

## Your pension scheme

# FRUIT ADVISORY SERVICES TEAM LLP

## Costs and charges illustration

### What is this illustration for and how could it help you?

The information in this document is an 'illustration'. This is to show you the possible effect of costs and charges on your pension benefits to help you plan for your retirement. The figures shown in it are not personal to you and do not show the actual pension benefits you could get from the pension scheme.

Your pension scheme benefits depend on many things such as the level of contributions from you or your employer, With-Profits Fund performance and costs.

### How these costs affect your pension benefits

On page 2 there are tables showing the effect of the costs associated with administering your policy and professionally investing your scheme's money in the FPLAL With-Profits Sub Fund in which you are invested.

The tables shows pension benefits with and without costs over a range of projection periods to illustrate the cumulative effect of costs over time. Projections have been provided showing a range of notional investment pots and premium levels.

Table 1

Effect of 0.552% a year costs on a notional With-Profits investment over different durations

Assuming <b>NO</b> further contributions					
Assumed current pension pot		£50,000	Assumed current pension pot		£100,000
Duration (years)	Projected Fund assuming no charges	Projected Fund assuming 0.552% a year costs	Projected Fund assuming no charges	Projected Fund assuming 0.552% a year costs	
5	£52,500	£51,100	£105,000	£102,000	
10	£55,100	£52,200	£110,000	£104,000	
15	£57,800	£53,400	£116,000	£107,000	
20	£60,700	£54,600	£121,000	£109,000	
25	£63,700	£55,800	£127,000	£112,000	
30	£66,900	£57,000	£134,000	£114,000	

Assuming further conventional With-Profits contributions					
Assumed current pension pot		£50,000	Assumed current pension pot		£100,000
Assumed monthly contribution of		£65	Assumed monthly contribution of		£130
Duration (years)	Projected Fund assuming no charges	Projected Fund assuming 0.552% a year costs	Projected Fund assuming no charges	Projected Fund assuming 0.552% a year costs	
5	£56,300	£54,800	£113,000	£110,000	
10	£62,400	£59,300	£125,000	£119,000	
15	£68,400	£63,500	£137,000	£127,000	
20	£74,400	£67,500	£149,000	£135,000	
25	£80,400	£71,200	£161,000	£142,000	
30	£86,500	£74,800	£173,000	£150,000	

How we worked out the figures in the table

The benefit amounts represent a projected fund value resulting from a range of initial pots and contributions, over a range of investment periods. They do not reflect the level or nature of benefits you will be eligible for under your pension scheme arrangement. Your pension benefits are not in the form of a fund or 'pension pot' but the promise of future pension benefits when you reach retirement. The table is only illustrating the cumulative effect of costs on a notional investment pot.

Assumptions

1. With-Profits Fund Management Costs of 0.552% a year.

- > Investment expenses and administration costs: 0.54% a year.
- > Transaction Cost: 0.012% a year.

The With-Profits management costs represent the assumed cost of administering your policy and professionally investing your scheme's money in the FPLAL With-Profits Sub Fund in which you are invested. We have assumed the current costs continue to apply throughout the projections.

These costs are Aviva's current view of the costs applicable to your policy which are reflected in the With-Profits declared bonuses.

2. Fund Growth Rate

- > The projected fund is assumed to grow at 3.5% a year, which is the assumed growth rate of the FPLAL With-Profits Sub Fund in which you are invested.
- > The benefit values are shown in 'today's money' which means they take inflation into account by reducing values at 2.5% a year. Seeing the figures in this way shows you what they could be worth today.