



Abolition of Protected Rights (Contracting Out) 6th April 2012

Over the past few months, the Government has announced important changes relating to Protected Rights. Hartford Platinum planholders with Protected Rights will be directly impacted by these changes.

From 6th April 2012, the Government is ending the practice of ‘contracting out’ of the State Second Pension on the Protected Rights basis, which means we will be making some changes to the way we manage our pension plans. The Hartford Platinum Plan previously accepted Protected Rights funds planholders built up in the past through other pension arrangements. In order to be able to accept Protected Rights funds, the Hartford Platinum Plan was classed by legislation as an “appropriate scheme”. This legislative classification ceases to exist as of 6th April 2012. As a result, the Hartford Platinum Plan will cease to be an “appropriate scheme” with effect from 6th April 2012.

When will these changes happen?

On 6th April 2012, the concept of ‘Protected Rights’ will no longer exist. From this date, the restrictions around what planholders with Protected Rights can do with their Protected Rights funds will cease and all funds will be treated in the same way.

What action do Platinum planholders need to take?

This change will happen automatically and there is no need to take any action.

What are the impacts of the changes to Platinum Plans?

1. The restrictions which applied to Protected Rights policies will no longer apply.
2. For Platinum Plans that have Protected Rights policies, the name of the policy will change to “Former Protected Rights”. This new name will appear on all policy documentation.
3. If a planholder with Former Protected Rights is married or in a civil partnership it will no longer be mandatory to select Dependant Continuation Option at income commencement on Former Protected Rights.

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Please note that if planholders have commenced income from Protected Rights prior to the 6th April 2012, the Dependant Continuation Option must still be retained.

These legislative changes had an impact on the terms and conditions of the Platinum Plan. As such an Endorsement has been issued to the Platinum terms and conditions and can be found at www.thehartford.co.uk. Please note that the Endorsement must be read in conjunction with the existing Platinum terms and conditions and any subsequent Endorsements.

Dated: 7 March 2012

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Disclaimer:

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