Professional Footballers' Pension Scheme
Pension Scheme Investment from 1 January 2011

Announcement to all Registered Contracted Players

The benefits being offered by the Professional Footballers' Pension Scheme ("The Scheme"), changed with effect from 1 January 2011.

If you sign a new registered contract after 1 January 2011 or opt in to the new benefit structure from 30 June 2011 then a fixed annual sum of £4,750 will be contributed via the transfer levy system to the Scheme, payable monthly for each registered contract player. This will be invested on your behalf in an investment fund set up by the Trustees of the Scheme specifically to provide for your pension benefits. The investment fund will be known as the Footballers' Retirement Fund (FRF). You are **not** required to contribute to the Scheme, but you may pay additional contributions if you wish.

As your share of the Footballers' Retirement Fund will be used to provide your pension benefits, it is important that you understand the investment that the Trustees are making on your behalf. This announcement is intended to help you understand the Footballers' Retirement Fund, which will aim to achieve a "target return" each year.

The Footballers' Retirement Fund (FRF)

The FRF will be made up of a combination of Diversified Growth / Target Return funds (see details overleaf) run by high-quality investment managers. The funds chosen, and their proportions, will be identified, closely monitored, and adjusted from time to time, by the Trustees (along with their professional advisors).

The FRF target return will depend on the current split of the underlying investment managers, but will typically aim to achieve 3%-5% above cash[1] rates at any time, measured over three year periods. This is a similar level of return that might be achieved from more traditional investment strategies over the long term, but with significantly lower volatility.

This type of strategy is expected to give greater downside protection against large market falls, but there is no capital guarantee in this approach. All the other usual investment warnings and considerations also apply [2].

A single monthly FRF unit price will be used for all transactions, which will be determined by the actuaries to the Scheme, reflecting the performance of the underlying investments over the previous month.

Initial Strategy

The FRF will be ***initially*** apportioned between four Diversified Growth / Target Return funds, with contributions being allocated as detailed below.

Underlying Fund	Initial Proportion	Objective (net of fees)
Standard Life *GARS Global Absolute Return Strategies Fund*	40%	Cash + 4.3% p.a.
Newton *Real Return fund*	30%	Cash + 3.3% p.a.
Insight *Broad Opportunities Fund*	20%	Cash + 3.0% p.a.
Threadneedle *Absolute Return Bond Fund*	10%	Cash + 2.4% p.a.

This strategy aims to deliver a long term return of around Cash + 3.5% per annum (net of all investment management fees).

The annual management charges (AMC) for the underlying funds are agreed on special institutional terms that would not be available to you, as an individual investor, outside of this arrangement.

Whilst these will be the initial proportions used for allocating monthly contributions, there will not be automatic rebalancing. The proportions will therefore vary from time to time, with periodic rebalancing undertaken by the Trustees on the advice of their investment consultant (Pope Anderson LLP).

In addition, the underlying Investment Managers used, the number of managers, and their proportions, will all be regularly reviewed by Trustees, working with their investment consultant. Changes to any of these factors will be made by the Trustees taking account all of the relevant factors such as: performance of the manager, changes within a manager's team, changes in risk characteristics or approach, development of the target return market, other alternative funds, changing profile of the scheme membership.

[1] Cash returns are measured with reference to LIBOR, the rate at which banks lend to each other
[2] Past performance is not a guide to future performance. The value of investments and the income from them may go down as well as up and are not guaranteed. You may not get back the amount invested.

Further Information

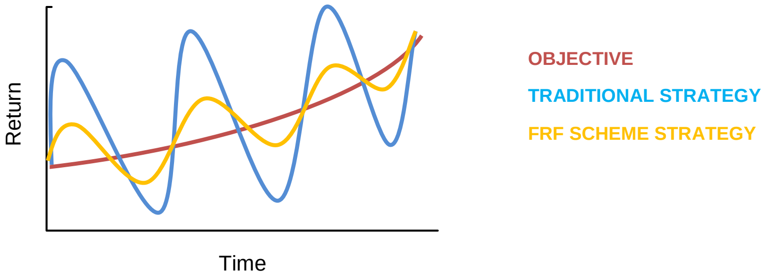
- Look at your member's booklet and other scheme documentation for information on the investment choices you have in respect of any additional contributions that you make and the issues you should consider.
- You may consider taking Independent Financial Advice. A list of advisors should you need it can be found at the following website: www.unbiased.co.uk
- As always, you can address your enquiries to the Scheme Administrator who, with effect from 1 January 2011, has changed to AonHewitt:

  The Scheme Administrator
  Professional Footballers' Pension Scheme
  AonHewitt, 3 The Embankment, Sovereign Street, Leeds LS1 4BJ
  Email: Footballerspensions@aonhewitt.com

Prepared by Pope Anderson LLP
on behalf of the Trustees of the Professional Footballers' Pension Scheme

Background on Target Return / Diversified Growth Investing

Target Return / Diversified Growth funds aim to achieve a stated targeted return rather than just going up and down in line with underlying asset classes. Some will target "equity-like" returns but try to achieve this same overall long term objective in a more consistent manner than is typically available through equity type investment which leads to a lower risk experience. Other funds, are more restrictive and target a lower, bond like return, but take even lower risk to do so.



For example, for an equity like target return fund (e.g. the Newton Real Return Fund), rather than returns going up and down over time in line with equity markets (Fig 1), the manager will actively manage the investments held within the fund to try to smooth out returns (Fig 2), and to take advantage of short and medium term opportunities on your behalf, to try to produce positive returns regardless of whether investment markets are rising or falling.

Fig. 1 - Equities based Fund
asset allocation remains constant
investment returns fluctuate

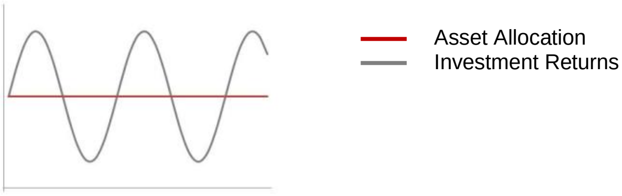
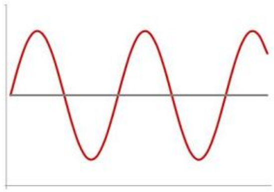


Fig 2. Target Return Fund
asset allocation fluctuates
investment returns more stable



A key feature of Diversified Growth/ Target Return funds is that they are designed to diversify and manage risk efficiently. The Investment Manager is not constrained by having to hold investments in any particular asset class and is free to invest in a wide range of assets such as cash, bonds, equities, property, and other financial instruments.

These types of fund have only become available to schemes such as ours in the last few years, but are well researched and have typically withstood the tests of the recent turbulent investment markets.

It should be noted that Diversified Growth funds are not guaranteed return products and there can be no assurance that they will achieve their investment objectives.

Each underlying fund will, in itself, offer a good amount of diversification benefits. However, by utilising a range of underlying funds, it is possible to further increase the diversification benefits significantly, lowering the volatility of the FRF return even further without reducing the targeted overall return. Typically, the FRF will only exhibit 1/3 to 2/3 of the volatility usually exhibited by equity markets.