

KEY FEATURES OF THE BERKELEY BURKE PRIVATE PENSION PLAN – “THE GOLD SIPP AND THE GOLD PENSION”

Introduction

The Aims

The Self Invested Pension Plan is designed to provide you with:

- flexibility and assistance to help you save for retirement
- freedom to invest in a broad range of investments including Gold
- Tax relief on contributions and tax incentives on investment returns
- Flexible options for your dependants in the event of your death

Your Commitment

- On establishment, you will become a member of the Gold Pension or Gold SIPP
- You can establish the Gold Pension or Gold SIPP either by consolidating your existing pension plans within the one wrapper or by making contributions to the plan or a combination of both
- There is no commitment on your part to make contributions, other than an initial minimum contribution of £600 for a Gold SIPP or £250 for a Gold Pension (increasing in line with the value of the scheme), and no penalty for stopping or reducing contributions

Risk Factors

- The value of an investment in the Gold Pension & Gold SIPP can fall as well as rise.
- Past performance is not necessarily a guide to future performance.
- You may not recover the amount invested
- The levels and basis of taxation may change
- The Gold SIPP will value any property using an independent valuer's estimate
- Some investments, such as commercial property, may take longer to sell than other investments
- Income from investments can fluctuate and is not guaranteed.

Your benefits from the Gold Pension or the Gold SIPP are dependent on your contribution rate and age at which you take your benefits.

They will also be influenced by external factors such as investment returns, interest rates, inflation, annuity rates, mortality and charges

If you transfer existing occupational benefits into the Gold Pension or Gold SIPP you may be giving up the right to a guaranteed tax-free lump sum, and / or a guaranteed amount of pension and / or a pension that increases once in payment

If you transfer a With Profits pension policy into the Gold Pension or Gold SIPP, a Market Value Adjustment may apply

The tax benefits and legislation governing self invested personal pension plans may change

If you change your employment status, you must inform the administrator as you may no longer be able to contribute to the scheme

The administrator reserves the right to alter the charges for the Self Invested Personal Pension Plan and the administrator will write to you to advise of amendments prior to invoicing

A number of events could occur altering any illustration(s) provided. You may receive a smaller pension if:-

- the investments in your Gold Pension or Gold SIPP do not grow as expected
- you take your pension earlier than your chosen retirement date
- you become unemployed or change your employment status and consequently are unable to maintain contributions, either at the same level or at all
- you transfer your Gold Pension or Gold SIPP to an alternative pension arrangement with higher charges or one that achieves a lower growth rate.

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Scheme Details

The "Gold SIPP" and the "Gold Pension" are both operated by Berkeley Burke SIPP Administration Limited (the "operator") as sections of the Berkeley Burke Private Pension Plan, which is a personal pension scheme registered under Part 4 of the Finance Act 2004.

The Operator and Scheme Administrator is Berkeley Burke SIPP Administration Limited, authorised under the Financial Services and Markets Act 2000.

The Trustee is Berkeley Burke Trustee Company Limited.

Payments into the Self Invested Personal Pension Plan

The Gold Pension and the Gold SIPP will accept contributions from you and/or transfers from your existing pension schemes.

It can accept transfers that are in respect of protected rights payments, but it cannot accept future contracted out rebate contributions.

Contributions

- You and / or your employer can pay tax relieviable contributions up to the Annual Allowance in each year
- Tax relief on personal contributions is limited to the higher of 100% of earnings (up to the Annual Allowance) or £3,600 per annum
- The Annual Allowance is set at £255,000 for 2010/2011 through to 2015/2016.
- Contributions to all schemes of which the individual is a member need to be taken into account when testing against the Annual Allowance.
- There will be a tax charge applied against contributions made in excess of the Annual Allowance. The tax charge would be payable by the member.

The Trustees and Administrator of the Gold Pension and Gold SIPP do not take responsibility for confirming if a contribution will qualify for tax relief.

Earnings evidence

Evidence of your estimated earnings for the tax year will be required by the administrator within 30 days of receiving the contribution.

This can be any of the following:

- P60 for previous tax year
- Payslip
- Employer's letter confirming salary
- Copy Tax Return
- Copy of latest trading accounts
- Accountant's estimate of profits

Payment of contributions

Contributions can be paid in the following ways and you should deduct basic rate tax if you are contributing personally:

- You can provide a personal cheque, for the net amount, made payable to the "BBPPP Gold Pension – Member Initials and Surname" or the "BBPPP Gold SIPP – Member Initials and Surname"
- Standing Order (available from your bank)
- BACS/CHAPS transfer
- For in-specie contributions, where assets owned by you are transferred into the plan, these assets must be independently valued and could be subject to additional fees and taxes on transfer* – see page 3.
- Contributions from your employer – these should be made directly from your employer and should be paid gross.

* Note: Acceptance of an in-specie contribution is at the discretion of the Administrator. Please contact Berkeley Burke SIPP Administration Limited before any such arrangement is made.

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Tax Reclaims

The Administrator will reclaim basic rate tax each month (or at such frequency as contributions are paid, provided that such frequency is not greater than monthly) and, on receipt, the Administrator will pay this into your Gold Pension or Gold SIPP bank account.

Transfers

- It is possible to transfer accumulated pension benefits from an approved scheme to the Gold Pension and Gold SIPP
- Transfers of benefits in respect of protected rights (contracted out) liabilities can be accepted, but it does not accept the ongoing contracted out rebates
- Benefits can be transferred in cash or as assets, provided that the assets fall within the range of acceptable investments and ownership can be transferred
- All transfer cheques will be credited to your SIPP bank account and invested in accordance with the option selected on the application form when the funds have been cleared within the bank account
- It is possible to transfer into the Gold Pension and Gold SIPP funds from other personal pension schemes from which you have started drawing your benefits from by way of 'unsecured pension'.

Fees

All fees for Berkeley Burke and GoldMoney are clearly stated in the Agreement to Fees and Charges. This confirms those fees which are subject and not subject to VAT, those fees payable directly from the pension fund and from the GoldMoney portfolio, the frequency of payment and the date of invoicing, unless otherwise agreed in writing.

In-specie Contributions of Gold

An in-specie transfer of Gold can be accepted only from an existing account held with GoldMoney.

Tax Relief is given on contributions paid during a tax year. This means that contributions to a registered pension scheme must be of a monetary amount, for example, in cash, cheque, direct debit and bank transfers.

As explained above, contributions to a registered pension scheme must be of a monetary amount. But what is allowed, is for an individual to agree to pay a monetary contribution and then to settle this debt by way of a transfer of assets(s).

Therefore, if a member wishes to make a contribution by way of a transfer in specie, to qualify for tax relief, they must confirm that they wish to pay a contribution, of, say, £10,000, to the Scheme Administrator. If the Scheme Administrator agrees to accept this, this debt may be paid by the member through a transfer of an asset of that same value. If the asset is of a lower value, the balance will need to be paid in cash by the member.

Berkeley Burke emphasise that the process is about an individual stating their intention to make a contribution, followed by an acceptance by the Scheme Administrator, followed by a debt creation, and finally, the debt fulfillment, being the transfer of the asset. The Scheme Administrator would need to ask the member to settle 100% of the debt.

The transferred amount will be the net amount after the individual exercises his right to deduct from the payment the basic rate RAS relief. The basic relief will be recoverable by the Scheme Administrator in the normal way from HMRC and if appropriate, the individual can claim higher relief via their self assessment return.

The individual must have sufficient earnings for the year in which the in specie contribution is made, to justify the net payment. Tax Relief on personal contributions is limited to the higher of 100% of earnings (up to the Annual Allowance of £255,000 for 2010/2011 to 2015/2016) or £3,600 per annum. There will be a tax charge applied against contributions made in excess of the Annual Allowance. The tax charge is payable by the member.

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ON-LINE DEALING IN GOLD

The Gold SIPP and Gold Pension offer you easy access to on-line dealing in Gold. All Gold is physically held in a secure vault operated in accordance with the standards of the London Bullion Market Association - further information can be found at <http://www.lbma.org.uk/>

You can place one or more orders to buy or sell a total of 2,000 grams of Gold in one **Business Day** and receive a **Confirmed Price** for each of those orders. A **Confirmed Price** means that GoldMoney "locks" the price at which you buy or sell, using the **Current Spot Rate** rather than using the next available **London PM Gold Fix** to determine the **Gold Buy Price** or the **Gold Sell Price**. The same limit applies separately to buy and sell orders, so for example, you can buy 2,000 grams of Gold at a "locked" rate, and then also sell 2,000 grams of Gold within the same **Business Day** at a "locked" rate. Note that the 2,000 gram daily limit may be changed due to market conditions.

If any one order, or aggregate of orders, placed during one **Business Day** exceeds the daily limit, you will be notified during the order process. You will be given the choice of cancelling the order, or proceeding with the order without locking the rate. If you choose to proceed, the order will be executed at the next available **London PM Gold Fix**, and the **Gold Buy Price** or **Gold Sell Price** will be determined by that fixing price.

The **Current Spot Rate** is the spot price of Gold as shown on the GoldMoney Buy Rates page at: <http://www.goldmoney.com/en/rates.php>, which is updated every minute throughout the trading day and after hours when other Gold trading markets such as New York are open.

The **London PM Gold Fix** is the Gold price set by members of the London Gold Fixing at approximately 3:00pm London time of each Business Day. More information about the Fixing process is available from the London Bullion Market Association. Any orders that exceed the **Confirmed Price** transaction limit must be received by GoldMoney at least 30 minutes before the next **London PM Gold Fix** time to be sure of being processed at the price determined at that Fixing.

A **Business Day** is defined as the period of time that elapses from 30 minutes before one London PM Gold Fix to 30 minutes before the next. This is 24 hours during a normal trading week, but will be 72 hours over a normal weekend, or longer if there is a UK bank holiday.

The **Gold Buy Price** is the price you pay to buy Gold from GoldMoney. It is calculated as the sum of:

- either the **Current Spot Rate** when placing a purchase order within the **Confirmed Price** transaction limit, or if the order exceeds this limit, the next available **London PM Gold Fix**; and,
- GoldMoney's Purchase Fee.

The **Gold Sell Price** is the price at which you can sell Gold back to GoldMoney. It is either the **Current Spot Rate** when placing a sell order within the **Confirmed Price** transaction limit, or if the order exceeds this limit, the next available **London PM Gold Fix**. GoldMoney does not charge any fees for executing your sell orders

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Investment

Investment Advisory Service

This service will be suitable if you believe collective investments such as unit trusts, investment trusts, Open-Ended Investment Companies (OEICs) and cash meet your investment requirements.

Please note that investment advice can only be provided by Berkeley Burke & Co Ltd. GoldMoney is not authorised to provide any advice or related services

Select your own investments*

If you choose to select your own investments, the Gold SIPP can purchase any of the following investments:

- Stocks and shares quoted on a recognised stock exchange
- Shares in private companies (subject to certain criteria)
- Futures and options
- Unit trusts and open-ended investment companies (OEICs)
- Investment trusts
- Insurance company managed funds
- Deposit accounts
- Offshore managed funds
- Gilts, Bonds and Fixed Interest Stocks
- Commercial property
- Borrowing to finance an investment
- Commodities (Gold)
- Other Investments may be permitted at the discretion of the Scheme Administrator

*For Gold SIPP only, as Gold Pension is limited to cash and Gold.

All investments will be purchased only on receipt of written instructions from you and subject to adequate cleared funds being available.

All investments will be held in the name of Berkeley Burke Trustee Company Ltd.

The Administrator reserves the right to refuse to purchase an investment or sell any investment within the fund if the Administrator believes that the continued holding of the investment would jeopardise the tax-exempt approved status of the SIPP.

- The Administrator can accept no responsibility for the performance of an investment, which has been recommended by a third party advisor or an investment of your own choice
- You will receive an annual valuation of the fund
- You will be able to view the investment holdings and the value of the fund through the Gold SIPP and Gold Pension online website.

Commercial Property

The Gold SIPP (not Gold Pension) can be invested in commercial property. Further information is available in the Property Purchase Guide.

A Property Purchase Questionnaire must be completed for all purchases.

Taxation of investments

Investment growth will not attract liability to UK tax and Capital Gains Tax. Tax deducted at source from dividends on UK equities cannot be reclaimed.

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Banking with Gold SIPP & Gold Pension

- Bank accounts will be established with Cater Allen Private Bank on receipt of the completed application forms, bank mandate and evidence of identity documentation
- All bank accounts will earn interest gross and a copy of the bank account statement will be sent to you.
- Sufficient funds will be retained in the bank account to cover any pension payment and fees
- Where you are selecting your own investments, the Administrator will invest funds only on written instructions from you
- If there are insufficient funds in the bank account for income and/or fees, the Administrator will contact you to seek guidance on which funds are to be surrendered.
- The Administrator reserve the right to surrender an appropriate amount from any asset held in the scheme should the Administrator not receive a response from you within 21 days from the request.

Benefits on retirement

Benefits from the Gold SIPP and Gold Pension may commence at any time from age 55 to 75, although in some circumstances it may be possible to draw benefits before age 55.

The balance of the fund after settlement of the tax-free lump sum must be used to provide you with an income.

At retirement up to 25% of the fund can be used to provide a tax-free lump sum.

The pension income can be paid by:

- Annuity purchase, or
- Unsecured pension (before age 77) or
- Alternatively Secured Pension (from age 77).

Each member will have a maximum permitted tax efficient fund (including benefits from all sources) known as the Lifetime Allowance. This is set at £1.8 million for 2010/2011 through to 2015/2016. Funds in excess of the Lifetime Allowance, when benefits are taken, will be subject to a tax charge, save in circumstances where a valid certificate for protection has been issued.

Annuity purchase

Under this option the balance of the fund is transferred to an insurance company which will, in turn, provide you with a guaranteed income for the remainder of your life.

The required basis is established at outset by the insurance company which sets the level of income you receive. You are able to purchase an annuity with part or all of your fund.

Unsecured Pension

An alternative to annuity purchase is to draw the income by way of 'unsecured pension'.

After the tax-free lump sum has been paid, the Government Actuary's Department's published tables of income rates is applied to the balance of the fund and a prescribed income limit is set. The assets of the fund remain invested and you are able to draw between 0% and 120% of the prescribed income each year.

The prescribed income limit is reset every 5 years until you reach age 77.

At 77 you have the option to purchase an annuity or continue drawing the income from the fund using Alternatively Secured Pension.

Alternatively Secured Pension

This option is only available from age 77 onwards.

The assets of the fund remain invested and you are able to draw a pension between 55% and 90% of the prescribed income using the Government Actuary's Department income rate each year.

The maximum is reset every year and is always based on the rate for a 75 year old.

KEY FEATURES OF THE BERKELEY BURKE PRIVATE PENSION PLAN "THE GOLD SIPP AND THE GOLD PENSION"

Payment of benefits

- You will be required to confirm the percentage of the Lifetime Allowance that is still available to you before benefits are due to be paid
- The administrator will provide you with a statement each year of the Lifetime Allowance that has been used by the Gold SIPP and Gold Pension
- Where benefits are paid direct from the fund, the administrator will pay an income directly to your bank account. The income will be released on the first day of the month and a payslip will be sent to you to confirm the amount. You will be notified of any change in the agreed date
- The administrator will pay income through the PAYE system. They will deduct tax prior to payments and pay this to HM Revenue & Customs
- You will receive a P60 every year to confirm the payment that have been made and the tax deducted
- The administrator will contact you to surrender funds to cover the tax-free cash and income when the election to take benefits is made. They will follow the agreed instructions to sell other investments to ensure sufficient funds are available to pay another years pension income
- The tax-free cash will be paid by CHAPS (or other methods on request) on the later of the date specified on the election to take benefits and the date sufficient funds have cleared the bank account
- The net pension is always paid on the 1st of every month, or the first working day thereafter, by BACs payment, which takes approximately 3 days to be received into the recipients account

The aims

- The option to take tax-free cash and an income directly from the fund
- The option to take benefits at any time from ages 55 to 75
- The ability to tailor the amount of your pension to your requirements in each year
- The ability to continue to select and manage the investments within your pension fund

Your commitment

- You will not be able to take your benefits until age 55 unless you retire early due to ill health or your occupation is recognised by HM Revenue & Customs as having a lower retirement age
- The maximum tax-free cash that can be taken is linked to the value of the fund
- Once the tax-free cash has been paid, you must advise the Administrator of the income you wish to take, which must be within the prescribed limits

Risk Factors

- High income withdrawals may not be sustainable if investment returns are low during the withdrawal period
- High levels of income withdrawals may reduce the fund value over time and that could affect the value of both future pension payments and dependants' benefits
- Annuity providers benefit from the fact that some individuals die sooner than expected. They utilise some of the 'mortality profit' to enhance annuity rates.
- By delaying the purchase of an annuity, the benefit of this potential profit, which can be significant, may be reduced or lost
- Annuity rates may be lower when an annuity is eventually purchased

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Death benefits

Before taking benefits

If you die before taking retirement benefits, a maximum tax-free lump sum of up to the Lifetime Allowance (lifetime allowance for 2010/2011 to 2015/2016 is £1,800,000) may be paid to your beneficiaries. The tax-free lump sum limit is applicable to the accumulated value of all schemes of which the individual was a member. Any excess funds may be subject to a tax charge if taken as a lump sum. In addition, unlimited spouse's or dependants' pensions can be paid.

After taking benefits

If you die after drawing your retirement benefits, the benefits payable will depend upon how you elect to receive your income.

If you purchase an annuity with your fund, the benefits will depend upon the type of annuity purchased.

If you are drawing your income using 'unsecured pension', the Gold SIPP and the Gold Pension provides flexibility for your beneficiaries with the following options:

On death before age 77:-

- The balance of any funds remaining can be returned your spouse/dependants, less a tax charge of 35%
- A spouse or dependant(s) can draw an unsecured pension from the fund
- A spouse or dependant(s) can cure an annuity with the balance of the fund remaining

On death after age 77:-

- No lump sum can be paid
- Where there is a surviving spouse / dependants, the balance of the fund must be used to provide an income for them in the first instance. This can be through alternatively unsecured pension, or by way of an annuity

On death after age 77 continued:

- Where there is no spouse / dependants, the balance of the fund can either be paid to charity or reallocated to other members of the Gold SIPP and the Gold Pension. The latter treatment of the balance of the fund would be subject to significant tax charges, and would be at the discretion of the Administrator.

Payment of benefits

- The payment of benefits on death will be at the discretion of the Trustees. They will take into account specifications on the Nomination of Beneficiary form, but are not bound by them.
- Investments may have to be surrendered in order to raise sufficient cash to pay benefits
- Lump sum death benefits will be paid when all the investments have been surrendered and the beneficiaries have been identified
- Where the spouse / dependant(s) decides to draw Unsecured Pension or Alternatively Secured Pension from the fund, new income limits will be calculated.

Law

- Your application will be subject to the provisions of the Trust Deed and Rules (copies are available on request) and any amending deeds and the information given in this key features document. This information is based on our understanding of current tax law and practice
- The law of England and Wales will apply to the Gold SIPP and the Gold Pension
- The Gold SIPP and the Gold Pension is not an insurance product and is not subject to the Policyholders Protection Act.
- In respect of the investments made under the plan you may be covered by the appropriate compensation scheme of your fund manager / adviser.
- From 06/04/2007 The Gold SIPP and the Gold Pension is a regulated investment as defined by the Financial Services Markets Act 2000.

KEY FEATURES OF THE BERKELEY BURKE PRIVATE PENSION PLAN "THE GOLD SIPP AND THE GOLD PENSION"

You may change your mind about having a Gold SIPP or Gold Pension. When your policy starts you will receive a cancellation notice from the Scheme Administrator. This notice will give you the right to cancel the contract during the following 30-day period.

If you cancel your contract within the 30-day notice period, contributions will be refunded. If the value of any underlying investment(s) fall(s) before the Scheme Administrator receives your cancellation notice, the refund will exclude any deductions, losses or fees.

If the Scheme Administrator has obtained a refund of tax on any net contributions paid in during that time, the Scheme Administrator will refund the tax back to H M Revenue & Customs.

Cancellation rights may also apply to any transfers made in.

It may not be possible to return funds received, in respect of any transfers into the Gold SIPP and the Gold Pension, should you cancel the contract, during the 30 day cancellation notice period. If this happens, you would need to arrange for another pension arrangement to accept the transfer payment

If you wish to cancel an alternatively secured pension, the Administrator will either transfer the fund to another provider or purchase an annuity.

If you have Further Questions, please contact your adviser or Berkeley Burke at:-

CONTACT INFORMATION

**The Gold SIPP & Gold Pension Team
Berkeley Burke SIPP
Administration Ltd
Berkeley Burke House
Regent Street
Leicester
LE1 7BR**

Or telephone: 0116 2042908 / 2042909

**Or e-mail enquires to:
goldmoney@berkeleyburke.com**

If you have a complaint regarding the administration of your Gold SIPP or Gold Pension please write to:

Compliance Department
Berkeley Burke SIPP Administration Ltd
Berkeley Burke House
Regent Street
Leicester
LE1 7BR

You may also make a complaint The Pensions Advisory Service and then to the Pensions Ombudsman. Details will be provided on request.