER

ONLINE TOOLS TO HELP MAKE IT SIMPLE

Manage your account (MYA) when it suits you:

- see the value of your pension
- change investment funds
- request a benefit statement
- update your personal details

Simply visit:-

www.legalandgeneral.com/pau

- click on 'Register here' to set up your secure, password protected account
- access your pension details any time you want
- You can view a demo of MYA on:

<https://www.brighttalk.com/webcast/7883/88799>

Go to LegalandGeneral.com

YOUR WORKSAVE PORTFOLIO

Overview | Your pensions | Help and support | Log out

Kathy Baines last account login at 8:32pm 8 Jan 2010

YOUR WORKSAVE PORTFOLIO.

Total value **£23,000.00**

YOUR PENSIONS		YOUR INVESTMENTS	
£18,139.00		£4,139.00	
Includes:		Includes:	
Company pension scheme	£17,129.30	Stocks & Shares ISA	£527.51
Group Additional Voluntary Contribution	£1,129.30	Change your equities with StockTrade	

Important information about how this is calculated

MAKE THE MOST OF YOUR ACCOUNT

Meet Emma, your online guide, who provides a tour of the site to help you find your way around.

Emma shows you how to:

- Quickly and easily check the value of your investments
- View where your money is invested and monitor fund performance
- Find out more about your investments
- Change where your money is invested



MEMBER HELPLINE

- UK based pension specialists
- Focus on quality not quantity
- Extended opening hours
- Monday to Friday – 08:30 to 19:00
- Saturday – 09:00 to 12:00 (midday)



A helpline not a call centre

WHAT HAPPENS IF I LEAVE THE SCHEME?

Legal & General will write to you outlining your options:

- Option 1 - Leave your pension pot invested until you take your benefits
- Option 2 - Transfer your pension to another pension scheme
- Option 3 - Take your benefits if you are over 55
- Option 4 - Continue paying your own contributions

SUMMARY.

- Advantage of tax relief, employer contributions and potential investment growth
- Allows you greater control and flexibility
- Wide range of investment options
- Choice of lifestyle profiles
- Online tools to help manage your pension and plan for your future
- New pension flexibilities from April 2015


The value of your pension investments may fall as well as rise and is not guaranteed.

Your money is tied up until you take your benefits, which can be at any time from age 55.

The law and tax rates may change in the future and the value of tax relief will depend on your individual circumstances.

WHAT HAPPENS NEXT – WILL I BE AUTOMATICALLY ENROLLED?

- If you were in the defined benefit plan, you will be sent an enrolment letter at the end April
- If you were not in the existing plan you will have the opportunity to opt in to the new scheme.
- Your contributions will be invested into the default fund
- If you want to opt out then you can either opt out online via WorkSave Choice* or complete the opt out form (available directly from L&G) and return it, both within one month of receiving all the information about the plan
- You will be given the option of choosing which funds to invest in
- You will be given the option of changing your contributions
- Re-enrolment is required every 3 years



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ANY QUESTIONS?

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