

14 September 2012

Mr D Bailey
12 Ashworth Place
Church Langley
Harlow
Essex
CM17 9PU

Private and Confidential

Your ref:

Our ref: FN-7797897

Subject:

**Bank Of Montreal 1972 Pension Plan
Transfer Value Quotation**

Dear Mr Bailey

I refer to your request for a quotation of the transfer value of your benefits under the scheme and enclose the relevant information.

We recommend that before you consider a pension transfer, you read the following press release from the Pensions Regulator:

<http://www.thepensionsregulator.gov.uk/press/pn12-05.aspx>

The calculation is in accordance with the trustees' instructions on the allowance for discretionary benefits.

This quotation is based on the information currently held by the administrator of the scheme and is produced for information only. It is not proof of entitlement and confers no right to benefits. All benefits, including transfer values, must be calculated and paid only in accordance with the trust deed and rules of the scheme and the law, and are therefore subject to review before payment. Please note that this transfer value has been quoted prior to confirmation from Her Majesty's Revenue and Customs of your Guaranteed Minimum Pension entitlement. On receipt of this confirmation, in accordance with The Occupational Pension Schemes (Transfer Values) Regulations 1996, the quotation may be changed if necessary to comply with the Pensions Schemes Act 1993.

If you now wish to transfer, then the figure is guaranteed subject to written acceptance being received by the trustees by the Guarantee Date shown on the Statement of Entitlement.

If the transfer is to proceed, please return all documentation, as quoted on the 'Transfer Check List' by the Guarantee Date.

If you will be transferring to a personal pension scheme, stakeholder pension scheme or other individual pensions arrangement, please would you ask your adviser to -

- confirm to Mercer that the transfer will be made on the adviser's agency; and
- provide Mercer with the adviser's SIB/FSA agency number.

Legally, you are only entitled to one quotation of the guaranteed cash equivalent each year.

However, if the completed documentation is not received by the Guarantee Date the transfer value will be re-calculated, on request, once the guaranteed period has expired.

The amount at date of transfer may therefore be more or less than the amount originally calculated.

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Mercer is providing this transfer information purely in accordance with its duty as administrator of the pension scheme, and does not profess to offer any advice in respect of your personal circumstances.

Yours sincerely



Adam Benton

for Mercer Limited, administrator acting on behalf of
the trustees of the Bank Of Montreal 1972 Pension Plan

Bank Of Montreal 1972 Pension Plan

Important Notice for all members wishing to transfer

The trustees are not able to advise members who want to take a transfer from the scheme/plan. The trustees recommend that you take financial advice to help you consider carefully the possible merits and risks associated with taking a transfer value, compared with retaining a deferred benefit entitlement from the scheme/plan. Some of the aspects to consider:-

- Compare the benefits expected from the arrangement to which you are planning to take the transfer value, with your entitlement in the Scheme/Plan. If the receiving arrangement is money purchase (that is, the ultimate benefit depends entirely on investment returns on the underlying funds) the comparison will be difficult, since the benefits payable cannot normally be predicted with any certainty.
- From 6 April 2005 members of schemes like the Bank Of Montreal 1972 Pension Plan may have greater security in some circumstances where the scheme's assets would otherwise not be able to provide the members' entitlements in full. This is because, in addition to requiring the sponsoring company to make additional contributions in certain circumstances, the Government has introduced a "Pension Protection Fund". This is a statutory fund run by the Board of the Pension Protection Fund, which will provide some compensation for members if the sponsoring company is not able to contribute more.

Members of the Bank Of Montreal 1972 Pension Plan would be entitled to receive compensation from the Pension Protection Fund in the appropriate circumstances.

- Other organisations such as the Financial Services Authority, the Pensions Regulator and the Pensions Advisory Service also provide general information about transfers which may help you to decide whether or not to transfer your benefits. Please note, however, that these organisations cannot give you specific advice on whether or not to transfer your benefits – only a financial adviser can do that.

Transfer values are calculated using a method and basis determined by the trustees, after taking advice from the scheme actuary, to be consistent with legislation and the rules of the scheme. The method and/or basis may therefore be revised from time to time, to reflect changes in legislative and financial conditions.

Page 4

**MR D BAILEY NR138984B
14-SEP-2012**

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