

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

Product guide to your

CIS Pension Annuity Policy

Reminder of important facts



Why you bought your Pension Annuity Policy

You bought your Pension Annuity Policy to provide yourself with an income in retirement.

Your contributions are invested to provide you with a taxable Pension Annuity, or pension, plus an optional tax-free lump sum.

When you are about to take your pension you will be given the option to take your pension with another company.

A tax-efficient product

You should claim tax relief on your contributions from H.M. Revenue and Customs through your annual tax return. You are eligible to tax relief at your highest rate of tax.

Where your money is invested

Your policy is invested in the CIS With-Profits Fund.

Your money is invested in a wide range of investments such as shares, property and bonds. We manage these on your behalf.

Your share of investment return is passed on to you by adding annual bonuses and final bonuses. Once added, we guarantee we will pay those bonuses to you at your Retirement Date*. The addition of future bonuses depends on future investment performance.

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](https://www.co-operativeinvestments.co.uk) or on request. In the event of conflict between this guide and the PPFM, the PPFM shall prevail.

Your policy guarantees

When your policy was set up

Your policy was written to provide a Basic Annuity (or pension) at your Retirement Date, provided you pay your contributions up to your Retirement Date.

Initially, we set your policy's Basic Annuity amount by making assumptions regarding:

1. the future investment return we would achieve each year on your contributions and
2. the number of years over which we would subsequently pay you a pension.

You may also have a lump sum that is linked to your Basic Annuity.

In recent years

Investment returns in recent years and expected future investment returns are much lower than the returns we assumed at outset.

We have added bonuses when investment returns have been good. In recent years, annual bonuses have reduced or been zero for some types of policy.

Life expectancy rates have also increased over the period since you took out your policy. This results in us paying pensions over a longer period.

What this means for you

Even if investment markets fall, once added, the annual bonuses are guaranteed on your Retirement Date.

The combination of these factors means that the underlying value of your policy (i.e. your contributions plus investment returns to date, less expenses) may be less than the value of your guaranteed benefits (i.e. your Basic Annuity plus bonuses) and are likely to remain so at your Retirement Date.

However, if you choose to receive your pension from The Co-operative Investments at your Retirement Date then we guarantee that your pension will be no less than your Basic Annuity plus annual bonuses that have already been added.

When you can take your retirement benefits

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 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 pay a lump sum to your beneficiaries.

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.

Stopping your contributions

You can stop paying your regular contributions, however, your Basic Annuity will be reduced and any future bonuses will be based on this reduced amount.

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

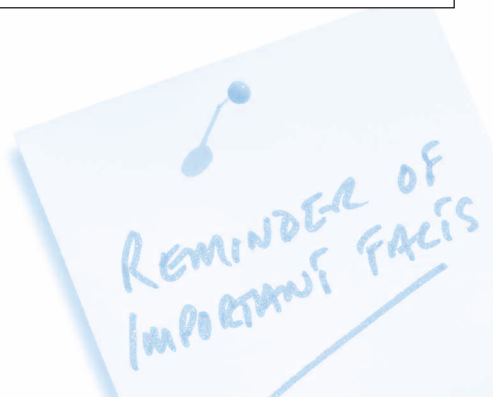
Since it began in March 2006, we've been a member of the Association of British Insurers' Customer Impact Scheme, an initiative aimed at putting your needs at the heart of the life and savings industry. You can find out more about the scheme, and about how we're performing, in our latest report to customers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

Notes

*Throughout this document, whenever we refer to 'Retirement Date', this is the retirement date that was specified when the policy was set up (unless subsequently amended).

**If you need more information,
contact our Customer Contact Centre
08457 46 46 46**

Monday to Friday 8am to 5pm.



good with money

Savings & investments

Life assurance

Car & home insurance

Retirement planning

Ethics as standard

Up the wall – more than 40% of the heat in your home is lost through the walls and roof. Cavity wall insulation could reduce emissions and cut fuel bills by £70-£100 a year.

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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Any advice from Co-operative Financial Advisers will relate only to a range of the products and services available from the members of the CFS marketing group, and a limited number of other companies.

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.