

Glossary of important words and expressions

Use this document to help understand your
Benefit Statement and the Guide to your Guarantees.

September 2025



Important information about your Benefit statement

MetLife issues a Benefit Statement at least once a year, which provides you with important information about:

- How your policy has performed since your last Benefit Statement.
- Where your money is invested and details about any guarantees you have.
- The regular contributions that have been paid to us and any withdrawals that we have paid to you.

The Benefit Statement will contain the following information (note that the Investment Value is also known as the fund value):

- Current investment value and termination values.
- Current value of any guarantees (**Secure Income Base** or **Secure Capital Value**), including any guaranteed death benefits.
- The investment value and guarantee values at the last statement date so that you can see how the values have changed.
- Contributions you have paid to us.
- Money / withdrawals you have taken from the policy.
- Details of the policy charges you have paid to us.
- Details of payments that have been made from the policy to your financial adviser.

We recommend that you take time to read your Benefit Statement and to keep it safe for future reference. If you have any questions, please speak to your Financial Adviser or call our Customer Account Management Team on **0800 022 4443**, between 9.00 am and 5.00 pm Monday to Friday (excluding bank holidays).

Important information

- Your policy investment value is not guaranteed as future unit prices can go down as well as up.

Policy guarantees

Secure Income Option (SIO)
and
Secure Capital Option (SCO)

- Any guarantees will be proportionately reduced by non-guaranteed withdrawals, for example if you have a pension policy and take 25% tax-free cash from your **Pension Pot**, this will also reduce the guarantee values by 25%. For example, a guarantee of £100,000 would reduce to become £75,000. We call these 'payments out'.
- Any guarantee may be proportionately reduced by payments you make from your policy to your Financial Adviser for the advice or services they provide to you. For example, if you are paying 0.5% ongoing adviser charges to your Financial Adviser every 12 months, when we make the payment, the value of the guarantees would also reduce by 0.5%. So, a guarantee of £100,000 would reduce to become £99,500 in this example.

The following section sets out the meanings of key words and expressions used in your Benefit Statement.

Secure Income Option (SIO)

Word / Expression	Meaning	Applies to
Active Asset Allocation (AAA) Investment Option	is the process that MetLife uses to allocate your money between the Growth Asset (equities) and Secure Asset (corporate bonds) within the Max Growth Asset limit that you have chosen.	Investments in AAA
Annual Management Charge	is the amount you have paid to MetLife during the Statement Period for administering your policy. The amount is based on a % of your investment value / pension pot value , deducted each month by selling units from your policy. For example, if your annual management charge was 0.70% and your investment value was £100,000, your monthly charge would be $(1/12) \times 0.70\% \times £100,000 = £58.33$. The % charge you pay can be found in your policy Terms and Conditions.	All policies
Cash-in Value	is the current policy valuation.	Bonds & ISA
Deferral Increase	is the increase we will apply to your Secure Income Base if you delay taking Guaranteed Income . This will increase the Guaranteed Income you can receive.	SIO
Drawdown	is the part of your pension that you have used to receive pension benefits. This could be in the form of regular income or a lump sum payment such as tax-free cash.	Pension only
Fund Management Charge	is the percentage rate deducted by MetLife and the Investment Manager for managing and administering your funds. The charge is a % amount and is deducted daily from the unit price for your investment fund(s). If the Fund Management Charge was 0.50%, each day we would apply a charge to the fund of $(1/365) \times 0.50\%$ before calculating the unit price.	All policies
Growth Asset	is the proportion of your investment element that invests in global stocks and shares.	AAA Investments

Word / Expression	Meaning	Applies to
Guarantee Charge	is the amount you have paid to MetLife during the Statement Period for the cost of providing your guaranteed benefits. The amount is based on a % of your Secure Income Base , deducted each month by selling units from your policy. For example, if your Guarantee Charge was 0.60% and your Secure Income Base was £125,000, your monthly charge would be $(1/12) \times 0.60\% \times £125,000 = £62.50$. The % charge you pay can be found in your policy Terms and Conditions.	SIO
Guaranteed Death Benefit	provides a minimum guaranteed amount when a death claim is payable. This will normally be the amount you have invested less any Guaranteed Income withdrawals you have taken. The Guaranteed Death Benefit is also proportionately reduced by non guaranteed withdrawals and adviser charges.	SIO
Guaranteed Income	is the maximum guaranteed regular yearly income that you can receive from the Secure Income Option . It is calculated by applying your Guaranteed Income Rate to the Secure Income Base at the time each payment is made.	SIO
Guaranteed Income Rate	is the rate that is applied to your Secure Income Base to calculate for Guaranteed Income . The rate is based on your age when you start taking your Guaranteed Income . If the Secure Income Option is provided through Active Asset Allocation , it will be based on your age at the date of investment.	SIO
Investment Value	is the value of your investments (and the Cash-in value) at the Valuation Date. We call this the Pension Pot for pensions.	All policies
Lock-In	at each Review Date , where your Investment Value is higher than your Secure Income Base , we will increase your Secure Income Base to this amount.	SIO
Pension Pot	is the value of your pension savings at the Valuation Date of the Benefit Statement.	Pension only
Payments Received	are all the contributions that have been paid into your pension during the statement period.	Pension only

Word / Expression	Meaning	Applies to
Payments to your Financial Adviser	are payments made to your financial adviser for the services that they have provided to you during the Statement period. If you have any questions about the amount being paid these should be discussed with you adviser.	All policies
Review Date	is the date we compare your Investment Value to the Secure Income Base . Where the Investment Value is higher, we will Lock-in the increase.	SIO
Review Period	means the frequency of the regular review of your Secure Income Base .	SIO
Secure Asset	is the proportion of your investment that that invests in a portfolio of corporate bond funds.	AAA Investments
Secure Income Base	is the notional value used to calculate the amount of guaranteed income. It is not a cash-in value.	SIO
Secure Income Option	provides you with a guaranteed level of income for life.	SIO
Selected Retirement Date	is the date you have chosen to receive your pension benefits. You can change this at any time	Pension only
Tax Free Cash	is the optional amount that you can take when you take pension benefits from your non crystallised funds. Normally, a maximum of 25% can currently be taken tax free. The technical name for this is Pension Commencement Lump Sum (PCLS).	Pension only
Transfer Value	is the amount available to be paid to another provider at the valuation date, should you choose to transfer your fund.	Pension & ISA
Valuation Statement	is a separate document that you can obtain from your Financial Adviser. This will provide you with a detailed breakdown of all your underlying investment funds, their unit price and the number of units you have in each fund.	All policies
Withdrawals Made	includes all regular guaranteed or non-guaranteed income paid to you plus any taxable or non-taxable lump sum payments made during the statement period.	All policies

Secure Capital Option (SCO)

Word / Expression	Meaning	Applies to
Active Asset Allocation (AAA) Investment Option	is the process that MetLife uses to allocate your money between the Growth Asset (equities) and Secure Asset (corporate bonds) within the upper equity limit that you have chosen.	Investments in AAA
Annual Management Charge	is the amount you have paid to MetLife during the Statement Period for administering your policy. The amount is based on a % of your investment value / pension pot value , deducted each month by selling units from your policy. For example, if your annual management charge was 0.70% and your investment value was £100,000, your monthly charge would be $(1/12) \times 0.70\% \times £100,000 = £58.33$. The % charge you pay can be found in your policy Terms and Conditions.	All policies
Cash-in Value	is the current investment valuation.	Bonds & ISA
Drawdown	is the part of your pension that you have used to receive pension benefits. This could be in the form of regular income or a lump sum payment such as tax-free cash.	Pension only
Fund Management Charge	is the percentage rate deducted by MetLife and the Investment Manager for managing and administering your funds. The charge is a % amount and is deducted daily from the unit price for your investment fund(s). If the Fund Management Charge was 0.50%, each day we would apply a charge to the fund of $(1/365) \times 0.50\%$ before calculating the unit price.	All policies
Growth Asset	the proportion of your investment element that invests in global stocks and shares.	AAA Investments
Guarantee Charge	is the amount you have paid to MetLife during the Statement Period for the cost of providing your guaranteed benefits. The amount is based on a % of your guarantee value, deducted each month by selling units from your policy. For example, if your Guarantee Charge was 0.40% and your Guarantee Value was £125,000, your monthly charge would be $(1/12) \times 0.40\% \times £125,000 = £41.67$. The % charge you pay can be found in your policy Terms and Conditions.	SCO

Word / Expression	Meaning	Applies to
Guaranteed Death Benefit	provides a minimum guaranteed amount of the Secure Capital Value when a death claim is payable.	SCO
Investment Value	is the value of your investments (and the Cash-in value) at the Valuation Date. We call this the Pension Pot for pensions.	All policies
Lock-In	at each Review Date , where your Investment Value is higher than your Secure Capital Value plus any Secure Withdrawals you may have received (if applicable) we will increase your Secure Capital Value to this amount.	SCO
Pension Pot	is the value of your pension savings at the Valuation Date of the Benefit Statement.	Pension only
Payments to your Financial Adviser	are payments made to your Financial Adviser for the services that they have provided to you during the Statement period. If you have any questions about the amount being paid these should be discussed with you adviser.	Pension only
Review Date	is the date we compare your Investment Value to your guarantee Secure Capital Value .	SCO
Review Period	means the frequency of the regular review of your guarantee base.	SCO
Secure Asset	is the proportion of your investment that that invests in a portfolio of corporate bond funds.	AAA Investments
Secure Capital Option	provides you with a Secure Capital Value which is the guaranteed amount payable at a future date selected by you or when a death claim is payable.	SCO
Secure Capital Value	is the guaranteed value that is payable at the Secure Capital Option maturity date or a minimum amount payable on an earlier death claim. It is not a cash-in value.	SCO

Word / Expression	Meaning	Applies to
Secure Withdrawals	are regular withdrawals taken from your Secure Capital Value up to a maximum of 5% per year. These can be paid for a maximum of 20 years and will continue even if your Investment Value runs out. These payments will reduce your Secure Capital Value on a pound for pound basis. For example, if your Secure Capital Value was £50,000 and your Secure Withdrawal was £2,500, your Secure Capital Value would reduce to become £47,500 (£50,000 less £2,500 = £47,500)	Investment Bond SCO pre-Sept 2015 policies.
Selected Retirement Date	is the date you have chosen to receive your pension benefits. You can change this at any time.	Pension only
Tax Free Cash	is the optional amount that you can take when you first take pension benefits. Normally, a maximum of 25% can currently be taken tax free. The technical name for this is Pension Commencement Lump Sum (PCLS).	Pension only
Transfer Value	is the amount available to be paid to another provider at the valuation date, should you choose to transfer your fund.	Pension and ISA
Valuation Statement	is a separate document that you can obtain from your Financial Adviser. This will provide you with a detailed breakdown of all your underlying investment funds, their unit price and the number of units you have in each fund.	All policies
Withdrawals Made	includes all regular guaranteed or non-guaranteed income paid to you plus any taxable or non-taxable lump sum payments made during the statement period.	All policies

Important Information for Onshore Investment Bonds and Trustee Investment Pan policies

We have a small number of Onshore Investment Bonds and Trustee Investment Plans that were issued before **September 2009**. For these policies, MetLife may take the charges from your policy in a different way to as described above. This was due to the way our systems were designed at that time.

For these policies, the Account Management Charge and any Guarantee Charge may be deducted when calculating the unit price of your fund, rather than by selling units from the policy. More information can be found in your Terms and Conditions.

Data Protection

The ways in which MetLife may collect, share, or process your personal data are explained in MetLife's privacy notice. The privacy notice also explains your rights regarding your personal data. A copy of the privacy notice is available on our website www.metlife.co.uk

metlife.co.uk

Pension and Onshore Bond Products and services are offered by MetLife UK Limited which is an affiliate of MetLife, Inc. and operates under the "MetLife" brand. MetLife UK Limited is a private company limited by shares, registered in England and Wales under company number 13992711. Registered office at Invicta House, Trafalgar Place, Brighton BN1 4FR, England. MetLife UK Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

International Bond Products and services are offered by MetLife Europe d.a.c. which is an affiliate of MetLife, Inc. and operates under the "MetLife" brand. MetLife Europe d.a.c. is a private company limited by shares and registered in Ireland under company number 415123 and VAT number IE 6435123T. Registered office at 20 on Hatch, Lower Hatch Street, Dublin 2, Ireland. MetLife Europe d.a.c. (trading as MetLife) is authorised by the Central Bank of Ireland.