

THE PROFESSIONAL FOOTBALLERS' PENSION SCHEME (THE "PFPS")
EXPLANATORY NOTE OF THE LIFE ASSURANCE PROVISIONS IN THE PFPS*

Eligibility

The following individuals are eligible for life assurance benefits under the PFPS:

- A registered contract player of a Football League or Premier League Club;
- A trainee player, ASE player or scholarship player; and
- A former player who has been out of contract for less than 6 months and has not yet drawn any benefits from the PFPS.

Benefits

If a person dies whilst eligible then a lump sum will be payable equal to 4 times his "Salary".

For the purposes of the lump sum payment "Salary" means the total remuneration paid to the member during the 12 months ending on 1 August of each year subject to a salary cap. Salary in the PFPS is capped for the period April 2009 to April 2010 at £123,600. Therefore, the maximum lump sum benefit payable during 2009/2010 will be £494,400. The lump sum is subject to a minimum payment of £5,000.

Other benefits which may potentially be payable on the death of a player/former player are:

- A refund of contributions paid into the Income Section of the PFPS; and
- A pension for the benefit of the player's dependants which can include a spouse's pension or a child's pension.

Payment of Life Assurance Benefits

Following the death of an eligible person the Trustees of the PFPS have the power to pay the lump sum life assurance benefit (on such terms and in such proportions as the Trustees in their absolute discretion decide) for the benefit of the deceased's dependants and/or personal representatives.

The Trustees in making their decision may take into account any expression of wish that a player has lodged with the Trustees in writing. ***It is extremely important for players to regularly keep expression of wish forms up to date and inform the Trustees if their circumstances change.***

Frequently Asked Questions

- Q. Is a member entitled to four times life assurance cover whether or not he contributes to the Income Section?
- A. *Yes – if he contributes less than 3.75% of capped salary to the Income Section then he will only get minimum benefits in the Cash Section but will still be covered for life assurance benefits.*
- Q. If a player opts out of the Income Section and transfers his benefits elsewhere will he lose the four times salary death benefits?
- A. *Provided he is still a registered contract player and has not opted out of the Cash Section he will remain covered for death in service benefits.*