

The **co-operative** investments
good with money

Product guide to your

CIS Individual Personal Pension

Reminder of important facts



Why you bought your Individual Personal Pension

You bought your Individual Personal Pension to provide yourself with an income in retirement.

Your contributions will be invested to give you a Retirement Fund that you can use to buy a taxable pension and take an optional tax-free lump sum. You can take your pension with us or another pension provider.

Pensions are a tax-efficient way of saving

The government provides tax relief on any pension contributions you make. For example, if the basic rate of tax is 20%, then for every 80p that you contribute the government will automatically give us an additional 20p to add to your pension.

If you are a higher rate tax payer then you may be able to claim further tax relief from H.M. Revenue and Customs.

Where your money is invested

Each contribution you make buys units in the funds of your choice.

Where your money is invested depends on which funds you chose, but most of the funds have a significant proportion of their investments in shares.

The range of funds you are invested in should reflect your attitude to risk.

There are a number of managed investment portfolios available and they are actively managed by our investment experts on your behalf.

The value of your units will go up and down to reflect the value of the investments and you may get back less than you invested.

The value of your plan at any time is the number of units you have in each fund multiplied by the unit price.

The unit prices are published on our website **co-operativeinvestments.co.uk** where you can also find more information about the funds we offer.

The CIS With-Profits Pension Fund

This is one of the investment choices and it operates slightly differently to the other fund options. If you chose this fund then your money is still invested in stocks and shares and the unit price will go up and down.

The with-profits fund smoothes out investment returns so that you have some protection to extreme changes in the investment markets.

We do this by holding back some of the profit made when investment returns are good, so that we can increase returns at a later date if investment returns are lower, giving a more stable return. We do not profit from managing this fund in this way – all money in the fund goes back to the policyholders.

Market Value Reduction (MVR)

In certain investment conditions it may be necessary to reduce the plan value available to those who are taking money out of the CIS With-Profits Pension Fund. This is to help maintain a fair level of return to everyone still invested in the fund.

We would do this by applying an MVR when you switch into another of our Pension Funds or transfer your investments to another company.

An MVR will not be applied in the event of a death claim or at retirement.

The "Principles and Practices of Financial Management" (PPFM) document explains in detail the management of the with-profits fund. The PPFM and a customer-friendly version of it, sometimes called a with-profits guide, are available either by accessing co-operativeinvestments.co.uk or on request. In the event of conflict between this guide and the PPFM, the PPFM shall prevail.

Your Individual Personal Pension is designed to be flexible

You can take up to two contribution holidays in any 12-month period.

You can also change the level of your contribution at any time as long as your total contributions are above the minimum of £75 per month, plus you can also make additional lump sum payments at any time.

You can change where your funds are invested at any time by switching your funds and you can also invest in any number or combination of the funds available.

If your employer is contributing to your pension plan, and your employment status changes, you may be able to continue paying contributions.

When you can take your pension

Up to 6th April 2010, retirement benefits can be taken from age 50. After 6th April 2010 this increases to age 55.

We will write to you in the months leading up to your Chosen Retirement Date* to inform you of your retirement options, unless you contact us to request an earlier retirement date.

If you die before taking your retirement benefits

If you die before you retire we will return the value of your pension fund to your beneficiaries.

If you purchased separate life cover with your pension and this cover is in force when you die, then we will pay an additional lump sum benefit.

If you are in ill-health

If you took out the Payment Cover for Sickness option and you are still paying contributions please contact us if, due to sickness, you are unable to work for any significant period. We may be able to pay your contributions for you. You may be able to add this cover by calling the Customer Contact Centre.

If you are forced to retire early due to ill-health, then we may be able to make special arrangements for your retirement benefits.

Transferring your pension

You can transfer your pension to another pension provider at any time before you retire.

You should seek independent financial advice if you are considering this option.



Additional information

This guide is intended to be a concise reminder of the main features of the product you have purchased. We supplied a contract for the product to you when you made your purchase and you should refer to this and any contract endorsement which we may have sent you for full information. In the event of conflict between this guide and any contract, the contract will prevail.

Customer impact

Since it began in March 2006 we've been a member of the Association of British Insurers' Customer Impact Scheme, an initiative aimed at putting your needs at the heart of the life and savings industry. You can find out more about the scheme, and about how we're performing, in our latest report to customers – available on our website

goodwithmoney.co.uk

Notes

*Throughout this document, whenever we refer to 'Chosen Retirement Date', this is the date that you originally stated you would like to retire and is the date shown on your annual statement (unless subsequently changed).

**If you need more information,
contact our Customer Contact Centre**

08457 46 46 46

Monday to Friday 8am to 5pm.

Please call 08457 46 46 46 if you would like to receive this information in an alternative format such as large print, audio or Braille.

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Calls may be monitored or recorded for security and training purposes. For BT customers, calls to 0800 numbers are free and calls to 0845 numbers will cost no more than 4p per minute. Call charges from other companies may vary and you may want to check this with your service provider.