



THE SELECT PENSION PLAN

Personal Illustration Pack

Date: 10 January 2024

Quote reference number: PSI100194691

NFU Mutual Select Investments Limited (No. 08049488). Registered in England. Registered Office: Tiddington Road, Stratford upon Avon, Warwickshire, CV37 7BJ.

Authorised and regulated by the Financial Conduct Authority. A member of the NFU Mutual group of companies.

Select Pension Plan

The Financial Conduct Authority is a financial services regulator. It requires us, NFU Mutual Select Investments Limited, to give you this important information to help you decide whether our Select Pension Plan is right for you. You should read this document carefully so that you understand what you are buying, and keep it safe for future reference.

This is an illustration of what your plan might be worth. **Please read this illustration together with the Key Investor Information Document(s) for the fund(s) you have chosen and the Key Features Document.** These also contain important information about the product benefits, charges, risks and tax, as well as your rights and commitments. You will be sent quarterly statements to enable you to keep track of your investments. IMPORTANT: The value of investments and any income from them may go down as well as up. You could get back less than you invest. The figures below are only estimates, and are based on certain assumptions which may or may not turn out to be correct.

Payments into your Select Pension Plan

Payment type	Amount	Frequency	Payment/Start date
Single (including basic rate tax relief of £2,000.00)	£10,000.00	One-off	10 January 2024

Any payments into Product Cash will start to accrue interest on a daily basis (credited monthly to your plan where interest is currently being paid) when the payments have cleared. The rate of interest applicable may fluctuate regularly without notice, and may be zero or even negative. We do not retain any part of the interest earned, it is paid into Product Cash in full.

Where will your payments be invested?

You have chosen to invest your money as follows:

Fund(s)	Single
NFU Mutual Mixed Portfolio 40-85% Shares C	£10,000.00
Total investment	£10,000.00

Investment income (fund distributions)

For all funds, except the With-Profits funds, there are two options for the distribution of investment income from the fund(s) you invest in:

1. **Reinvestment** – The option to reinvest any investment income to buy more units in the same fund(s) that produced the income.
2. **Product cash** – The option to have any investment income paid directly into your product’s cash account. Product cash is the facility within your product to hold uninvested cash.

The following table shows your selection:

Investment type	Fund(s)	Income option selected
Single	NFU Mutual Mixed Portfolio 40-85% Shares C	Reinvestment

What you might get back

The Financial Conduct Authority (FCA) requires all companies to illustrate how your investment might grow using growth rates of 2%, 5% and 8% for each fund unless they believe that lower rates are more appropriate for any of the funds you have selected. The difference between the lower rate and the middle rate, and the middle rate and the higher rate is fixed at 3% for each fund. These rates of return are not guaranteed and could be higher or lower.

Your plan builds up a pot of money based on the amount paid in and the returns from your chosen funds. Once you reach the minimum age allowed by law, you can make choices about taking an income from your pension fund. For example, you can exchange part or all of your pension fund for the promise of a regular income for the rest of your life from an insurer. Alternatively you can take money directly from your pension fund.

Whatever you decide to do in the future, you should have some idea of what your pension fund might be worth and an idea of what income you could get from it. You can choose to take your income from age 55 (57 from 2028).

*What is important for your retirement planning is not the monetary value of your regular income, but what you can buy with it in the future **after** its worth has been **reduced by inflation**.*

Below we have provided an illustration showing how much your pension fund might be worth. The numbers take account of inflation in future years which has the effect of reducing your investment returns. Inflation is assumed to be 2.0% each year. The actual rate of increase could be lower or higher than this.

This is only to give you an idea because we can't predict future investment growth or inflation. Remember that the more risk you take with your investments the more chance you have of beating inflation, but also possibly losing money.

Please note that the effect of inflation shown in this illustration applies equally to your other savings and investments.

	Example yearly investment performances		
	2.0%	5.0%	8.0%
	So after allowing for 2.0% each year for price inflation the approximate growth rate in real terms will be:		
	0.0%	2.9%	5.9%
When you reach age 65 your retirement fund could then be worth in real terms:	£7,520	£13,700	£24,900
You can normally take up to a quarter of your retirement fund as a tax-free lump sum. In real terms this could be worth:	£1,880	£3,440	£6,220
With the rest of your retirement fund you could buy a yearly income worth:	£185	£392	£812

If you didn't want to take a lump sum your yearly income could be worth:	£246	£523	£1,080
--	------	------	--------

Important notes about the projections

- The growth rates are not guaranteed. They are not minimum or maximum amounts. What you get back will depend on what you make on your actual investments. That could be more or less than the figures shown in the projections, and could be less than the amount(s) paid in.
- Charges have been assumed to remain the same as they are today, but may vary in the future.
- The cost of the income we've used is based on a price set by our regulator for use in illustrations, unless you are within 12 months of retirement in which case we use a reasonable market rate.
- You will have many choices available when you take your pension benefits and you can shop around for the best deal.
- The income is based on you buying:
 - o a monthly income payable in arrears throughout your retirement, increasing in line with the Retail Price Index each year.

The charges for your plan

The charges for operating your plan are described below. They consist of:

- The charges for managing your plan and the money in your funds
The way these charges are paid is explained in your Key Features document

The charges

For managing your plan

We will deduct a charge from your investment for the cost of managing your plan (the service charge). The amount will depend on the total amount in your NFU Mutual My Investments product(s) each month when the charge is taken.

Amount in your investment	Service charge each year
On the first £25,000.00	0.50%
On the next £75,000.00	0.35%
On the next £400,000.00	0.30%
For any balance above this level	0.20%

For managing your funds

The charge depends upon the funds you choose and they may vary in the future. Based on your current choice, the charges levied by the fund managers are:

Fund(s)	Initial fund charge %	Ongoing charges figure (OCF) %
NFU Mutual Mixed Portfolio 40-85% Shares C	0.00%	0.86%

Commission and remuneration charges

Commission and remuneration charges of £350.00 for arranging this plan are included within the product charges.

How charges reduce the value of your Select Pension Plan fund

The following table shows you the potential effect of charges on your new payments using the middle growth rate shown above in the tables.

All providers have to give you this information to help you compare their charges.

At end of year	Payments to date £	What you might get back if your investment grows by 2.9% each year	
		Before charges are taken £	After plan and investment charges are taken £
1	10,000	10,200	10,100
3	10,000	10,900	10,400
5	10,000	11,500	10,700
At age 65	10,000	18,300	13,700

In percentage terms the reduction from £18,300 to:

- £13,700 means that our plan and investment charges will reduce the yearly growth rate as follows:

for lump sums invested to 1.6%, a reduction in growth of 1.4%.