

# TARGET: SECURE INCOME. (10 YEAR LIFESTYLE PROFILE)

<b>Profile Code:</b>	<b>LU53</b>
<b>How frequently does automatic switching take place?</b>	<b>Quarterly</b>
<b>This initially invests in the:</b>	<ul style="list-style-type: none"> <li>• Pace Growth (Mixed) Fund (<b>BVL3</b>)</li> </ul>
<b>It switches into the:</b>	<ul style="list-style-type: none"> <li>• Pace Pre-retirement Fund (<b>BVO3</b>)</li> <li>• Legal &amp; General (PMC) Cash Fund 3 (<b>EAB3</b>)</li> </ul>

The chart on the right shows how your money will be invested at the start of each year, as you approach your retirement date.

When you reach your retirement date, your pension account will be invested 75% in the Pace Pre-retirement Fund and 25% in the Legal & General (PMC) Cash Fund 3.

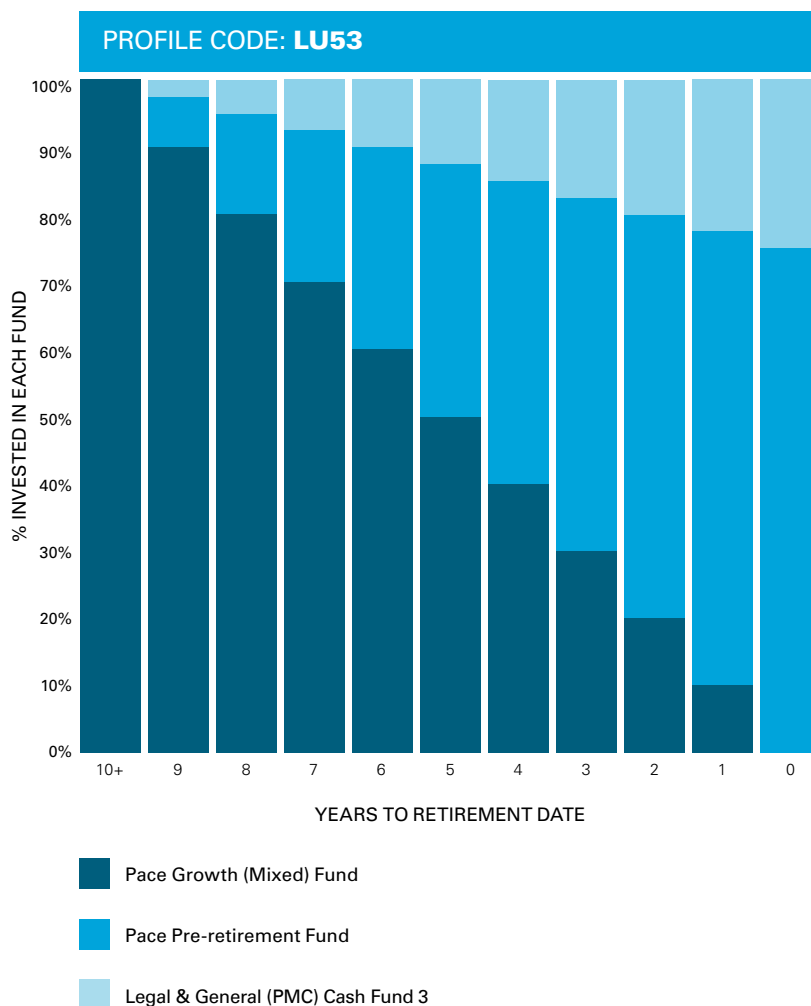
If you are within 10 years of your retirement date when you first become a member, your contributions will be invested in line with the strategy shown in the chart on the right.

For full details of the funds included in this lifestyle profile please see the fund factsheets at the relevant website:

[coop.co.uk/pensions](http://coop.co.uk/pensions)

[www.co-operativebank.co.uk/pensions](http://www.co-operativebank.co.uk/pensions)

**Please remember that the value of investments can go down as well as up. It's particularly important to remember this if you are close to taking your benefits.**



## WHAT ARE THE AIMS OF THIS LIFESTYLE PROFILE?

This lifestyle is an appropriate match for members who want to use their pension account at retirement to buy a pension (also called an annuity).

During the early years, your pension account will be invested in a growth fund, which aims to make it grow over the long term. It will be invested in businesses all over the world, including those based in the UK, and will also be loaned to governments and companies, which pay interest. It is likely that investment growth over the long term will be lower than a fund that invests in businesses only, but the value of your pension account is unlikely to move up and down as much in the short term.

As you approach retirement, 75% of your pension account will gradually move into a fund that loans money to the government and UK businesses, which pay interest. The aim is to follow the changing cost of buying an annuity. The remaining 25% of your pension account will gradually move into a cash fund. Here, your pension account is unlikely to fall in value, but is unlikely to grow very much.

Automatic switching will start to happen when you are 10 years from your retirement date.

The aims of this lifestyle profile have been agreed between The Co-operative Group/Bank, Legal & General and the Pace Trustees. Please note this does not necessarily mean that this lifestyle profile is suitable for you and your circumstances and there are other investment options available to you.

The final investment choice may not be suitable if you don't take pension benefits as intended from your retirement date. You should review your retirement date on a regular basis, as it will determine where your pension account is invested as you approach retirement.



Please note that the amount of income your pension account will buy depends on the annuity rate available when you buy your annuity, and this can change. You will normally only be able to take 25% of your pension account tax free and will be subject to tax at your marginal rate on the remaining amount.

## WHAT ARE THE ADVANTAGES AND DISADVANTAGES OF A LIFESTYLE PROFILE?

ADVANTAGES	DISADVANTAGES
You don't have to choose which fund(s) to invest in as the funds are set in the lifestyle profile.	You are not choosing where to invest. There may be another investment fund or lifestyle profile more suitable to your needs.
Lifestyle profiles are designed to reduce investment volatility or to target a specific objective as you approach your retirement date.	A lifestyle profile doesn't guarantee the value of your pension fund. The value of investments can go down as well as up.
Your money is automatically switched for you as you near your retirement date.	You do not choose when to change your investment as it is set by the lifestyle profile.
The automatic switching ensures that your money is not moved in one go at a time when the markets are low.	The timing of switches is automatic and happens at fixed times. They don't take market conditions into account which means you may miss out on growth in the market.
The final investment holding is designed for a particular outcome. For example, taking all of your pension account as cash, buying an annuity, or taking withdrawals directly from your pension account.	The aim of the lifestyle profile may not match the way you intend to use your pension account or reflect your attitude to risk. It may also be unsuitable if you don't take pension benefits as intended at your retirement date. In this case, you should review where your pension account is invested and whether this remains suitable for your needs.

You can move your pension account between investment funds at any time. You can also change your retirement date and invest for longer to allow more time for your fund to grow. If you decide to invest in a lifestyle profile please be aware that you can only choose one profile. It's also not possible to invest in any other funds at the same time.

Lifestyle profiles are not risk free. You can find more detail about the risks associated with the funds in this lifestyle profile in our fund factsheets.

If you're considering any changes or want more information about the full range of funds available to you, please speak to a financial adviser, log on to Manage Your Account or contact us.

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