This is an Endorsement to the Terms and Conditions of the My Money Workplace Retirement Account in accordance with sections 1.7 and 12.5.

Please keep this document with the Terms and Conditions of the My Money Workplace Retirement Account.

We use bold type for various expressions. You can look up the meanings for these in section 1.3 of the Terms and conditions.

These changes became available from 5 July 2016.

This Endorsement adds new sections in order to add the option to take Income Drawdown.

A. 1.3 Other expressions we use in this document

The following expressions are added:

Designate/Designated – means the method by which the member can make some or all of their notional account available for Income Drawdown.

Income Drawdown – means the method by which the member can draw directly from their notional account after they have designated some or all of their notional account as available for Income Drawdown.

B. 5.4 Income Drawdown (also known as flexi-access drawdown)

5.4.1 The **member** can **designate** some or all of their notional account as available for **Income Drawdown**. We will set up an **Income Drawdown** sub-account within the **member's** notional account. There is no minimum amount that has to be **designated** as available for **Income Drawdown**.

There is no investment programme that applies to the **member's** notional **Income Drawdown** sub-account.

5.4.2 Income can be taken from the **member's** notional **Income Drawdown** sub-account on an ad hoc basis and/or regular income on a monthly, quarterly, half-yearly or yearly basis. There are no limits on the amount of income that the **member** can withdraw (subject to the necessary value of investments being available in the **member's** notional **Income Drawdown** sub-account).

5.4.3 Disinvestment strategy – in the absence of any specific instructions from the **member**, we will withdraw/disinvest proportionally from any funds held in the Select fund range and if applicable any available cash. For the purpose of automatic disinvestment, these are known as eligible assets. Should their investment in any eligible asset be less than 2% of the total of all eligible assets, it will be excluded from the automatic disinvestment strategy.

Alternatively, the **member** can specify from which investments they wish to take their income, by giving us at least 15 working days' notice in the format we specify. In the event that the **member's** disinvestment strategy means that we cannot pay the **member** the level of income that they have specified, we will disinvest proportionally (as described above), where possible.

The **member** can provide alternative disinvestment instructions at any time, which will be applied subject to them giving us at least 15 working days' notice in the format we reasonably specify prior to the income payment.

5.4.4 Following receipt of completed **written instructions**, should we need to sell the **member's** investments to realise cash to provide for tax-free lump sum or an ad hoc payment, the sale will be transacted either:

- Between three to five working days' before the **member's selected retirement date**, if the **member** has requested to take benefits on this date and all of our requirements are received at least five working days' before their **selected retirement date**;

Or

- If a date other than the **member's selected retirement date** or all of our requirements aren't received before **their selected retirement date**, in line with the order execution policy.

For regular income payments, should we need to sell their investments to provide the payments, the sale would take place on their notional **Income Drawdown** sub-account 10 working days' before the payment's due date.

5.4.5 If the **member** chooses to take full **Income Drawdown** (full crystallisation) and wants to disinvest the 'maximum' available tax-free lump sum rather than a specific monetary amount, we may disinvest an additional reasonable 'tolerance' amount (e.g. 10%) to allow for any market movement. This will ensure a sufficient amount is available to make payment.

Where the sale value received by us is more, any difference between the sale value received by us and the payment will be moved to their notional **Income Drawdown** sub-account and will be reinvested proportionally into the same fund(s) from those sold. Unit price(s) may have changed between the sell and buy dates. We will not be responsible for any losses incurred as a result of a change in unit price(s).

5.4.6 Charges:

If the **member** is using **Income Drawdown**, charges will continue to be applied to their notional account in accordance with the Terms and Conditions.

5.4.7 We require at least 10 working days' notice if the **member** wishes to stop taking regular income payments.

5.5 Uncrystallised Fund Pension Lump Sum

The **member** can take some or all of their notional account as a lump sum upon request. There is no minimum amount that the **member** can take as a lump sum.

5.6 Taking pension benefits

HMRC rules do not impose any upper limit on the age at which a **member** can begin to take their retirement benefits.

Under their notional account however, the upper limit is 99. By the **member's** 99th birthday, they must:

- Buy a lifetime annuity with us; or
- Use the open market option to buy a lifetime annuity with another provider; or
- Take the remaining value as income or a lump sum; or
- Transfer the value of their notional account to another scheme as described in section 10.