

# MUSICIAN'S UNION PENSION SCHEME



## Sample Illustration

**Client Details:** Age 30    **Selected Pension Age:** 65

This is a sample illustration of what you might get back at the age of 65 and should be read with the Key Features. The amounts aren't guaranteed.

### Contribution Details

You pay each month	£80.00
Basic rate income tax relief at 20%	£20.00
Your total monthly contributions	£100.00

(The monthly contributions above are payable to AVIVA for 35 years).

The maximum you can pay into this plan each year is 100% of your earnings or £3,600 if greater. There is no limit on total contributions but you may have to pay extra tax if the total paid to all your pension plans by you and your employer exceeds the 'Annual Allowance' for the tax year.

If your contributions are contract related, they will vary as your earnings vary. The annual benefit statement sent to you each year will show a more accurate projection of the pension payable at retirement.

'The maximum you can pay into this plan monthly is 100% of your earnings, or £3,600 if greater.'

## What you might get back at your Selected Pension Age:

These figures illustrate what you might get if you started taking your pension when you are 65.

The figures assume that you keep paying into your plan until you are 65.

The pension amounts shown are before the deduction of income tax. Any tax payable will depend on your total income in retirement.

### We have assumed that your pension will:

Stay at the same amount, for the rest of your life.

Be paid for a minimum of five years, even if you die.

### If your investments grew at a rate of 1.9% each year

Your fund would be worth £37,000

If interest rates when you retire are at 2.3%,  
you will get either a level pension each year of £1,790

or

Tax Free Cash of £9,250

**PLUS** a smaller pension each year of £1,340

These figures are only examples and are not guaranteed – they are not minimum or maximum amounts.

What you get back depends on how your investments grow.

You could get back more or less than this.

Your pension income will depend on how your investments grow and interest rates when you retire.

All insurance companies use the same rates of growth for illustrations but their charges vary. They also use the same rates to illustrate how funds may be converted into pension income.

Don't forget that inflation would reduce what you could buy in the future with the amounts shown.

## Where will my contributions be invested?

Contributions are invested in the **AVIVA Mixed Investment Fund (0-35% shares) Pension Fund Series 6 unless you instruct us otherwise.**

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## Sample Illustration, cont

### THE EARLY YEARS

WARNING – if you stop contributions or transfer during the early years the value of your contract could be less than you have paid in. This will only happen if the fund growth is less than the charges we deduct. The last two columns assume that investments will grow at 7% per year.

At end of year	Total paid in to date	Total actual deductions to date	Effect of deductions to date	What the transfer value might be
1	£1,186.53	£3	£3	£1,190
2	£2,344.11	£12	£13	£2,370
3	£3,473.46	£28	£29	£3,540
4	£4,575.27	£48	£50	£4,700

### THE LATER YEARS

At end of year	Total paid in to date	Total actual deductions to date	Effect of deductions to date	What the transfer value might be
10	£10,644.16	£275	£312	£11,400
15	£15,058.09	£584	£711	£16,700
20	£18,959.36	£985	£1,280	£21,900
25	£22,407.57	£1,460	£2,050	£27,000
30	£25,455.19	£2,000	£3,020	£32,100
At age 65	£28,106.65	£2,600	£4,190	£37,000

## What are the deductions for?

The deductions cover the cost of our expenses and profit.

The last line in the table shows that over the full term of the policy the effect of the total deductions could amount to £35,200. Putting it another way, this would have the same effect as bringing the investment growth down from 7% to 6.3% a year.

## What are the charges & how are your contributions invested in your MUPS?

100% of every contribution received will be invested in the plan.

To manage the investments and meet other expenses, there is an Annual Fund Charge. The Annual Fund Charge is deducted monthly by cancellation of units.

The base Annual Fund Charge is 0.70% of your fund value each year.

The charge above is taken into account in the projected fund values shown in this illustration.

The level of the charge may change in the future.

## How much will the advice cost?

For arranging your plan, we will pay commission to Hencilla Canworth Ltd. The amount depends on the size of the contributions and the length of your plan term.

AVIVA will pay commission of £0.20 per annum for every £100.00 in your pension fund.

This commission is within the over all 0.70% Annual Fund Charge, not in addition to.

We have shown the maximum that we will pay. It will be paid out of the charges.

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