

Manufacturer Information to Distributors (Fair Value) – Fixed Term Retirement Plan

Introduction and summary

This document provides distributors of our Fixed Term Retirement Plan with information to assist their fair value assessment.

Overview of our Product Governance

Legal & General's Product Lifecycle Management (PLM) framework is how we determine whether our products and propositions are designed, developed, and managed to deliver good outcomes for customers. It allows us to assess the risks that they pose, including the risk of harm and whether our products offer fair value for customers.

PLM principles apply throughout the product lifecycle, from initial design through to closure and changes to product design to ensure fair value now and for the foreseeable future. An assessment of whether our products provide fair value forms part of the PLM framework.

Outcome of fair value assessment

The outcome from our current assessment undertaken in August 2024 satisfies us that **the Legal & General Fixed Term Retirement Plan provides fair value.**

We regularly perform value assessments across our products, and we will update this document if this changes.

Assessment approach

Our approach to assessing fair value for the Fixed Term Retirement Plan measures three key metrics:

Pricing/Costs and charges

We review the measures in place that aim to provide economically optimised annuity rates to the customers so that they are both competitive and provide fair value for money.

Quality of service

The assessment considers measures to create an overall picture of the service provided to customers. The measures we review include (but are not limited to):

- the oversight of process execution and delivery
- results from Net Promoter System (NPS) surveys
- volumes and outcomes from complaints received
- results of Quality Assurance checking
- feedback from third parties
- the experience and feedback from customers with signs of vulnerability, for example, those with visual or hearing impairment, experiencing health or lifestyles issues or in financial difficulties.

Member engagement and communications

We review the customer touchpoints across our customer journeys to understand customer outcomes and improve how we communicate with and support our customers. We carry out research and take feedback from customers and complaints to amend the content of our communications and enhance what we send at different points in the customer journey.

The Fixed Term Retirement Plan operates within agreed tolerances, and should it begin to operate outside of the tolerance, we will take appropriate action.

Target Market and Product Features

The main aim of Legal & General's Fixed Term Retirement Plan is to pay a regular income over a term, with a fixed maturity payment at the end of the term. Additional options and features can be chosen by the customer to suit their needs.

The Fixed Term Retirement Plan is sold direct to customers, through strategic partnerships and FCA registered intermediaries.

Details of the target market, for whom the product is unsuitable, and the product features can be found by following [this link](#).



Price and fees information

Money's Worth is the measure we use to make a judgement on the monetary value the customer is getting from our product in relation to what we charge including expenses and profitability we allow for.

To put it simply, we project the income the customer will get by buying our product using an appropriate set of assumptions (including mortality and investment) from the customer's standpoint and capitalise the value to compare against what we charge the customer.

We also disclose all fees and commission we pay to any third party on an individual basis.

Q&A

Why have we produced this document?

In July 2022, the FCA set out its final rules and guidance for a new Consumer Duty. The Consumer Duty is a cornerstone of its three-year strategy and a key element of our work to set and test higher standards.

The final rules required manufacturers to share information with distributors for them to meet their obligations under the Duty.

The publication of this document demonstrates how Legal & General has met its obligations.

How often is the fair value assessment undertaken?

The fair value assessment forms part of the PLM/Product Risk Reviews framework which are undertaken every two years.

Where can I get more product information?

The [adviser site](#) for advisers and wealth managers provides information, support, and tools for advising on our guaranteed income retirement products.

Legal & General Assurance Society Limited

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