

Guaranteed Pension Annuity



Terms & Conditions
Version 1.0



Policy Terms and Conditions

Thank you for choosing Hodge. If you have any questions, please get in touch with us using the details at the end of this booklet.

Terms and conditions are rarely entertaining, but an annuity is a long term commitment so please read through them, and keep this document in a safe place for future reference. It sets out the terms and conditions that apply to your annuity, and forms part of the contract between you and Hodge Lifetime. These terms and conditions should be read in conjunction with your annuity quote and policy schedule.

We are happy to help at any time, so if you need us do get in touch directly, or speak to your adviser.

This document sets out the Policy Terms and Conditions that apply to all policyholders. It comprises four sections as follows:

1. Policy definitions
2. General terms
3. Payment terms
4. Adviser charges.

This document forms part of the contract between You and Hodge Lifetime, and you should read it carefully together with the other important documents referred to in section 2.1.

Your Policy Schedule will show the personal details that apply to You and confirms the annuity choices You have made.

This Policy is issued by Hodge Life Assurance Company Limited (Hodge Lifetime) to the person described in the Policy Schedule as the Annuitant. In consideration of the payment to Hodge Lifetime of the Purchase Price set out in the Policy Schedule Hodge Lifetime will, subject to the Policy Terms and Conditions applicable to the Guaranteed Pension Annuity Policy, pay to the Annuitant the Annuity described in the Policy Schedule.

You can find out more about us at: hodgebank.co.uk

Please review this document and keep it safe.

1. Policy Definitions

In any part of the Policy, Policy Terms and Conditions or the Application Form:

- where the context so admits, the masculine shall include the feminine and the singular shall include the plural and vice versa
- any reference to any document shall include any permitted variation, amendment, supplement to, or replacement of, such document(s)
- any reference to any statute, statutory provision, or rule includes reference to any statutory modification, or amendment of it or any re-enactment, or replacement that supersedes it, and to any regulation or subordinate legislation made under it (or under such a modification or re-enactment).

1.1 Hodge Lifetime/We/Us/Our

Hodge Lifetime is a trading name of Hodge Life Assurance Company Limited. In these Policy Terms and Conditions, reference to Hodge Lifetime means Hodge Life Assurance Company Limited, its successors or assigns.

1.2 Annuitant/You/Your

Means the person named as the Annuitant on the Policy Schedule and to whom the payment of the Annuity will be made.

You must be resident in the UK (excluding Channel Islands and Isle of Man) at the time of making an application.

1.3 Dependant

Means the person named as the Dependant on the Policy Schedule and who may be:

- married to You
- Your civil partner (civil partnerships must be registered)
- Your life partner (a life partner must be living with You, as if married or a civil partner, and either be financially dependant on You or have a financial relationship with You of mutual dependence. We may ask for proof of financial dependency.)

In the event of Your death, a person must satisfy this definition at that time to qualify as a Dependant.

1.4 Policy

Means the annuity policy evidenced by the Policy Schedule issued by Hodge Lifetime to the Annuitant to which these Policy Terms and Conditions apply, together with any Policy endorsements.

1.5 Policy Schedule

Means the schedule We issue to You to evidence the Policy.

1.6 Annuity

Means the amount of guaranteed annuity in the instalments and frequency shown in the Policy Schedule.

1.6.1 Income Payment Period

Means the frequency as specified in the Policy Schedule with which income payments are made.

Payments in advance are made at the start of each payment period.

Payments in arrears are made at the end of each payment period.

1.6.2 Guaranteed Payment Period

Means the period, if any, specified in the Policy Schedule starting on the Policy issue date and for which Your Annuity is guaranteed to be paid.

1.6.3 Dependant's Annuity

Means the dependant's income shown in the Policy Schedule expressed as a percentage of the Annuity payable to the Annuitant.

1.7 Applicable Rules

Means the rules of the Financial Conduct Authority and Prudential Regulation Authority (including any successor entities) and all other applicable rules and regulations of any applicable regulatory body.

1.8 Adviser Charge(s)

Means, if applicable, the separate charge(s) agreed between You and Your Adviser, in respect of which we may agree to facilitate payment on Your behalf.

1.9 Adviser

Means, if applicable, the financial adviser appointed by You, who may, where authorised to do so, provide advice or personal recommendations to You.

2. General Terms

2.1 Legal contract

These Policy Terms and Conditions together with the documents listed below constitute Our legal agreement with You in respect of this Annuity, which You accept by completing the Application Form:

- The Application Form
- Any supporting documents provided to Us at any time
- Our Final Quote
- The Policy Schedule
- Any Policy Endorsements.

2.2 Law

This Policy is governed by and shall be construed in accordance with the Laws of England and Wales.

2.3 Your regulatory status

We have categorised You as a 'retail client' in accordance with the relevant Applicable Rules and You should be aware that this categorisation generally attracts the highest level of protection under the financial services regulatory regime in the United Kingdom.

You have the right to request a different categorisation and We will always consider Your request, although We are not bound to accept it.

If We do accept Your request, You will lose the level of protection afforded to You as a retail client under the regulatory regime in the United Kingdom.

2.4 This Annuity

This Annuity has been purchased with pension funds using the open market option, i.e. You have been free to purchase an annuity from any provider in the market.

We will accept purchase monies from more than one pension fund that is eligible to purchase this type of annuity.

2.5 Completion

Your annuity purchase will complete, and the final annuity quote determined, only when all of Your purchase monies have been received. No interest is payable on purchase monies held by Us pending completion of the annuity.

2.6 Your right to cancel

From the date You signed the Application Form, You have 30 days to change Your mind. This 30 day period may expire before all of Your purchase money has been transferred to Us, and before Your annuity has started to be paid.

If You decide that You do wish to cancel Your Policy, You must complete a cancellation form and return it to Us within the 30 day period.

2.7 Claims and instructions

All claims and instructions for this Policy must be received by Us in writing at Our annuity administration centre or other address that We may specify at the time.

The current address for Our annuity administration centre is:

Hodge Lifetime Annuity Admin Centre,
Sutherland House,
Russell Way,
Crawley,
RH10 1UH
Tel: 0800 917 2028
Email: myannuity@hodgelifetime.co.uk

If We receive correspondence on a non-working day or after 5pm on a working day We will treat it as being received on the next working day.

2.8 Binding communications

Any binding communication from Us must be issued in writing in the English language and be signed by an authorised official of Hodge Lifetime.

In all cases We will communicate with You in English and You must communicate with Us in English.

None of the Policy Terms and Conditions may be waived or modified except by a Policy endorsement issued by Us and signed by an authorised official of Hodge Lifetime, unless otherwise provided for in these Policy Terms and Conditions.

3. Payment Terms

3.1 What We pay

3.1.1 Currency

We will pay the Annuity in Pounds Sterling or any future UK legal tender if appropriate.

3.1.2 Tax on income

Before paying the Annuity We will deduct income tax at the appropriate rate, using the 'Pay As You Earn' system (PAYE).

We will account for the tax We deduct and pass it on to HM Revenue and Customs (or any future collector of Government taxes).

If We don't know Your tax code We will deduct tax at the emergency rate until We are advised of Your tax code.

3.2 Payments made to You

This Policy guarantees to continue paying Your Annuity for the rest of Your life.

Unless Your chosen options enable further income to be paid after Your death in accordance with condition 3.3, all payments will stop when You die.

3.3 Payments after You die

Your Policy Schedule will show if any of the following payments will be made:

3.3.1 Final Proportionate Payment

If You have chosen a Final Proportionate Payment and Your Annuity is paid in arrears, We will pay a final Annuity instalment reduced proportionately to the number of days from the previous instalment up to the date of Your death, or the death of Your Dependant if later.

3.3.2 Guaranteed Payment Period

Your Policy Schedule will set out any Guaranteed Payment Period You have chosen. If You die during this period, We will continue to pay 100% of Your Annuity to a surviving Dependant until the Guaranteed Payment Period ends.

For example, if You have a 10 year Guaranteed Payment Period and die after 6 years and 4 months, We will continue to pay 100% of Your Annuity for a further 3 years and 8 months.

If there is no Dependant or Your Dependant dies before You, the Annuity that would be payable until the end of the Guaranteed Payment Period becomes part of Your estate.

3.3.3 Dependant's Annuity

If there is a named Dependant on the Policy Schedule, then in the event of Your death, the Dependant's Annuity will be payable provided:

- Your Dependant has not died before You
- You and Your Dependant are still married, in a civil partnership or remain life partners
- Any Guaranteed Payment Period has expired (see below)

There is no overlap between the Guaranteed Payment Period and the Dependant's Annuity.

Therefore, if You die within the Guaranteed Payment Period, your Annuity income will remain at the same level until the expiry of the Guaranteed Payment Period, before reverting to the rate at which the Dependant's Annuity is payable.

The Dependant's Annuity will continue to be paid for the rest of their life on the same basis as the Annuity and in accordance with these Policy Terms and Conditions.

3.4 When We Pay

3.4.1 Bank account

We will pay the Annuity directly into Your nominated UK bank account either in Your sole name or a joint account in which You are named as one of the account holders.

3.4.2 First Due Date

The Annuity becomes payable from the first payment due date shown in the Policy Schedule.

3.4.3 Payment frequency

We will pay Your Annuity in equal instalments as shown in the Policy Schedule.

3.4.4 Non-working days

If the date when Your Annuity is due is not a working day We will make the payment on the last working day before the payment due date, so the income will not be paid late.

3.4.5 Proof of entitlement

We may at any time ask for written proof that You or Your Dependant is still alive and entitled to receive payment. No payment will be made until We receive proof that is satisfactory to Us.

3.5 When we may Increase, Reduce or Stop Payments

3.5.1 Income guarantee

Your Annuity is guaranteed and cannot fall as a result of adverse investment conditions. Your Annuity is not linked to inflation and has no built in increases. The amount We pay (see condition 3.1) will not change unless one of the events in conditions 3.5.2 to 3.5.5 happens.

The Annuity we pay to You or Your Dependant is currently subject to income tax at basic and higher rates and could go up or down in the future if:

- Your personal tax code changes
- The Dependant's tax code changes
- General rates of income tax change
- The Government changes the way annuity income is taxed.

Each year We will provide a statement of the tax deducted.

3.5.3 Divorce or Dissolution of a Civil Partnership

If Your Annuity is made the subject of a pension sharing order, the amount We pay may be reduced accordingly and the difference paid to Your former husband, wife or civil partner. Your former husband, wife or civil partner will lose their entitlement to a Dependant's Annuity (if relevant) (see section 3.3.3).

3.5.4 Overpayments

If We make any payments to You or anyone else who is not legally entitled to receive them, We have the right to recover the full amount.

Also, if We overpay You, Your Dependant or Your estate as a result of receiving false, inaccurate or late information either in connection with Your original application or subsequently, then we may:

- Reduce the amount of Your Annuity; and
- Recover any overpayments in full.

We reserve the right to charge interest at 4% per annum above the Lloyds TSB base lending rate, on any overpaid amounts unless the overpayment was due to Our mistake, in which case We would not charge interest until You have been given a reasonable period of time to return the overpayment.

3.5.5 Underpayments

If We discover any error in Your application or supporting documents that means Your Annuity has been underpaid, We will adjust the Annuity to the amount which would have been payable had the correct information been notified originally. We will refund the underpayment for the period between the Policy issue date and the date of the adjustment.

3.5.6 Stopping payments

We will stop paying the Annuity when the last of the following events happen:

- You die;
- the Guaranteed Payment Period ends (if relevant);
- the Dependant named on the Policy Schedule dies (if a Dependant's Annuity is payable).

3.6 Cashing in the Annuity

It is not possible to cash in this Annuity. It has no surrender value at any time.

3.7 Assignment or Commutation

Neither this Policy nor the benefits provided under it may be assigned or commuted, unless otherwise stated in these Policy Terms and Conditions or as permitted by legislation.

4. Adviser Charges

4.1 Financial advice

Hodge Lifetime accepts no responsibility whatsoever for the suitability of any advice or personal recommendations which Your Adviser may provide.

Your Adviser will have disclosed to You the total charges that relate to the advice that they gave You to purchase Your Annuity.

4.2 Facilitation of Adviser Charges

Where Your Adviser has provided advice to You in respect of Your Annuity purchase, We may agree to facilitate the payment of Adviser Charges to Your Adviser on Your behalf.

If You would like Us to facilitate the payment of Adviser Charges on Your behalf, You will need to complete the relevant section of the Application Form.

We shall be entitled to rely on this information and will only facilitate the payment of Adviser Charges as indicated in the Application Form, or in accordance with any other instructions which You may provide to Us in writing.

Where You have indicated that You would like Us to facilitate the payment of Adviser Charges we may do this by either:

- disposing of or reducing part of Your rights or benefits under the Annuity;
- by separating out an amount or amounts for the payment of Adviser Charges from the premium monies received by Us to be invested in the Annuity; or
- as otherwise permitted under the Applicable Rules from time to time, in each case as determined by Us at Our sole discretion and as required in order to satisfy the amount of Adviser Charge You have agreed with Your Adviser.

4.3 Cancellation

If You decide to cancel Your annuity purchase in accordance with clause 2.6 of these terms and conditions, We will return all of Your purchase money (including any Adviser Charges) to Your pension provider(s). If Your pension provider(s) refuses to accept the return of these monies, We will contact You to discuss Your options.

If We have already facilitated payment of Your Adviser Charges and paid those to Your Adviser, You will need to seek reimbursement from Your Adviser.

How to find out more

Full details of how Your data will be used, managed and processed by Us is included in Our Privacy Notice. If you require more detail on how we handle Your data, please go to hodgebank.co.uk/privacy or call 0800 289 358.

You may also contact credit reference agencies as the information each holds about You may be different. Please note, they may charge a small statutory fee for handling such a request.

How to Contact Us

If You have any queries or wish to contact us, please:

- Write to Hodge, One Central Square, Cardiff, CF10 1FS;
- Telephone Us on 0800 023 7233 between 9AM and 5PM. Please note, calls may be recorded or monitored for training purposes; or
- Send Your email to annuityadmin@hodgelifetime.co.uk

Complaints

We hope You will be delighted with Our service. But, if We fall short and You wish to complain, please write to, email or telephone Our team, addressing correspondence for Our Complaints Officer at the address in the “How to Contact Us” section.

We will send You an acknowledgment together with a copy of Our internal complaint handling procedure.

You may find yourself in a vulnerable position if a life event or specific need means you need additional support. At Hodge, we want to work with you to ensure you get the best possible outcome. If you think you'd benefit from talking to us so we can tailor the service we provide for you, please contact us using the details below.



0800 023 7233



annuityadmin@hodgelifetime.co.uk



Customers: [hodgebank.co.uk](https://www.hodgebank.co.uk)

Advisers: [hodgebank.co.uk/intermediaries](https://www.hodgebank.co.uk/intermediaries)

Hodge Lifetime is a trading name of Hodge Life Assurance Company Limited which is registered in England and Wales (Company No. 837457). It is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Its registered office is Level 45, 22 Bishopsgate, London, EC2N 4BQ.

Hodge's Privacy Notice confirms how we manage and process your personal data. If you require more detail on how we handle your information please go to [hodgebank.co.uk/privacy](https://www.hodgebank.co.uk/privacy) or call 0800 289 358



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