In the chart on the right, we have shown how your money will be invested at the start of each year, as you approach your retirement date. When you are 3 years from your retirement date, we will start to gradually move your pension pot from the Legal & General (PMC) Multi-Asset Fund 3 into the Legal & General (PMC) Pre-Retirement Fund 3 and the Legal & General Cash Fund 3.

When you reach your retirement date, your pension pot will be invested 75% in the Legal & General (PMC) Pre-Retirement Fund 3 and 25% in the Legal & General Cash Fund 3.

If you are within 3 years of your retirement date when you first become a member, your contributions will be invested in line with the strategy outlined above.

For full details of the funds included in this lifestyle profile please see the relevant fund factsheets available in the Fund Zone on our Workplace Benefits website at: www.legalandgeneral.com/fundzone_wps

Please remember that the value of investments can go down as well as up. It’s particularly important to remember this if you are close to taking your benefits.
WHAT ARE THE AIMS OF THIS LIFESTYLE PROFILE?

This lifestyle profile is designed for members looking to use their pension pot to buy a guaranteed lifetime income (known as an annuity) and take their tax free cash at their retirement date.

It’s an investment strategy that offers you the potential to grow your pension pot in the long term. As you get closer to retirement your pension pot is gradually moved into a cash fund, and funds suitable to buy an annuity such as fixed interest investments.

The amount of pension you will receive will depend on the annuity rate available when you buy it. Annuity rates can move up and down. This lifestyle profile aims to offer some protection from any fluctuations in annuity rates when it moves your pension pot into fixed interest investments so that your retirement income is more predictable.

Changes in interest rates tend to influence the value of fixed interest investments and annuity rates, but in opposite ways:

- As interest rates fall, the value of fixed interest investments tends to rise. But annuity rates tend to fall.
- As interest rates rise, the value of fixed interest investments tends to fall. But annuity rates tend to rise.

So the part of your pension pot that is invested in fixed interest investments may increase in value when annuities cost more to buy but may fall in value when they cost less.

The final investment choice may not be suitable if you don’t take pension benefits as intended at your retirement date. It’s important that you review your retirement date on a regular basis, as it will determine where your pension pot is invested as you approach retirement.

WHAT ARE THE ADVANTAGES AND DISADVANTAGES OF A LIFESTYLE PROFILE?

<table>
<thead>
<tr>
<th>ADVANTAGES</th>
<th>DISADVANTAGES</th>
</tr>
</thead>
<tbody>
<tr>
<td>You don’t have to choose which fund(s) to invest in as the funds are set in the lifestyle profile.</td>
<td>You are not choosing where to invest. There may be another investment fund or lifestyle profile more suitable to your needs.</td>
</tr>
<tr>
<td>Lifestyle profiles are designed to reduce investment volatility or to target a specific objective as you approach your retirement date.</td>
<td>A lifestyle profile doesn’t guarantee the value of your pension fund. The value of investments can go down as well as up.</td>
</tr>
<tr>
<td>Your money is automatically switched for you as you near your retirement date.</td>
<td>You do not choose when to change your investment as it is set by the lifestyle profile.</td>
</tr>
<tr>
<td>The automatic switching ensures that your money is not moved in one go at a time when the markets are low.</td>
<td>The timing of switches is automatic and happens at fixed times. They don’t take market conditions into account which means you may miss out on growth in the market.</td>
</tr>
<tr>
<td>The final investment holding is designed for a particular outcome. For example, taking all of your pension pot as cash, buying an annuity, or taking withdrawals directly from your pension pot.</td>
<td>The aim of the lifestyle profile may not match the way you intend to use your pension pot or reflect your attitude to risk. It may also be unsuitable if you don’t take pension benefits as intended at your retirement date. In this case, you should review where your pension pot is invested and whether this remains suitable for your needs.</td>
</tr>
</tbody>
</table>

You can move your pension pot between investment funds at any time. You can also change your retirement date and invest for longer to allow more time for your fund to grow. If you decide to invest in a lifestyle profile please be aware that you can only choose one profile. It’s also not possible to invest in any other funds at the same time.

Lifestyle profiles are not risk free. You can find more detail about the risks associated with the funds in this lifestyle profile in our fund factsheets.

If you’re considering any changes or want more information about the full range of funds available to you, please speak to a financial adviser, log on to Manage Your Account or contact us.

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