

# Transfer Payments into a Group Flexible Retirement Plan Key Features Illustration

**keyfacts**®

The Financial Services Authority is the independent financial services regulator. It requires us, Standard Life, to give you this important information to help you to decide whether Transfer Payments into a Group Flexible Retirement Plan are right for you. Please read this document carefully so that you understand what you are buying, and then keep it safe for future reference.

## About this Key Features Illustration

This is an illustration of what you might get back from your transfer payment into the plan and must be read with the Key Features Document 'Key Features of Transfer Payments into a Group Flexible Retirement Plan' which contains more information about charges and tax.

The rates used in these illustrations were correct at 16 June 2009. However, they are subject to change at any time.



## Transfer Payments into a Group Flexible Retirement Plan

### What could my transfer payment be worth?

To give an illustration of what your transfer payment into the plan could be worth, the table below shows what you could expect on retirement depending on your current age and your planned retirement age.

Please note the figures in these illustrations are based on you making a transfer payment of £10,000 into the plan. They do not take into account any other regular or one off payments made to the plan.

To give an illustration of what your transfer payment could be worth if you invest it in the Lifestyle profile for former SLFPP members, simply:

1. Choose the age closest to your age attained (your age now), and the age at which you want to retire.
2. This gives you an idea of what your taxable pension income each year could be in today's prices, allowing for the effect of future inflation.

Transfer payment £10,000	Your age now	20	25	30	35	40	45	50	55	60
	Retire at 65	£1980	£1640	£1360	£1130	£938	£779	£648	£539	£450
	Retire at 60	£1410	£1170	£972	£806	£669	£555	£461	£385	

The taxable pension income values in the illustration above assume that your investments grow at 7% each year when you are six or more years from your Selected Retirement Age. Thereafter, the investment growth rate is assumed to tend towards 5% each year as your pension savings are switched into less volatile funds. For more information please see page 4 for 'Important information about the figures' and page 7 for 'Important information about the growth rates'.

### Where will the transfer payment be invested?

We have assumed your transfer payment will be invested in the Lifestyle profile for former SLFPP members.

## Transfer Payments into a Group Flexible Retirement Plan

### Lifestyle Profiling

Lifestyle profiling means we'll automatically make changes between funds as you approach retirement. We'll do this gradually each month. The table below shows which funds the Lifestyle profile for former SLFPP members invests in. For more information on this Lifestyle profile please see 'The BT Retirement Saving Scheme (BTRSS) February 2009' booklet at [www.btretirementsavingscheme.com](http://www.btretirementsavingscheme.com)

Fund		BGI UK Equity Index Fund	Invesco Perpetual High Income Fund	BGI World (ex UK) Index Fund	Standard Life Pension International One Fund	Standard Life Pension Protection One Fund	Standard Life Pension Managed Cash One Fund	Total Allocation
Number of years from Selected Retirement Age	6 years or +	30%	10%	10%	50%	0%	0%	100%
	5	24%	8%	8%	40%	15%	5%	100%
	4	18%	6%	6%	30%	30%	10%	100%
	3	12%	4%	4%	20%	45%	15%	100%
	2	6%	2%	2%	10%	60%	20%	100%
	1	0%	0%	0%	0%	75%	25%	100%
	3 months	0%	0%	0%	0%	75%	25%	100%
Fund management charge per year		1.00%	1.72%	1.00%	1.00%	1.00%	1.00%	
Extra units (also known as a rebate) per year		0.72%	0.72%	0.72%	0.52%	0.75%	0.75%	
Effective AMC		0.28%	1.00%	0.28%	0.48%	0.25%	0.25%	
Additional expenses		0.006%	0.190%	0.014%	0.000%	0.000%	0.000%	

### Important information about charges

The charges we've shown may vary and will also depend on the actual investments you choose. There is a daily fund management charge. However your employer's adviser has arranged special terms, so we add extra units to your fund each month. The table above shows the fund management charge and special terms. The special terms will reduce the effect of the fund management charge towards the effective annual charge shown (Effective AMC). Our charges, and the final value of your plan, will depend on the actual investment funds you choose. The charges could also include any additional expenses that may apply in respect of the investment of your pension savings. Please refer to your Key Features Document for more information on charges, including additional expenses.

## Transfer Payments into a Group Flexible Retirement Plan

### Important information about the figures

These figures are only examples and aren't guaranteed – they are not minimum or maximum amounts. What you will get back depends on the income you take, how your investment grows and on the tax treatment of the investment.

Fund performance could vary significantly, which means you could get back more or less than this. Your pension income will depend on how your investment grows and on interest rates at the time you retire.

Please refer to [www.btreirementsavingscheme.com](http://www.btreirementsavingscheme.com) for information on fund prices.

For the purpose of this Key Features Illustration we've assumed:

- Your pension will alter in line with the Retail Prices Index (RPI) each year from the time you start taking it.
- Your pension will be payable monthly starting on your retirement date.
- If you die within five years of getting your pension, we will continue to pay it until the end of that five year period.
- For males we have assumed you are married to someone who is three years younger than you who will receive half your pension on your death, and for females we have assumed you are married to someone who is three years older than you who will receive half your pension on your death.

### What effect will the deductions have?

The tables on pages 5 and 6 show the transfer value you could get if you withdraw from your plan.

The 'Effect of deductions to date' column shows how much any deductions could have been worth had they remained in your plan and grown at the mid growth rates (see page 7 for details). Deductions include sales costs and our expenses.

**WARNING:** When you buy a pension or take a transfer value, the value of your plan could be less than you paid in.

## Transfer Payments into a Group Flexible Retirement Plan

Your term to retirement		45 years		40 years		35 years		30 years	
At the end of year	Total paid in to date	Effect of deductions to date	What the transfer value might be	Effect of deductions to date	What the transfer value might be	Effect of deductions to date	What the transfer value might be	Effect of deductions to date	What the transfer value might be
1	£10,000	£50	£10,600	£50	£10,600	£50	£10,600	£50	£10,600
2	£10,000	£108	£11,300	£108	£11,300	£108	£11,300	£108	£11,300
3	£10,000	£173	£12,000	£173	£12,000	£173	£12,000	£173	£12,000
4	£10,000	£246	£12,800	£246	£12,800	£246	£12,800	£246	£12,800
5	£10,000	£328	£13,600	£328	£13,600	£328	£13,600	£328	£13,600
10	£10,000	£911	£18,700	£911	£18,700	£911	£18,700	£911	£18,700
15	£10,000	£1,890	£25,600	£1,890	£25,600	£1,890	£25,600	£1,890	£25,600
20	£10,000	£3,500	£35,100	£3,500	£35,100	£3,500	£35,100	£3,500	£35,100
25	£10,000	£6,060	£48,200	£6,060	£48,200	£6,060	£48,200	£6,060	£48,200
30	£10,000	£10,000	£66,000	£10,000	£66,000	£10,000	£65,900	£8,980	£62,300
35	£10,000	£16,300	£90,400	£16,200	£90,200	£14,600	£85,300	n/a	n/a
40	£10,000	£25,800	£123,000	£23,300	£116,000	n/a	n/a	n/a	n/a
45	£10,000	£36,500	£160,000	n/a	n/a	n/a	n/a	n/a	n/a
<b>Reduction in growth</b>		7.0% to 6.5%		7.0% to 6.5%		7.0% to 6.5%		7.0% to 6.5%	

## Transfer Payments into a Group Flexible Retirement Plan

Your term to retirement		25 years		20 years		15 years		10 years		5 years	
		Effect of deductions to date	What the transfer value might be	Effect of deductions to date	What the transfer value might be	Effect of deductions to date	What the transfer value might be	Effect of deductions to date	What the transfer value might be	Effect of deductions to date	What the transfer value might be
At the end of year											
1	£10,000	£50	£10,600	£50	£10,600	£50	£10,600	£50	£10,600	£43	£10,500
2	£10,000	£108	£11,300	£108	£11,300	£108	£11,300	£108	£11,300	£87	£11,100
3	£10,000	£173	£12,000	£173	£12,000	£173	£12,000	£173	£12,000	£129	£11,700
4	£10,000	£246	£12,800	£246	£12,800	£246	£12,800	£246	£12,800	£170	£12,300
5	£10,000	£328	£13,600	£328	£13,600	£328	£13,600	£325	£13,600	£211	£12,900
10	£10,000	£911	£18,700	£911	£18,700	£906	£18,700	£717	£17,700	n/a	n/a
15	£10,000	£1,890	£25,600	£1,880	£25,600	£1,580	£24,200	n/a	n/a	n/a	n/a
20	£10,000	£3,480	£35,100	£3,020	£33,200	n/a	n/a	n/a	n/a	n/a	n/a
25	£10,000	£5,330	£45,500	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
30	£10,000	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
35	£10,000	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
40	£10,000	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
45	£10,000	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
<b>Reduction in growth</b>		7.0% to 6.5%		7.0% to 6.5%		7.0% to 6.5%		7.0% to 6.6%		7.0% to 6.7%	

## Transfer Payments into a Group Flexible Retirement Plan

### How could this affect the growth rate?

The charges for sales costs and expenses, shown in the 'Effect of deductions to date' column in the previous section, will have the effect of reducing investment growth across all payments into your plan. The tables in the previous section show the total reduction in investment growth over the term of the plan. Your reduction in growth will depend on the actual investment funds you choose.

### Important information about growth rates

The Financial Services Authority sets standard growth rates that can be used in illustrations. These rates are lower growth rate, mid growth rate and higher growth rate and all companies use these, except where they believe a reduced rate is more appropriate. This illustration shows what you might get back when you retire if your investment grows each year at the mid growth rates shown in the table below, and if it was reduced by future inflation each year of 2.5%.

This illustration is only suitable for someone who invests in the Lifestyle Profile for former SLFPP members assuming the growth rates shown in the table below. It is NOT suitable if you wish to invest in these funds outside of this Lifestyle Profile. If you wish to use a different investment choice, you should request a personal illustration.

Fund	Lower growth rate	Mid growth rate	Higher growth rate
BGI UK Equity Index Fund	5.00%	7.00%	9.00%
Invesco Perpetual High Income Fund	5.00%	7.00%	9.00%
BGI World (Ex UK) Index Fund	5.00%	7.00%	9.00%
Standard Life Pension International One Fund	5.00%	7.00%	9.00%
Standard Life Pension Protection One Fund	3.25%	5.00%	6.75%
Standard Life Pension Managed Cash One Fund	3.25%	5.00%	6.75%

## Transfer Payments into a Group Flexible Retirement Plan

### Notes

All firms use the same rates to show how funds may be converted into pension income.

Where you can take a tax-free lump sum, your entitlement is normally 25%. You may be able to take a higher tax-free lump sum if you were allowed to do so on 5<sup>th</sup> April 2006, please see your Financial Adviser. This illustration does not take account of the Lifetime Allowance. This is a Revenue limit on the total value of all pension benefits you can bring into payment without paying a tax penalty. The value of any benefits you take over this allowance may be subject to a tax charge.

Any reference to legislation and taxation is based on Standard Life's current understanding of law and HM Revenue & Customs practice at the date of publication. Legislation and taxation are liable to change in the future. Tax relief may be altered and the value to you depends on your financial circumstances.

Our charges are not guaranteed. They are regularly reviewed and may be altered to take account of changes in our costs.

For more information on how much you should save for retirement, please speak to a Financial Adviser.

### Arrangement costs incurred by Standard Life

For arranging your plan Standard Life expects to incur set up costs.

These are paid for out of the deductions, and the amounts will depend on the size of the transfer payment.

For a transfer payment of £10,000 we expect to incur a cost of £146.90, however if you pay more or less than this then the set up costs will be adjusted proportionately based on the size of the actual transfer payment.

Standard Life Assurance Limited\*, registered in Scotland (SC286833), Standard Life House, 30 Lothian Road, Edinburgh EH1 2DH is the Provider and Scheme Administrator of the Standard Life Self Invested Personal Pension Scheme. Standard Life Trustee Company Limited, registered in Scotland (SC076046), also Standard Life House, is the Trustee. Telephone (0131) 225 2552. *Calls may be recorded/monitored.*

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