



PHOENIX LIFE

[Name]
[Address]
[Address]
[Address]
[Postcode]

Date of letter

Dear

 phoenixlife.co.uk/mvroffer

 Customer helpline: **0344 728 9268**
Monday to Friday, 8.30am - 5.30pm
(apart from bank holidays).
From overseas: **+44 (0)1733 793421**

 Phoenix Life, Lynch Wood Park,
Peterborough PE2 6FY

Your reference: <<**Your reference**>>

Plan Number: <<**Plan Number**>>

• Would you like to access your pension soon?

We wrote to you recently to let you know about an opportunity that could give you more flexible access to your pension.

We're offering you the opportunity to access your pension now, without your current market value reduction (MVR) applying.

Part of your pension is invested in the **Unitised With-Profits (UWP) Series 1** fund. If you choose to accept our offer:



We'll move this part of your pension, including the guarantees earned so far, to the Phoenix NPI Deposit Fund.



Your MVR won't apply. You'll have immediate access to your pension, and the guaranteed growth on your UWP Series 1 savings, with no reduction in value.



You need to tell us if you'd like to accept our offer by **[xx date]**. **After this date our offer will close.**

Our offer won't change any pension savings you have in other funds. Those savings, and the way you access them, will stay the same.

 We explain how your guarantee and MVR work on the next page.

We want to give you more flexibility and choice in how and when you access your pension.

Right now, if you access your pension before age [65], you won't get the guaranteed 4% growth a year on your UWP Series 1 pension savings. The amount you'd receive on this part of your pension would drop from **[£xxxx]** to **[£xxxx]** because of the current MVR. That means you'd get **[£xxxx]** less.

If you accept our offer, we'll remove the MVR. We'll move your UWP Series 1 savings, along with the guarantees earned so far, to the Phoenix NPI Deposit Fund. You'll then have immediate access to the guaranteed growth value of **[£xxxx]** on this part of your pension.

There will be no change to your pension savings invested in other funds. Those savings, and the way you access them, will stay the same.

If you accept our offer your guarantee will no longer apply. Once in the Deposit Fund, you'll lose the 4% guaranteed growth a year on this part of your pension savings.

This opportunity will not be right for everyone. If you're not planning to access your pension soon, it may not be the right choice for you.

We want to help you make the right choice.

It's important you understand how your pension plan works so you can choose what's right for your circumstances and future plans.



How does your with-profits pension work?

You currently invest some of your pension savings in the UWP Series 1 fund, which is part of the National Provident Life (NPL) With-Profits Fund.

What is your guarantee?

- ✓ Your pension savings in the UWP Series 1 fund have a **valuable guarantee**.
- ✓ This part of your pension savings will grow by at least 4% a year up to age 75, as long as you don't access them before your retirement age.
- ✓ Your retirement age on your plan is [65].

What is the market value reduction (MVR)?

- ✓ If you decide to access your pension before age [65], you won't benefit from the guarantee.
- ✓ You'd receive the actual value of your UWP Series 1 pension savings, based on how these investments have performed so far.
- ✓ Although this is the fair value that this part of your plan is worth today, it is significantly lower than the guaranteed value available at age [65] based on 4% growth rate.
- ✓ This means that the amount you'd receive would be much less.
- ✓ This reduction in value is known as a **market value reduction** or **MVR**.
- ✓ The MVR no longer applies when you turn [65].

How your UWP Series 1 pension savings work right now:

If you wait until age [65] to access your pension your guarantee will apply.

You'll receive a guaranteed growth rate of 4% a year on part of your pension.

Your guarantee is valuable.

Not many pension plans offer this kind of guaranteed growth or certainty. They may carry more risk, and the value of your savings can go up or down.

If you access your pension before age [65] you won't benefit from your guarantee.

Your guarantee will not be available, and an MVR will apply to part of your pension.

This reduction in value can be substantial and can make a big difference to the amount you'd receive.

If you access your pension early, you'll receive a much lower amount than the guaranteed value available at your retirement age.

Need help deciding?

Accessing your pension is an important decision. **If you accept our offer you won't be able to change your mind later on.**

We strongly recommend getting financial advice. We can help you find an authorised financial adviser, or you can find details of the advisers in your area at unbiased.co.uk.

We also recommend speaking to **Pension Wise** for free, impartial guidance on pension options, tax implications and how to avoid scams.

Visit moneyhelper.org.uk/pension-wise for more information and to book a free appointment to talk about your options.

● Explore your pension options



If you accept our offer, your UWP Series 1 pension savings, and the guarantees earned so far, will move to the Deposit Fund. Once in the Deposit Fund, there are lots of ways you can access your pension. You'll have the flexibility to choose the retirement option that's right for you.



We'll send you your retirement pack, which you'll need to access your pension, and our team can then guide you through your options. We can support you in setting up a guaranteed regular income or a flexible income, so you can take cash when you choose. We can also help you to shop around for the best option, consolidate your pensions or take the full cash value.



If you're not sure how you'd like to access your pension you have time to decide. Your UWP Series 1 pension savings will be held securely in the Phoenix NPI Deposit Fund while you decide which retirement option you'd like to take.

Your pension savings invested in other funds will not change. Those savings, and the way you access them, will stay the same.



When your UWP Series 1 pension savings transfer to the Deposit Fund, your guarantee will no longer apply. You'll lose the 4% guaranteed growth rate you currently have on this part of your pension.

The Phoenix NPI Deposit Fund is designed to keep your money safe. It's a secure place to hold your pension while you decide what to do next. But it's not intended for long-term growth.

Returns are in line with interest rates usually paid on safe, short-term investments. So, while your money could grow, this fund aims for security rather than high returns.

If you don't access your pension straight away, you should consider moving your money to other funds. You won't have the benefit of your guarantee anymore, and staying in the Deposit Fund for too long could mean missing out on potential growth.

● Why are we offering to do this?

When you first took out your plan, it was normal to retire at 60 or 65. Today, retirement looks different. Many people want to access their pension savings earlier, later or more flexibly. We want to support you and give you more options in how and when you access your pension savings.

We know the MVR can make a big difference to the amount you receive and may delay your retirement plans. That's why we're offering you the opportunity to access your pension before **[xx date]** without the MVR applying. This gives you more control and choice over when and how you retire.

● Why is our offer for a limited time?

We want to help you get the most from your pension. Removing your MVR so you can access the guaranteed growth on your UWP Series 1 pension savings early comes with a cost. This is because your pension savings haven't actually grown by this amount. Our shareholders are covering this cost, and the longer we keep the offer open, the more it costs them. That's why this opportunity is only available for a limited time.

• What do you need to do?

Please take the time to read the information we've included, before making your decision.



'Please read: Important information about your plan and our offer' - this leaflet will help you understand the benefits and risks you should consider when making your choice.



'Your Personal Offer Statement' – this statement shows your pension savings including the guaranteed growth to date. It also shows the MVR amount which would usually apply and what your pension could be worth at your retirement age.



You can find more information about our offer on our website at phoenixlife.co.uk/mvroffer.

• Ready to make your decision?

When you're happy you understand both the benefits and any risks, please carefully consider if this opportunity could be right for you.

• How to accept our offer

You can tell us your decision in the following ways:



Call us on: **0344 728 9268**
Monday to Friday,
8.30am - 5.30pm
(apart from bank holidays).



Complete the online form at:
phoenixlife.co.uk/mvroffer



Complete the form we've included and return it to us in the pre-paid envelope.

You need to tell us by **[xx date]** if you'd like to accept our offer. **After this date our offer will close.**

If we don't hear from you, your pension plan will not change.

There will be no change to the way your pension savings are invested. You'll continue to benefit from the valuable guarantee on your pension savings invested in the UWP Series 1 fund.

Please remember: If you choose not to accept our offer you can still access your pension at any time. But, if you decide to access your pension before your retirement age, the MVR at that time will apply. The amount you'll receive on this part of your pension could be substantially reduced.

• Any questions?

If you'd like more information or have any questions, please get in touch and we'll be happy to help. You can call our customer helpline on **0344 728 9268**.

We're here to support you on your journey to and through retirement.

Yours sincerely

Brian Murray
Head of With-Profits
Phoenix Life Limited

If you would like this information in large print, in braille or audio, please call 0344 728 9268. If calling from outside the UK please call +44 (0)1733 793421.