

# Key Features of the Jessop (AAM) Personal Pension Trust

This document is issued as at 30 September 2010

The Financial Services Authority (FSA) is the independent financial services regulator. It requires us, Jessop Fund Managers Limited (JFML), to give you this important information to help you to decide whether our Personal Pension Trust is right for you. You should read this document carefully so that you understand what you are buying, and then keep it safe for future reference.

JFML is unable to offer personal financial advice. Please note that nothing in this document should be interpreted as financial advice.

You should be aware that Stakeholder Pensions became available on 6 April 2001 and might meet your needs at least as well as a Personal Pension.

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## 1 Introduction

This document outlines important things you should know about the Jessop (AAM) Personal Pension Trust (the Trust). It also provides a comprehensive guide to the range of investment funds available, which you should read to help you make suitable investment choices, depending on your personal circumstances and needs. There are three Funds available for you to invest in.

The Trust is a Registered Pension Scheme under the Finance Act 2004. The plan can receive minimum contributions in respect of members who contract out of the State Second Pension (S2P) Scheme.

It is an 'umbrella' unit trust comprising of a number of Constituent Funds each of which invests solely in the shares of a corresponding Aberdeen Asset Managers Limited Investment Fund. The aims of these Funds are outlined in the Fund fact sheets which are available from our website or by request from our office (see page 8).

## 2 Its Aims

The aims of the Trust are:

- to make use of favourable tax treatment available to Registered Pension Schemes; and
- to allow you to accumulate a Fund with which you can provide an income and a tax-free cash sum on retirement.

## 3 Your Investment

You may pay regular or one-off contributions or you may transfer benefits from other suitable pension scheme/s. Acceptance of any contribution is at the discretion of JFML.

You may switch between the Constituent Funds free of charge.

You may transfer the value of your account to another suitable pension scheme without penalty at any time.

Full details of the relevant Funds are available from the Prospectus and the Fund Fact Sheets which can be found on our website or by request from our office (see page 8). Below is a brief objective of the each of the underlying Aberdeen Funds into which the JFML Funds solely invest:

Constituent Fund	Underlying Fund into which it feeds	Investment Objective of Constituent Fund
Jessop (AAM) Multi-Asset Fund	Aberdeen Multi-Asset Fund	Investment to provide a long-term total return from a diversified portfolio
Jessop (AAM) Sterling Bond Fund	Aberdeen Sterling Bond Fund	Investment to achieve an attractive level of total return
Jessop (AAM) Cash Fund	Aberdeen Cash Fund	Investment to achieve an attractive level of income commensurate with security through its investments

JFML also offers 'Lifestyling', an investment strategy designed to help you achieve an appropriate exposure to different asset types to suit your current stage of life and help achieve your retirement plan. More details on Lifestyling are set out in section 5.

## 4 Risks

You should be aware of the following risks before making your investment decision. If you are unsure, please seek professional advice from a Financial Adviser.

- The value of investments may go down as well as up and you may not get back your original investment.
- Inflation may occur over the duration of the investment. This may affect the purchasing power of your investments at the point that you take them.
- Past performance is not a guide to future performance.
- If you start your Personal Pension Plan in order to build up a particular sum, or to provide an amount of pension by a certain date you may not achieve the target amount if you do not maintain your contributions or if your investment does not grow sufficiently, or if annuity rates have changed over time. You should therefore keep this under review.
- The value of current tax relief depends on individual circumstances and may change in the future. If you have doubts about your tax position, you should seek professional advice.
- The tax treatment of the Trust as well as your tax liabilities are set out in the section headed 'What are the tax benefits?', but it should be noted that there may be other taxes applicable to the investment or to yourself which are not paid through JFML or imposed by it.
- If you exercise your cancellation rights within the 30 day period we will return your money less any fall in value in the unit price. For regular savers, however, the whole of the first month's payment will be returned.
- If you surrender units after a short period you may not (even without a fall in the price of the units) get back the amount originally invested.
- In certain circumstances your right to redeem units (including redemption by way of switching) may be suspended.
- The additional specific risk factors of the Funds can be found in the Prospectus and the Fund Fact Sheets which are available from the website or by request from our office (see page 8).

## 5 Questions and Answers

### 5.1 What is the Trust?

A tax-efficient investment arrangement which enables you to build up a fund to provide benefits at retirement or death.

It is available to both the self-employed and the employed, and your employer or any other third party may also contribute. **There is no longer any restriction on members of occupational pension schemes paying into a personal pension.**

You can normally choose to draw your benefits at any time between the ages of 55 and 75 to provide an income suited to your circumstances at the time. When you draw your benefits, up to 25% of your account may be taken as a Pensions Commencement Lump Sum (tax-free lump sum).

You may delay retirement and continue to pay contributions until your 75th birthday. It is important to note that you must realise your retirement benefits before your 75th birthday.

The level of retirement income you receive will be determined by:

- the amount of contributions paid;
- investment returns since your contributions commenced;
- your age;
- your health;
- annuity rates when you retire; and,
- the way in which you choose to receive your benefits.

Further details will be provided in advance of your Selected Retirement Date (SRD). Should you choose to retire earlier than your SRD you will need to request these details.

The Trust may be used to 'contract out' of the S2P or to receive transfers from other approved pension schemes. These matters should be discussed with your Pension Adviser.

### 5.2 Where is my pension account invested?

The Trust allows you to invest through a range of Underlying Funds investing in equities, bonds, collective investment schemes, derivatives and forward transactions, money market instruments and cash deposits. The Trust invests solely in the shares of the corresponding Underlying Funds.

Contributions are used to purchase units in the Fund(s) of your choice. You may switch your investments between our Funds at any time without charge. Changes to your investment instructions may be applied to your existing pension account and/or to future contributions.

Alternatively if you choose the Lifestyling option, your investments will automatically be switched in stages between specified Funds according to a pre-determined matrix. Full details of Lifestyling can be found under section 5.5. The timing of these switches is determined by the period to your SRD. You are free to switch into or out of Lifestyling at any time without charge.

### 5.3 How are contributions invested?

All contributions will be dealt within one working day of the date of receipt of application and payment.

There is a unit buying price (offer) and a unit selling price (bid) and the difference between these two prices is known as the 'spread'. The offer price will include the initial charge.

Contributions (and any other payments into the Trust) buy units at the prevailing offer price. Withdrawals and/or transfers out of the Trust will deal at the prevailing bid price. All switches are on a bid to bid basis. All deals are carried out on a forward pricing basis.

Dealing takes place each working day. Unit bid and offer prices will be determined by reference to a 12.00 noon valuation of each Fund's net assets (although the Managers may alter the time of this valuation at their discretion).

Dealings received on any business day before the dealing cut-off of 9.00 am will be priced according to that day's valuation. Contributions received after the dealing cut-off of 9.00 am will be priced according to the next day's valuation.

Any monies received by the Trust which cannot be dealt immediately, whether received by cheque or Direct Debit into the bank account, will be transferred to the client money account. No interest is payable to clients on monies held in the client money account.

The JFML's normal business hours are 9.00 am to 5.00 pm, Monday to Friday, excluding Bank and Public Holidays.

### 5.4 How do I know you've invested my money?

You will be issued with a membership certificate once your application has been processed.

Any future increases which you make will be shown on your Annual Benefits Statement which is sent out in April each year.

Units of the Trust will be evidenced by entries on a register of unitholders and you will receive an Annual Benefit Statement containing details of all transactions. For single contributions, once your contribution has been invested, an acknowledgement detailing units purchased, price and total cost will be forwarded to you within two business days.

If for any reason, for example an incomplete application, we are unable to invest a contribution, the money will be held on a client money account for up to 10 working days. If after this time we are still unable to invest your contribution, the money will be returned to you. No interest is payable to clients on monies held in the client money account.

### 5.5 What is Lifestyling?

Lifestyling is an optional service for which we make no extra charge. You can select Lifestyling when you join or switch into it at a later date. Should you wish, you may switch out of Lifestyling without charge at any time and select your own Fund(s). Lifestyling is only applicable to your FULL investment. It cannot be applied partially.

Lifestyling seeks to adjust the mix of assets by reducing the exposure to investment risk within your holding the closer you get to your SRD.

Lifestyling adapts throughout your working life. The younger you are the more likely you will be able to take a long-term view which equates to a higher risk investment. Therefore at younger ages, Lifestyling provides a higher exposure to equity markets, both UK and overseas. As you get closer to retirement you may wish to seek increased protection from short-term fluctuations which are usually more pronounced in

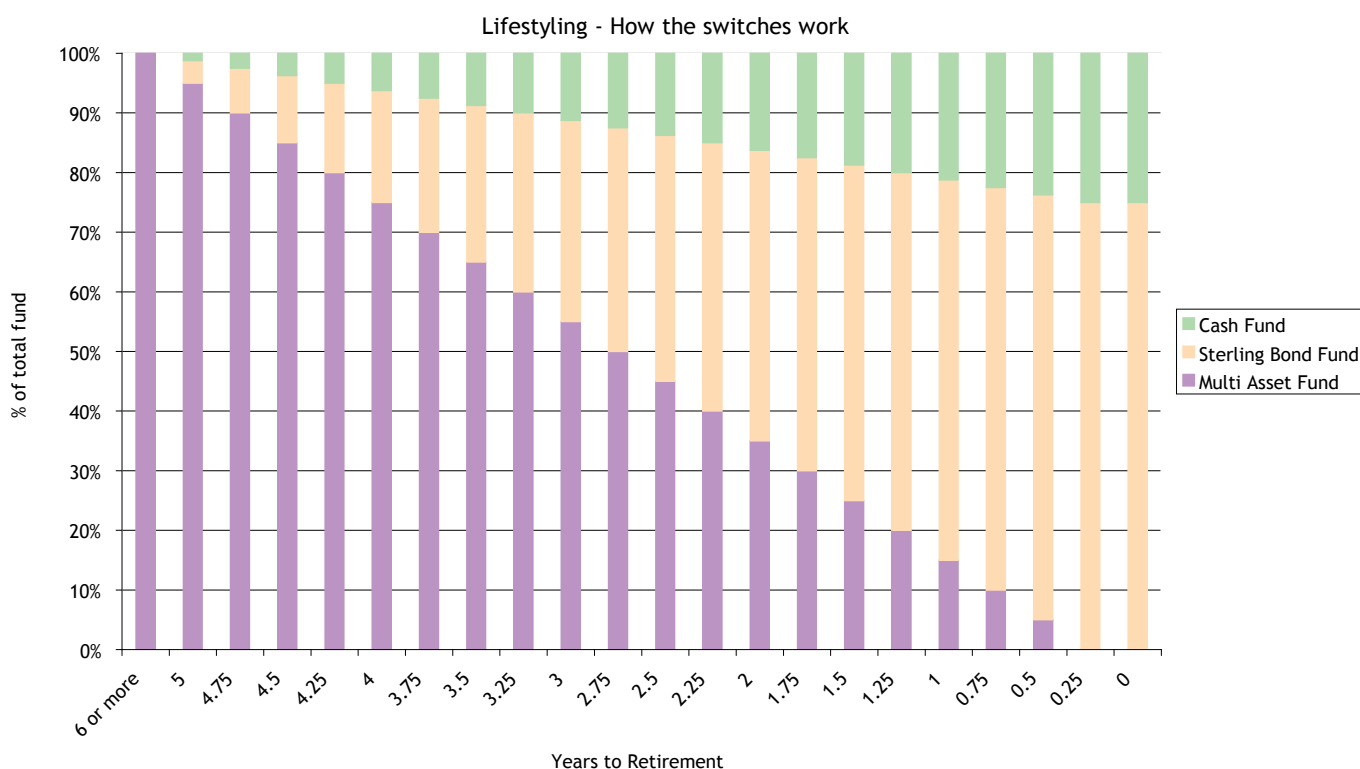
higher risk investments. So the equity weighting is progressively reduced and replaced by bonds and cash deposits, which are considered as lower risk investments. In the period running up to retirement, equity exposure will be reduced to zero and the mix of assets is 25% cash and 75% UK Government fixed interest securities (gilts). This currently matches the maximum amount that you can take in cash, and the requirement to purchase an annuity (which would be invested in gilts) can be achieved with the balance of your assets.

Lifestyling is designed to achieve its aims by switching the investments in your pension account between the three Constituent Funds:

- Jessop (AAM) Multi-Asset Fund;
- Jessop (AAM) Sterling Bond Fund; and
- Jessop (AAM) Cash Fund.

Switches are triggered by key birthdays and take place automatically and without charge. Please read the aims of the Underlying Funds into which the three Constituent Funds listed above invest as well as the risk factors which relate to them.

The timing of switches will be governed by the period of years to your SRD as indicated on your application form or subsequently advised to us. The table below shows when each switch occurs:



## 5.6 What are the tax benefits?

The Trust and all Underlying Funds are subject to UK tax laws.

If you are UK resident any contributions that you (or somebody other than your employer) pay will qualify for relief from income tax in full as long as they do not exceed the higher of your Relevant UK Earnings or your Annual Allowance, or they are under the earnings threshold (£3,600 gross).

The Government has announced that, from 6 April 2011 onwards, it intends to restrict higher rate tax relief on pension contributions for certain individuals. In anticipation of this change, there is a special annual allowance and associated tax charge from 2010-2011 that applies in respect of individuals who bring forward their pension contributions or otherwise make new or additional pension savings ahead of 6 April 2011. Further details are available on request.

The Annual Allowance limits the amount which can be paid into your pension account. This will take into account any other pension arrangements which you have. If you are also a member of a defined benefit pension scheme it is the growth in the benefit value, rather than the actual contribution, which is taken into account, and this information will be available from the administrator of the scheme. Contributions above the Annual Allowance attract a tax charge. The Annual Allowance is set until 5 April 2011 as:

Year	Annual Allowance	Year	Annual Allowance
2006/7	£215,000	2009/10	£245,000
2007/8	£225,000	2010/11	£255,000
2008/9	£235,000		

The Government's current intention is that it will then remain at £255,000 until 5 April 2016 at which time the matter will be reviewed.

Relevant UK Earnings – this is your total taxable salary or income for calculating pension contributions as defined by the HM Revenue & Customs. For the employed (including company directors) these can include overtime and commission or bonus payments, and the value of any taxable benefits-in-kind such as health insurance or a company car. If you are self-employed then 'relevant UK earnings' equate to your

total annual income after deducting allowable business expenses.

Your contributions are paid net of basic rate tax. If you are a higher rate taxpayer you may obtain additional tax relief through your tax office. You are not subject to tax or National Insurance on contributions made by your employer.

The growth in the value of investments is exempt from capital gains tax and income tax. However, it is no longer possible for the Trust to reclaim tax credits on dividend allocations.

You may choose to take up to 25% of your account as a tax-free cash lump sum at retirement, and this will reduce the amount available to purchase pension benefits.

There is a Lifetime Allowance on the value of your pension account (when combined with any other pension arrangements which you have). You will suffer a tax charge if benefits are drawn above this level. The Lifetime Allowance is set until 5 April 2011 as:

Year	Statutory Lifetime Allowance	Year	Statutory Lifetime Allowance
2006/7	£1,500,000	2009/10	£1,750,000
2007/8	£1,600,000	2010/11	£1,800,000
2008/9	£1,650,000		

The Government's current intention is that it will then remain at £1,800,000 until 5 April 2016 at which time the matter will be reviewed.

You may be entitled to protect yourself from this charge if your benefits were at or near the Lifetime Allowance level on 5 April 2006. Please consult a Financial Adviser.

## 5.7 How will charges and expenses affect my investment?

The initial charge for all Funds is 4.17% of the bid price (4% of the offer price). There is no withdrawal charge made when you take or transfer your benefits.

The annual management charges applicable to the Constituent 'Feeder' Funds and the Underlying Investment Funds in which they invest are as follows:

Fund	Feeder Funds Charges	Underlying Fund Charges	Total
Multi-Asset Fund	0.25%	1.00%	1.25%
Sterling Bond Fund	0.00%	1.00%	1.00%
Cash PP Funds	0.00%	0.50%	0.50%

There are also some other expenses relating to the Funds' administration which are taken from the income of each Underlying Fund.

The following tables illustrate the effect of charges and expenses. We have based our calculations on example investments of a £100 regular contribution and £2,000 single contribution into the Jessop (AAM) Multi-Asset Personal Pension Fund. Allowances for tax relief have been made in the calculation. Dealing costs are not included. We have assumed a growth rate of 7.0%. These figures are not guaranteed and are only to show the effect of charges and expenses on an investment. Annual charge and expenses figures are calculated as at 30 September 2010.

### £125 a month regular contribution into the Jessop (AAM) Multi-Asset Personal Pension Fund

At end of year	Investment to date (£)	Effect of deductions to date (£)	What might the transfer value be (£)
1	1,500	74	1,480
3	4,500	307	4,690
5	7,500	679	8,270
10	15,000	2,430	19,000
15	22,500	5,940	33,100
20	30,000	12,200	51,500
25	37,500	22,800	75,600
30	45,000	40,000	107,000

The last line in the table above shows that over 30 years the effect of the total charges and expenses could amount to £40,000. Putting it another way, this would have the same effect as bringing down investment growth from 7.0% a year to 5.3% a year.

## £2,000 single contribution into the Jessop (AAM) Multi-Asset Personal Pension Fund

At end of year	Investment to date (£)	Effect of deductions to date (£)	What might the transfer value be (£)
1	2,500	143	2,530
3	2,500	246	2,810
5	2,500	372	3,130
10	2,500	826	4,090
15	2,500	1,150	5,340
20	2,500	2,690	6,970
25	2,500	4,450	9,100
30	2,500	7,130	11,800

The last line in the table above shows that over 30 years the effect of the total charges and expenses could amount to £7,130. Putting it another way, this would have the same effect as bringing down investment growth from 7.0% a year to 5.4% a year.

Should you invest in a Fund other than the above, different charges might apply. To give you an idea of how small the variations in charges and expenses on the other Funds could affect returns, the table below outlines the effect on the rates of return from 7.0% per annum.

## Effect on growth rate from Jessop Funds over 30 years

Fund Name	£125 a month regular contribution	£2,000 single contribution
Multi-Asset Fund	5.3	5.4
Sterling Bond Fund	5.6	5.7
Cash Fund	6.1	6.2

These figures do not take into account inflation which would reduce what you could buy in the future with the amounts illustrated above.

All pension firms use the same rates of growth but their charges may vary. Your retirement Funds could be more or less than the amounts specified. Your pension income will depend on how your investment grows and on the tax treatment of the investment. In addition, it will also be affected by the rate of interest at the time you retire.

### 5.8 How much will any advice cost?

If you have a Financial Adviser, they will give you details about the cost of their advice.

### 5.9 What happens if I become ill?

The value of your account can be used to secure benefits if you have to retire due to ill health before your SRD or age 55.

### 5.10 What happens when I decide to take my benefits?

If this is before your SRD you will need to contact us and we will inform you of the retirement options. This will be either an annuity (an income), which would be liable to income tax, or a Pension Commencement Lump Sum (tax free cash sum) of up to 25% of the value of your account with a reduced income. As JFML do not offer annuity products, you would need to use the 'Open Market Option' in order to choose the provider of your annuity, or alternatively you may decide to transfer to an Unsecured Pension arrangement. Your Pensions Adviser can help you to arrange this.

### 5.11 What if I die before I retire?

If you die before your retirement age the value of your Fund will normally be paid to the person of your choice. To ensure this happens you must complete and return a Nomination of Beneficiary form to tell us who this is.

Protected Rights benefits are in respect of the S2P that you have opted out of and represent benefits that the State would otherwise have provided to your spouse or civil partner, and these people remain entitled to these benefits.

### 5.12 What if my death occurs after I retire?

The benefit will depend on what you have agreed with the pension provider.

### 5.13 What happens if I stop paying contributions?

Your Fund will remain invested and reflect any movements in your chosen investments. You will still have the option to switch between investment Funds. Charges will continue to be deducted.

Your eventual pension is likely to be lower than you expected if your original illustration was based on contributions continuing from commencement through to retirement.

### 5.14 Can I withdraw money from my account?

You cannot withdraw money from your account except to provide pension benefits at your retirement date.

The value of your account may be transferred to a suitable pension scheme.

### 5.15 What happens if I want to change my mind about investing?

Once your application has been processed you will receive a cancellation notice, giving you the right to cancel your application within 30 days. This does not apply to transfers from occupational schemes. You should send your cancellation notice to the following address:

Jessop Fund Managers Limited,  
PO Box 1043  
Cheltenham  
GL50 9JB

If you do not exercise your right to cancel within 30 days, your contributions will remain invested as directed until we receive further correspondence from you.

### 5.16 What are the financial consequences of cancellation?

If you wish to cancel, your contribution will be refunded subject to a deduction of the amount (if any) by which the value of your investment has fallen at the time your cancellation form is received by JFML.

### 5.17 How can I find out more?

JFML's Half-yearly and Annual Reports and the Prospectus document can be viewed on the JFML website, or copies obtained from the Pension Administration Centre. Full details are on page 8 of this document. Copies of the Trust Deed and Rules may be inspected at our head office during normal office hours and hard copies are available at a cost of £5.

### 5.18 Who should I contact if I have a complaint?

If you are dissatisfied with any aspect of your relationship with JFML, it is our policy to ensure that your complaint is dealt with quickly and efficiently. Initially, our Pension Administration Centre on 0870 601 1131 will be able to assist you and will endeavour to answer your complaint immediately or alternatively provide you with a comprehensive written response.

JFML are covered by the Financial Ombudsman Service and will provide a guide to the Service to eligible complainants. Should you ultimately remain dissatisfied with the outcome of the investigation you have the right to contact The Pensions Advisory Service (TPAS), which is available to members and beneficiaries of pension schemes in connection with any pension query you may have, or any difficulty that you have failed to resolve with us. They may also be able to assist you throughout the formal complaints process or help you if you have completed the process but are still unhappy with our decision. TPAS can be contacted at:

The Pensions Advisory Service  
11 Belgravia Road  
London  
SW1V 1RB

Telephone: 0845 601 2923

If TPAS cannot help resolve your complaint, they may refer it to the Pensions Ombudsman or the Financial Ombudsman, both of whom are appointed by the Government. The Ombudsman's role is to investigate and determine complaints of maladministration or dispute of fact or law in relation to pension schemes. The Ombudsman can be contacted at:

The Office of the Pension Ombudsman  
11 Belgravia Road  
London  
SW1V 1RB

Telephone: 020 7834 9144

If you are dissatisfied with the outcome of the investigation and the complaint relates to the sale and marketing of the plan then you may refer to:

The Financial Ombudsman Service  
South Quay Plaza  
183 Marsh Wall  
London  
E14 9SR

Telephone: 0845 080 18100

## 6 Money Laundering

JFML are obliged to verify the identity of any person with whom we are conducting business. JFML therefore reserve the right to ask for reasonable evidence of identity and address before accepting any payment or making any payment. Any delay in our receipt of such confirmation may result in a delay in processing your instruction.

## 7 Data Protection

JFML and their group of companies will use your information:

- to provide you with details of our products and services;
- for research;
- to comply with legal or regulatory requirements;
- for marketing;
- to analyse your purchasing preferences; and
- to ensure that the content, services and advertising that we offer are tailored to your needs and interests.

In assessing your application for an investment product, we may:

- search the files of credit reference agencies and may also search publicly available information, and keep your information for a reasonable period for these purposes;
- need to share your information with our service providers and agents; and
- disclose information concerning your investment in these products to any Financial Adviser you have used.

By providing us with your personal information, you consent to our processing it, and also consent to our transferring your information to countries or jurisdictions which do not provide the same level of data protection as the UK. However, if we do make such a transfer we will take appropriate steps to ensure that your information is protected to at least the level required in the UK.

By providing us with your address, telephone numbers or email address you consent to being contacted by mail, telephone, email or other electronic messaging service.

If you provide us with information about another person, you confirm that they have appointed you to act for them, to consent to the processing of their personal data including sensitive personal data and that you have informed them of our identity and the purposes (as set out above) for which their personal data will be processed.

If your personal details change, please let us know.

This data protection notice may change from time to time and you should review it regularly.

## 8 Other Information

The Jessop (AAM) Personal Pension Trust Key Features document will be updated at least annually and the latest document will be issued on the JFML website. Alternatively, you can contact the Pension Administration Centre on 0870 601 1131. Please note that telephone calls may be recorded for monitoring and training purposes. You can also contact us through our website: [www.jfml.co.uk](http://www.jfml.co.uk).

### Publication of unit prices

The prices of the Jessop Personal Pension Funds are calculated daily and are published on the Jessop website: [www.jfml.co.uk](http://www.jfml.co.uk). The Pensions Administration Centre can also provide these.

### Payment of contributions

Your first regular contribution and all single contributions should be paid by cheque. Subsequent regular contributions should be paid by Direct Debit, although annual contributions may be paid by cheque, if preferred.

### Communications

The language of the contract is English and all communications from us will be in English.

### Tax

The tax treatment of the trust is that of a Registered Pension Scheme and this could be changed by HM Revenue & Customs in the future.

### Governing law

The Trust is governed by and construed in accordance with English Law.

### Compensation

We are covered by the Financial Services Compensation Scheme. You may be entitled to compensation from the Scheme if we cannot meet our obligations. This depends on the type of business and the circumstances of the claim. Most types of investment business are covered for 100% of the first £30,000 and 90% of the next £20,000 so the maximum compensation is £48,000. Further information about compensation arrangements is available from the:

Financial Services Compensation Scheme  
7th Floor  
Lloyds Chambers  
1 Portsoken Street  
London  
E1 8BN

## Any Further Questions?

If you have any doubt whether this product is suitable for you please contact your Financial Adviser.

If you have any other questions please call our Pension Administration Centre (see above). Telephone calls may be recorded for monitoring and training purposes. Please note that JFML is unable to offer personal financial advice.

The information contained in this document is only valid from 30 September 2010 unless otherwise stated. The information can change at any time and it will not always be possible or practical for us to notify you of changes in advance. Please check the JFML website or contact us for updates on any of the enclosed information.

## The Direct Debit Guarantee

This Guarantee is offered by all Banks and Building Societies that take part in the Direct Debit Scheme. The efficiency and security of the Scheme is monitored and protected by your own Bank or Building Society.

If the amounts to be paid or the payment dates change, JFML will notify you eight working days in advance of your account being debited or as otherwise agreed.

If an error is made by JFML or your Bank or Building Society, you are guaranteed a full and immediate refund from your branch of the amount paid.

You can cancel a Direct Debit at any time by writing to your Bank or Building Society.

### The Pension Administration Centre

Pension Administration Centre  
Jessop Fund Managers Limited  
PO Box 262  
Cheltenham  
GL50 3YW

Telephone: 0870 601 1131  
Website: [www.jfml.co.uk](http://www.jfml.co.uk)

Authorised and Regulated by the Financial Services Authority (FSA).

The register of unitholders can be inspected at this address.

### The Manager of the Funds

Jessop Fund Managers Limited  
Jessop House  
Jessop Avenue  
Cheltenham  
GL50 3SH

Telephone: 0870 601 1131

Authorised and Regulated by the FSA.

### The Investment Adviser

Aberdeen Asset Managers Limited (AAM)  
10 Queen's Terrace  
Aberdeen  
AB10 1YG

Authorised and Regulated by the FSA.

### The Trustee

The Bank of New York Mellon Securities Services  
160 Queen Victoria Street  
London  
EC4V 4LA

Authorised and Regulated by the FSA.

### The Independent Auditors

PricewaterhouseCoopers LLP  
PO Box 90  
Erskine House  
68-73 Queen Street  
Edinburgh  
EH2 4NH

Jessop Fund Managers Limited (Registered in England No. 05768993).

Authorised and Regulated by the FSA (No. 452904).

### Registered Office:

6th Floor  
4 Grosvenor Place  
London  
SW1X 7DL