

Key Features of the Retirement Plan - Savings

from the Select Portfolio

This is an important document which you should keep along with your personalised Illustration.

Alico is a leading international life insurer with a unique heritage of serving customers across the globe for over 85 years. The company provides consumers and businesses with products and services for life insurance, accident and health insurance, retirement planning, and wealth management solutions. Through an extensive network of over 40,000 agents, brokers and financial institutions and 11,000 employees across 54 countries, Alico services 19 million customers worldwide.

Alico has branch offices, subsidiaries and affiliates in emerging, developing and developed markets in Europe, Asia, the Middle East, Africa and Latin America. Alico is domiciled in Wilmington, Delaware and has regional headquarters in Tokyo, Paris, Athens, Dubai, and Santiago, Chile.

Key Features of the Retirement Plan - Savings

The Financial Services Authority is the independent financial services regulator. It requires us, Alico Wealth Management, to give you this important information to help you decide whether or not the Retirement Plan 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.

This Key Features Document and your personalised Illustration give you the important information you need to consider before investing in the Savings element of our Retirement Plan. For information on the investments available within the Retirement Plan, please refer to the Select Investment Range guide and Select Investment List. The full terms & conditions can be found in the Retirement Plan Policy Conditions and Asset Rules documents. You can get these documents from your financial adviser or from our website at www.alicowm.co.uk.

You need to be comfortable with the information contained in these documents, and we recommend that you discuss them with your financial adviser. Alternatively, please feel free to contact us. You can find our contact details at the end of this document.

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Key Features of the Retirement Plan - Savings

What is the Retirement Plan?

The Retirement Plan is part of the Select Portfolio from Alico Wealth Management. The Select Portfolio is a collection of retirement and investment products available only through recommendation from a financial adviser.

The Retirement Plan is a new type of **pension plan** for investors between the ages of 17 and 75. It has two elements:

- Savings - enabling you to save towards your retirement in a tax-efficient manner through investing a lump sum into a wide range of investments that offer different levels and types of risk and return, and
- Income - for when you want to take income and/or an optional tax-free lump sum from your retirement savings from the age of 55.

We designed the Retirement Plan for people who want to build up tax-efficient savings in a very flexible way. In particular, in terms of how and when they can access their retirement savings.

This Key Features Document details only the Savings element of the Retirement Plan. If you would like information on the Income element, please refer to the Key Features of the Retirement Plan - Income document which you can get from your financial adviser or from our website at www.alicowm.co.uk.

A **pension plan** is a type of long-term savings plan that allows for the tax-free build-up of a 'pot of money' for later use as an income in retirement (tax deducted from dividends paid by investments you hold within a pension plan cannot be reclaimed). The Government provides an incentive to people saving for their retirement in the form of tax relief on the payments that they make from personal funds to a pension plan. This tax relief is given at the basic rate of tax, currently 20%, to all those saving in a pension plan (including non-tax payers), with higher rate taxpayers being able to claim the difference between basic rate tax and higher rate tax - also currently 20% - via their Self Assessment tax return.

Its aims

- To offer you a tax-efficient and flexible way of saving for your retirement.
- To enable you to invest lump sums of money with the aim of increasing the value of your investment, that will be used to provide you with an income when you retire.
- To provide you with access to a wide range of investments offering different levels and types of risk and return with the flexibility to switch between these investments, typically with the help of your financial adviser.
- To give you the flexibility and choice of when and how to take an income when you retire including retiring gradually.
- To allow you to withdraw part of your fund as a tax-free lump sum when you decide to retire.
- To enable you to build up a sum of money to provide benefits to your spouse, civil partner or dependents when you die.

Is the Savings element of the Retirement Plan for you?

You may wish to consider the Savings element of the Retirement Plan if you are:

- Ordinarily Resident in the UK.
- Able to invest a lump sum of at least £25,000. Lump sums that you pay from personal funds will be paid net of basic rate tax, which is currently 20%. For example, if you wish to make a contribution of £25,000, this would only actually cost you £20,000 and you would therefore only pay £20,000 to us to invest £25,000 into the Retirement Plan. This is because 20% of £25,000 (£5,000) is basic rate tax relief, which we add to the Savings element of your Retirement Plan immediately and recover from HM Revenue and Customs at a later date.
- Able to transfer a pension arrangement built up elsewhere of at least £25,000. These are known as 'transfer contributions' and do not attract tax relief.
- Prepared to invest over a medium to long term period (five years or more), and do not need access to their retirement savings until you retire.
- Wanting to make your investment choices with the assistance of a financial adviser.
- Seeking potentially higher returns than those available through bank and building society accounts and accept that this may involve taking a greater risk with your money such that the value of your investment may fluctuate, and that your capital may be at risk.

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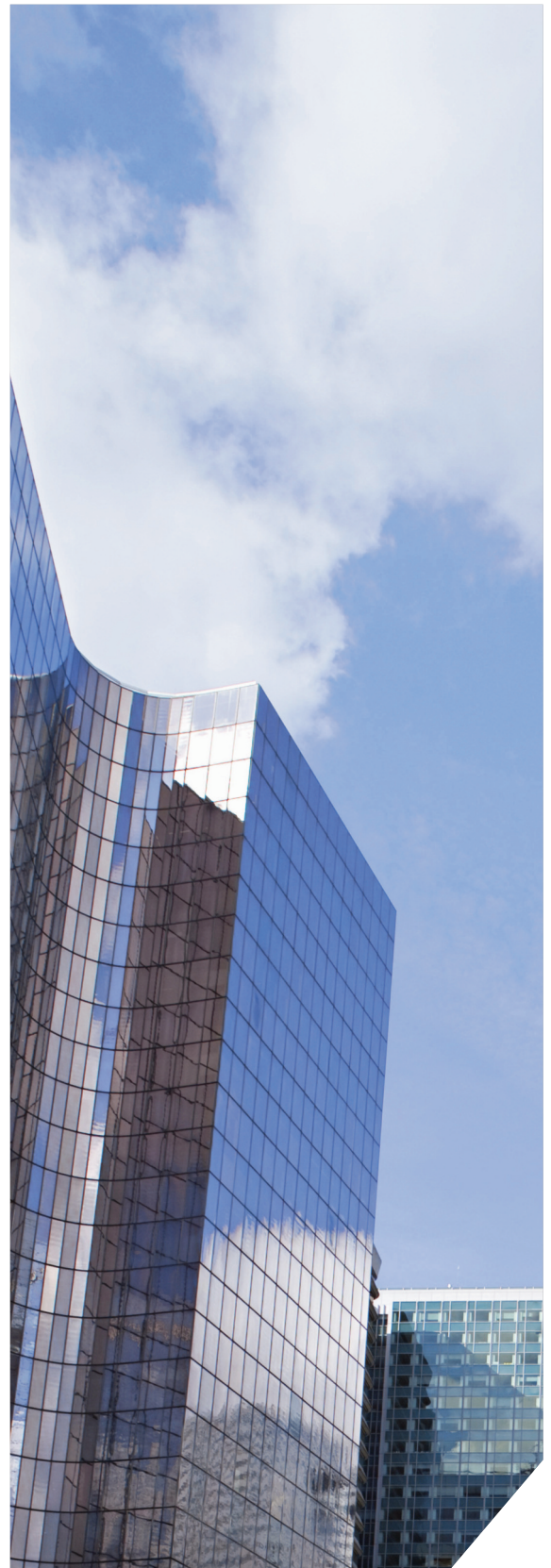
Your commitment

- The minimum lump sum contribution (including the transfer of an existing pension arrangement) to the Plan is £25,000.
- You will need to let the money you invest build up in your Retirement Plan until you want to use it to provide an optional tax-free lump sum and/or an income for your retirement between ages 55 and 75.
- You will need to regularly review your Plan with your financial adviser to ensure that it is on target to meet your income requirements.
- You must tell us about changes that may affect your Plan, such as if you move abroad, which may mean that you stop being eligible for tax relief on your personal contributions. If you are unsure about whether changes to your circumstances may affect your Plan, please contact your financial adviser or indeed us. Our contact details can be found in the 'Questions and Answers' section towards the end of this document.

Risks

- Most of the investment choices available under the Retirement Plan do not guarantee what you will get back and you may get back less than you invest into them.
- Once we have set up your Retirement Plan, you will have 30 days to change your mind. However, if you choose to cancel and the value of your chosen investment(s) has fallen, you will get back less than you paid in.
- If you transfer a pension arrangement built up elsewhere, the benefits may not be comparable. Additionally, once we receive your application to transfer to the Retirement Plan, you will have 30 days to change your mind. However, if you choose to cancel and the value of your chosen investment(s) has fallen, you will get back less than you paid in. You should also note that the company you are transferring from may not be willing to accept the transfer back.
- The future **buying power** of the money you invest will be reduced by rising prices.
- Tax rules may change and this may mean that you will have to pay more tax than you expected.
- Government pension policy could change in the future.

Buying power is the number of goods/services that can be purchased with your income. For example, if you had taken £10 to a store in the 1990s, you would have been able to buy a greater number of items than you would today, indicating that you would have had a greater buying power in the 1990s.



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What are your investment choices?

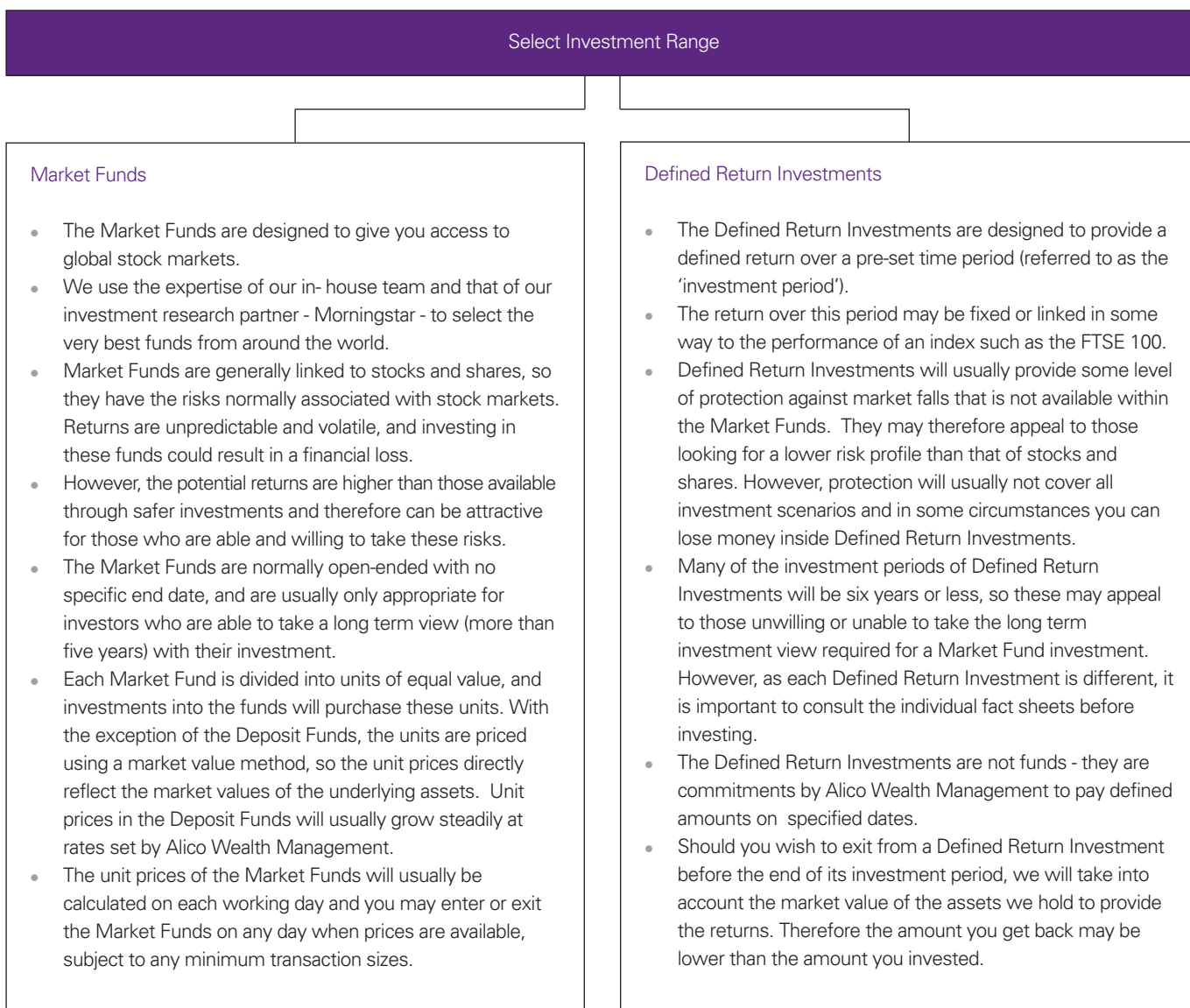
When you invest in a Retirement Plan, you have the opportunity to choose from a wide range of investments offering different levels and types of risk and return. There are two types of investment - Market Funds and Defined Return Investments - and these offer different levels of risk and return. Collectively these investments are known as the Select Investment Range.

We've chosen to work with Morningstar Associates Europe Ltd ('Morningstar') as our investment research partner. Morningstar draws upon the research and data resources of Morningstar, Inc., which employs more than 2,300 people across 24 offices worldwide, providing local market expertise with a real global reach.

Morningstar, Inc. has over 20 years' experience across global markets and has an enviable reputation for helping investors achieve their financial goals. When added to our in-house expertise, this enables us to provide you with a comprehensive choice of investments.

There are two types of investments in the Select Investment Range - Market Funds and Defined Return Investments. Through your Plan you can choose up to 15 investments from both categories regardless of whether you are invested in Savings or Income or, indeed, both.

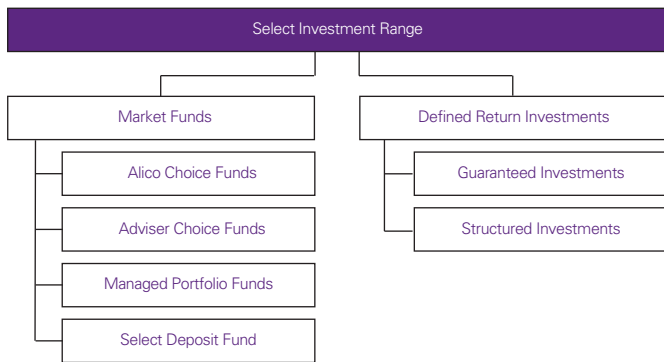
The diagram below provides details of the characteristics of each of these investment types.



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Investment categories - overview

Each of the investment types in the Select Investment Range in turn contains different categories of investment, as outlined in the table below.



These investment categories are briefly explained below.

Market Funds - Alico Choice Funds

These are a panel of around 100 funds managed by some of the leading investment companies in the market, such as Invesco, Fidelity, Jupiter and Schroders. These are carefully selected by our in-house investment research team with support from Morningstar. Our rigorous research process gives you the reassurance that the funds you are investing in have been identified by our team of experts as having strong potential to outperform other similar funds.

Market Funds - Adviser Choice Funds

The Adviser Choice Funds are designed to complement the Alico Choice Fund panel by making available a selection of other leading funds that are popular in the marketplace.

Market Funds - Managed Portfolio Funds

The Managed Portfolio Funds invest in a selection of Alico Choice Funds. These are ideal for clients and advisers who want expert guidance on which Alico Choice Funds to select and how much of each to hold. There is a choice of ten Managed Portfolio Funds: five where the investment strategy is driven by our in-house team and five that are constructed by Morningstar.

Market Funds - Select Deposit Fund

This is a fund that invests in short term bank deposits and other secure **money market investments**. It is designed to be a very low risk fund for the cash element of your investment portfolio. The Select Deposit Fund can fall in value and therefore investing in this fund could result in a financial loss.

A **money market investment** is a short-term (typically less than one year), highly liquid investment - provided by the Government or a very strong company - that is traded on money markets.

Defined Return Investments - Guaranteed Investments

The Guaranteed Investments offer different levels of return over a choice of fixed investment terms - as well as full capital protection - providing you hold them until the end of their term. Both the returns and the capital protection are guaranteed by Alico Wealth Management.

Defined Return Investments - Structured Investments

The Structured Investments offer a variety of different returns that depend on the performance of a financial index (usually the FTSE 100) over fixed investment periods.

To generate the defined returns offered by the Structured Investments, we invest in high quality assets, usually with an investment bank. Alico Wealth Management guarantees that it will pay the promised returns even if those assets default. This removes the **counterparty risk** that is normally associated with structured investments, where the investor bears the risk of the underlying assets defaulting.

A **counterparty** is a third party company that provides the assets behind structured investments. **Counterparty risk**, otherwise known as default risk, is the risk that a company does not pay out on an investment when it is supposed to.

Your financial adviser can provide you with more details on each of the investments available in the Select Investment Range and whether they are suitable for you.

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How the Savings element works

Although you take out one plan - the Retirement Plan - each plan can have two separate elements: Savings and Income.

You can use the Savings element to save for your retirement and you can invest lump sums (known as 'contributions') into the Savings element at any time up to age 75.

The Income element allows you to withdraw tax-free lump sums and an income directly from your Plan. It is an alternative to buying a lifetime annuity with the value of your retirement savings. This process of withdrawing tax-free lump sums and an income directly from your retirement savings is often referred to as 'drawdown'. You cannot withdraw income directly from the Savings element. However, you can use it to buy a lifetime annuity.

You can move money from the Savings element to the Income element at any time between the ages of 55 and 75 but you cannot move money from the Income element to the Savings element.

The Savings element itself can have two separate parts:

- **Non-protected rights**
- **Protected rights**

Part of the State pension which people who have been employed during their working life can receive is related to their earnings and is known as the additional State Pension. An individual's entitlement to the additional State Pension may come from the State Earnings Related Pension Scheme (SERPS) and/or the State Second Pension (S2P) which superseded SERPS from 6 April 2002. It is possible to 'contract-out' of these schemes via some pension plans. If you have previously 'contracted out' you will have continued to pay the higher contracted in national insurance contribution but your pension plan would have received an age related rebate of national insurance contributions from the Department for Work and Pensions. The part of your plan that is provided by the rebate is called **protected rights**. Protected rights are a substitute for the State Second Pension and/or SERPS that you would have received had you not contracted out and are subject to specific rules set by the Government.

Non-protected rights funds are built up by your personal contributions, the tax relief on your personal contributions, any contributions made on your behalf by your employer, and transfer contributions (excluding, of course, protected rights transfers).

You must be at least 17 years old before you are eligible for the Savings element under the Retirement Plan.

Your investments

If any of your **Amount Allocated** is to be placed in Market Funds, we will place 99% of the relevant amount in those funds and 1% in the **Select Account**.

The **Amount Allocated** is your Amount Invested less any Initial Adviser Remuneration (see page 7 for details).

Your **Select Account** holding will only be used to pay charges due on the Market Funds, as well as any ongoing remuneration you have agreed with your financial adviser (please see the "Charges" section opposite). There is no risk to the money you have in the Select Account. When the balance of your Select Account holding falls below 0.25% of the value of your Market Funds, we will automatically replenish it to 1% by transferring from a Market Fund you have nominated in your Application Form.

Key Features of the Retirement Plan - Savings

Charges

1. Asset Charge

When you invest in the Retirement Plan, there is an annual Asset Charge on each of your investments. For Market Funds, the Asset Charge is typically 0.75% per annum. The charge is taken from your Select Account holding by deduction of units on a daily basis.

As part of our commitment to ensuring the quality of the Alico Choice Funds we offer performance-related rebates. At the end of each quarter (March, June, September and December), we measure the performance of each third party fund on the Alico Choice Fund panel against the most appropriate benchmark for its sector over time periods of 1, 3 and 5 years:

- If a fund with a track record of 5 or more years has bottom half performance over 2 of the 3 time periods, we'll reduce the effect of the Asset Charge by 0.25% for the following quarter by rebating a proportion of our charge back into the fund (see funds A and B in the table below).
- If a fund with a track record of less than 5 years has bottom half performance over both 1 and 3 years, we'll reduce the effect of the Asset Charge by 0.25% for the following quarter by rebating a proportion of our charge back into the fund (see funds C and D in the table below).

You can find the specific benchmark for each Alico Choice Fund by referring to the individual fund fact sheet.

Example

Fund	1 year Performance	3 Year Performance	5 Year Performance	Qualify for 0.25% rebate?
A	Top half	Bottom half	Top half	No
B	Bottom half	Top half	Bottom half	Yes
C	Bottom half	Bottom half	N/A	Yes
D	Top half	Bottom half	N/A	No

If, at the end of the following quarter, the fund has achieved its top half performance requirements, the rebate will cease. If not, we will continue with the rebate.

Funds that are eligible for a rebate are not necessarily bad funds, and they may remain on the Alico Choice panel if we consider them to continue to have strong potential to outperform other similar funds.

If a fund is relegated from the Alico Choice panel, an alternative will be provided and any rebate that may have been applicable to the relegated fund will cease.

Any Managed Portfolio Fund (see page 5 for details) containing one or more rebated Alico Choice Fund(s) will receive a proportional rebate.

The Asset Charge that applies to each Defined Return Investment will be reflected in the rate of return offered, so will not require a Select Account holding or a deduction of units.

2. Fund Manager Charges

Most Market Funds will be managed by a fund manager, usually outside Alico, who will charge an Annual Management Charge (AMC) which is reflected in the values of the assets within the fund. The effect of these AMCs inside the Market Funds will usually be lower than the AMC you would pay if you invested in the fund directly, as we can use our purchasing power to negotiate discounts from the fund managers, and we always reflect these discounts in the charges that are passed on to you.

The fund manager may also make a charge when an investment is made into the fund. This is known as an initial charge and we will also reflect this in the unit prices that we calculate.

The Select Investment List will give details of each Fund Manager Charge.

3. Adviser Remuneration

The Retirement Plan is designed to give you and your financial adviser a number of options when it comes to **Adviser Remuneration**.

Adviser Remuneration is the amount you agree for your financial adviser to receive in return for the advice and service they have given you. **Initial Adviser Remuneration** is the amount you agree your adviser may receive from each of your initial and additional investments. This is deducted from your Amount Invested before it is allocated to your chosen investments. This is taken from the Select Account holding on a daily basis by deduction of units. **Ongoing Adviser Remuneration** may be paid to your adviser for the ongoing advice and service they give you. **Adviser Review Remuneration** may be paid to your adviser if - following a review of your Retirement Plan - they make any switches between your underlying investments. This is deducted from the amount reinvested.

For full details of the charges outlined in this section, please refer to your personalised Illustration or the Select Investment Range and Select Investment List documents, which you can get from your financial adviser or from our website at www.alicowm.co.uk.

Key Features of the Retirement Plan - Savings

Questions and answers

Am I eligible for the Savings element?

Most people ordinarily resident in the UK and between the ages of 17 and 75 are eligible for the Savings element of the Retirement Plan. To make contributions you will need to be a 'relevant UK individual'.

You are a relevant UK individual in a tax year if:

- You are resident in the UK for tax purposes at some point in the tax year, or
- You have **relevant UK earnings** chargeable to income tax, or
- You have, or your spouse or civil partner has, general earnings from overseas **Crown employment** subject to UK tax, or
- You were UK resident for tax purposes sometime in the previous five tax years and when you joined the pension.

Relevant UK earnings are normally your total taxable earnings from employment and/or self-employment.

Crown employment is employment under a government department.

Can I put more money into my Retirement Plan later?

Yes - you can pay and/or transfer further lump sums (known as 'contributions') into your Savings element at any time up to age 75, subject to a minimum of £5,000 per additional contribution. If you are employed, your employer can also contribute.

Can I make changes to my investment choices?

- You can switch between Market Funds free of charge. The minimum switch amount is £500, and you must leave at least £500 in each Market Fund if you are to remain invested in those funds.
- You can switch into a Defined Return Investment free of charge. The minimum switch amount is £5,000.
- The Defined Return Investments are designed to be held until the end of their investment period, but it is possible to switch out of these if you need to. Should you wish to exit from a Defined Return Investment before the end of its investment period, you will need to switch out your entire holding. In this instance, we will take into account the market value of the assets we hold to provide the returns and this may be lower than the amount you invested in the Defined Return Investment.

What about tax?

- Personal contributions are paid net of basic rate tax, which is currently 20%. For example, if you wish to make a contribution of £25,000, this would only actually cost you £20,000 and you would therefore only pay £20,000 to us to invest £25,000 into the Retirement Plan.

We will automatically add an amount equal to the basic rate of income tax to your contributions allowing you to benefit from the tax relief being invested immediately. We recover this amount from HM Revenue and Customs at a later date.

To calculate the total that would be contributed to your Plan once tax relief is added, you simply divide your personal contribution by 0.8. For instance, if you invest £20,000 into the Retirement Plan, we will top this up with tax relief of £5,000 to make a total of £25,000 (£20,000/0.8).

- If you're a higher rate taxpayer, you can additionally claim higher rate tax relief via your Self Assessment tax return - up to a further £5,000 in this example. A £25,000 contribution into your Retirement Plan could therefore cost you as little as £15,000.
- The table below illustrates further examples of how tax relief on personal contributions works.

Examples of how the tax relief works

You Pay	Basic rate tax relief	Amount invested into your Retirement Plan	Higher rate tax relief ¹	Effective cost for higher rate taxpayer ¹
£20,000	£5,000	£25,000	£5,000	£15,000
£24,000	£6,000	£30,000	£6,000	£18,000
£40,000	£10,000	£50,000	£10,000	£30,000
£80,000	£20,000	£100,000	£20,000	£60,000

¹ You must have an income of less than £130,000 and pay sufficient tax at the higher rate to claim the full higher rate tax relief.

- Personal contributions and those made by anyone else on your behalf, for example your employer, to all your **registered pension schemes** are subject to the Annual Allowance set by the Government. Tax relief is limited to 100% of an individual's relevant UK earnings or £3,600, whichever is greater and is based on the value of contributions paid to all registered pension schemes in a tax year. Please speak to your financial adviser for further details.

Key Features of the Retirement Plan - Savings

A **registered pension scheme** is a pension scheme registered by HM Revenue & Customs that must comply with regulations relating to the amounts of contributions and retirement benefits that can be paid.

- Once invested in your Plan your contributions will grow free of any UK capital gains tax and income tax (although tax deducted from dividends paid by investments you hold within your Plan cannot be reclaimed).

This section describes the tax position as Alico Wealth Management currently understands it but we assume no responsibility for its accuracy and the tax position may change in the future. We recommend that you discuss your own tax position with your financial adviser.

What choices will I have when I retire?

- You can take retirement benefits from Savings at any time between the ages of 55 and 75. In certain circumstances, you may be able to take benefits earlier, for example if you are in ill health.
- You can take retirement benefits from your Retirement Plan by either:
 - Transferring to the Income element under your Plan by moving funds from the Savings element to the Income element either all at once, or in instalments over a period of time at intervals that suit you (subject to at least £5,000 remaining in your Savings element) and/or
 - Using part or all of the value of the Savings element to purchase one or more **lifetime annuities** from another pension company or, indeed, us. This is part of the **Open Market Option**. Your financial adviser can provide details of how you can do this.

A **lifetime annuity** is a contract that you make with a pension company. In return for some or all of the value of your pension plan, the company pays you an income for the rest of your life.

The **Open Market Option**, introduced in 1975 by the Government, allows a person approaching retirement to 'shop around' for a number of options to use the 'pot of money' that they have built up in their pension plan to purchase an income for their retirement, rather than taking one of the the options offered by their existing pension company.

- Each time you transfer from the Savings element to the Income element you can normally take up to 25% of the value transferred as a tax-free lump sum (known as a Pension Commencement Lump Sum).
- When you purchase a lifetime annuity using part or all of your Savings element you will normally be able to take a tax-free lump sum of up to 25% of the value that you transfer to the lifetime annuity. The remaining value will then be used to purchase the income provided by the lifetime annuity. Income from a lifetime annuity will also be subject to income tax at the highest rate you pay.
- There is a limit on the value of pension savings that you can accumulate in your lifetime, before you may have to pay a tax charge. This limit is known as the Lifetime Allowance and is set at £1.8m for the tax year 2010/2011.
 - Each time you transfer to the Income element the total value of your pension savings will be tested against the lifetime allowance.
 - If you purchase a lifetime annuity with part or all of your Retirement Plan the total value of your pension savings will again be tested against the Lifetime Allowance.
 - In practice the lifetime allowance is high enough to not affect most people but please speak to your financial adviser for further details.

What happens when I reach age 75?

Under current legislation, by age 75 you must have either bought a lifetime annuity with the remaining value of your Retirement Plan or transferred the full value of your Retirement Plan to an **alternatively secured pension** with another pension company (as we do not currently offer an alternatively secured pension arrangement).

An **alternatively secured pension** is the name given to a pension arrangement that allows an individual to continue to keep their retirement savings invested beyond their 75th birthday and draw an income from their fund within certain limits set by the government.

The value of your pension savings will also be tested against the Lifetime Allowance if you transfer to an alternatively secured pension arrangement at age 75.

Key Features of the Retirement Plan - Savings

What might I get back?

What you will get back is not always guaranteed and will be influenced by:

- How much you have invested.
- The length of time you have held your Retirement Plan.
- The investments you have chosen, how they have performed and - in the case of Defined Return Investments - whether you have held them until the end of their investment period.
- The charges we have taken.
- The rate of income tax you pay on any income you receive from your retirement savings.

What happens on death?

- Should you die before you begin taking any retirement benefits from the Savings element of your Retirement Plan, the full value of your Plan will normally be passed as a lump sum to your spouse or other nominated beneficiary free of inheritance tax. You can nominate your beneficiaries when you apply for the Retirement Plan.
- Alternatively, the value of your Plan could be used to provide either of the following:
 - dependants' income
 - a combination of lump sum(s) and dependants' income

Any income payable to an elected beneficiary will be liable to income tax on the part of the beneficiary at the highest rate they pay through the **Pay As You Earn (PAYE)** system.

The **Pay As You Earn (PAYE)** system is a method of paying income tax. HMRC uses a tax code to tell us how much tax to deduct from your income. Your tax code will be in the form of a number followed by a letter or letters, or a letter followed by numbers. The code is normally based on information provided to HMRC by you. HMRC usually notify us of changes to your tax code once a year.

- Government rules require that upon death the value of any protected rights within your Plan must be used to buy a compulsory income for your spouse or registered civil partner. If you have no spouse or registered civil partner the value of any protected rights within your Plan will be paid as a lump sum to your estate.
- The Lifetime Allowance also limits the lump sum death benefit payable from pension arrangements before a tax charge may apply. The total value of lump sum death benefits payable at the date of your death will be tested against the Lifetime Allowance. Please speak to your financial adviser for further details.
- Lump sum death benefits paid from your Retirement Plan to your estate may be subject to inheritance tax; however, this will depend on your circumstances.

Can I change my mind?

- After the Savings element of your Retirement Plan has been set up and your personal contribution has been allocated to your chosen investment(s), you will receive a notice telling you about your right to change your mind and how to cancel. You'll then have 30 days in which to cancel your investment into the Retirement Plan.
- If you decide to cancel, we will give you your money back (including any Initial Adviser Remuneration) less any tax relief that your contribution attracted, but please note that if the value of your investment has fallen in the meantime, you may not get back the full amount you invested.
- Each time that you apply to transfer an existing pension arrangement from another pension company you have the right to cancel the transfer. Once we receive your application to transfer to the Retirement Plan, you will receive a notice telling you about your right to change your mind and how to cancel. You'll then have 30 days in which to cancel your transfer into the Savings element. If you apply to transfer a number of different pension arrangements to the Retirement Plan all at once on one Application Form, you will receive only one notice telling you about your right to change your mind. If you decide to cancel a pension transfer, we will return the transfer monies (including any Initial Adviser Remuneration) to the transferring company, but please note that if the value of your chosen investment(s) has fallen in the meantime, we will return the value of the Savings element and not the full amount invested. The transferring company may not be willing to accept the transfer back, in which case you may request a transfer to another pension company. Where this happens the transfer monies will be invested in the Select Deposit Fund - a very low risk fund - until you have chosen another pension company.
- If you do not exercise your right to change your mind, the money you invest must remain in the Retirement Plan or another pension scheme (if you subsequently decide to transfer the value of your Retirement Plan) until you choose to retire.

Is this a Stakeholder Pension Scheme?

No, a stakeholder pension scheme is another type of pension plan. There are certain features that the Government stipulate that stakeholder pension schemes must have. These are to do with contribution levels, charges, and terms and conditions. Our Retirement Plan has different features.

For example the minimum contribution under a stakeholder pension scheme has to be set no higher than £20 per month. The minimum contribution under the Retirement Plan is £25,000 paid as a lump sum and therefore the Retirement Plan cannot be classed as a stakeholder pension scheme.

Stakeholder pension schemes are widely available and may meet your needs at least as well as the Retirement Plan.

If you would like further information on stakeholder pensions please contact your financial adviser.

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What pension arrangements can I transfer from other pension companies?

You can transfer existing pension arrangements into the Retirement Plan at any time as long as the transfer comes from a UK registered pension scheme or a **Qualifying Recognised Overseas Pension Scheme (QROPS)**.

A **QROPS** is a pension scheme set up outside of the UK that is recognised by HMRC, regulated as a pension scheme in the country in which it was established, and recognised for tax purposes (retirement benefits must be subject to taxation).

If you are considering transferring an existing pension arrangement, you should ensure that you have fully considered the differences between your existing arrangement and the Retirement Plan. For example, you would lose any guaranteed benefits that you may have built up with your existing pension arrangement and may not be able to return to it once you have transferred. You should seek specific advice from your financial adviser on the suitability of a transfer.

Can I transfer protected rights pension arrangements from other pension companies?

Yes, you can.

Can I contract out of the additional State Pension using this Plan?

No, you cannot **contract out** using the Retirement Plan. Further information on the additional State Pension is available from your financial adviser or at www.moneymadeclear.fsa.gov.uk.

To **contract out** is the means by which to opt out of the additional State Pension and build up benefits in a pension scheme.

Can I transfer my Plan?

You can choose to transfer the value of your Retirement Plan to a UK registered pension scheme or a QROPS at any time providing it is willing to accept the transfer. In certain circumstances there may be a delay in the transfer until investments are sold or mature.

No charges apply to transfer, but if you are invested in a Guaranteed or Structured Investment and transfer before the end of its investment period, you will not receive the defined benefit and you may get back less than you invested.

How can I keep track of my Retirement Plan?

- Every six months, we will send you and your financial adviser a statement summarising your Retirement Plan's value and any activity over the previous six months. You may also request this information from us at any time, free of charge. Our contact details are overleaf.
- Each year you will also receive a Statutory Money Purchase Illustration (SMPI) which will show you the current value of your Retirement Plan and a projection of the income that this might provide in retirement.

Where can I find further details?

You can find further details about the Retirement Plan and the range of investments in the Retirement Plan Client Guide, Retirement Plan Policy Conditions, Select Investment Range, Select Investment List and Asset Rules documents. You can get these from your financial adviser or from our website at www.alicowm.co.uk.

Alternatively, please feel free to contact us using the contact details below.

How to contact us?

Your financial adviser should normally be your first point of contact and will be able to answer most questions that you have. However, if you want to contact us, you can do so as follows:

Post	Alico Wealth Management 22 Addiscombe Road Croydon CR9 5AZ
Telephone	0800 013 2292
Fax	0845 234 2342
E-mail	retirement@alico.com
Website	www.alicowm.co.uk

Key Features of the Retirement Plan - Savings

Other information

How to complain

Most problems and misunderstandings can be dealt with immediately by a member of our Client Services Department. They will be pleased to help you. You can contact them using the details on page 11.

If you need confirmation of our complaints procedure, a copy of our Customer Care leaflet is available from our Compliance Officer.

If you have a complaint, please contact the Compliance Officer by phoning 0208 680 6000 or writing to:

The Compliance Officer, Alico Wealth Management, 22 Addiscombe Road, Croydon CR9 5AZ.

Law

English law will apply to the Retirement Plan.

Protection

Alico (UK Branch) is authorised and regulated by the Financial Services Authority, with all associated safeguards and protections.

We classify you as a 'retail client' under Financial Services Authority rules. This means you'll receive the highest level of regulatory protection available for complaints and compensation and receive information in a straightforward way.

We are covered by the Financial Services Compensation Scheme (FSCS). If we cannot meet our obligations, the owner of the product may be entitled to compensation under the scheme. For the products available through the Select Portfolio, the scheme covers 90% of any claim.

For further details on the Financial Services Compensation Scheme, please visit www.fscs.org.uk or phone 0207 892 7300. Alternatively, you can contact the Financial Services Authority by visiting their website at www.fsa.gov.uk or phoning 0207 066 1000.

Wealth Management

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