

	ADDITIONAL VOLUNTARY CONTRIBUTIONS (AVCS)	SHARESAVE	UK SHAREPURCHASE
Aim	A way of providing additional pension benefits.	An opportunity to save directly from your take home pay with the choice to buy Barclays shares in the future at a pre-set discounted price or simply keep your savings.	A share purchase plan that enables you to become an immediate shareholder in Barclays using pre-tax pay. You can also receive free Matching Shares (see below).
How it works	Members of the UK Retirement Fund (see note 1 below) can use an AVC account, within HMRC limits, to: <ul style="list-style-type: none"> • buy extra pension • receive a tax-free cash lump sum • increase a tax-free cash lump sum 	You make monthly contributions from post-tax pay into a savings account. You can then choose to use these savings to buy Barclays shares at a pre-set discounted price after three, five or seven years.	You make either monthly or one-off investments from pre-tax pay which are used to acquire Barclays shares (Partnership Shares). In addition, Barclays will match one for one up to £600 worth of shares per tax year (Matching Shares).
Other benefits		Any interest you earn on your savings is tax-free.	Any Barclays shares you own will earn cash dividends which are normally reinvested in further shares (Dividend Shares).
What you can put in	You can contribute up to 100% of your earnings or £3,600 – whichever is higher. Please see note 2 below for further information.	You can save anything between £5 to £250 per month over three or five years. Under the seven-year option, you stop making monthly contributions after five years and earn tax-free interest for a longer period.	You can invest up to £1,500 per tax year (or 10% of your annual UK Sharepurchase salary, if lower).
What Barclays puts in		An upfront 20% discount of the market price of a Barclays share. In certain circumstances, you may earn interest (bonus payment) on your savings paid to you after three, five or seven years which you can use to buy more discounted Barclays shares.	Barclays will match on a one-for-one basis up to the first £600 of your investment per tax year. You will not pay any stamp duty or brokers' commission on the shares you receive.
What you invest in	A number of investment funds are available to you – these cater for a mixture of investment strategies and risk profiles.	Barclays shares bought at the end of your savings period at a pre-set discounted price	Barclays shares are acquired for you at the market price (as determined by the Trustee) at the time of award.
Tax savings	Your contributions are deducted from your pre-tax pay, e.g. a basic rate (20%) taxpayer's take home pay will only fall by £80.00 if they make a £100.00 AVC. If you pay UK National Insurance, you may be eligible to make contributions through the Pension Salary Sacrifice Scheme. This reduces the cost to you further because you pay less National Insurance as a consequence. Any growth in your investment is free of any capital gains tax. HMRC impose limits on tax-advantaged pensions savings. See note 2 below for more details.	Any gain made when you buy your shares is income tax and NIC free (the gain being any increase over the original discounted share price). The bonus payment on your savings is tax-free. You can save/reduce any capital gains tax by: <ul style="list-style-type: none"> • Transferring shares into a tax-free ISA • Using your CGT annual exemption • Transferring shares to your spouse • You can transfer some or all of your shares directly into a personal pension free of any tax. Please note that currently you cannot put shares into your Barclays occupational pension. 	Your investments are deducted from your pre-tax pay. You will also save NIC, e.g. if you are a basic rate (20% tax and 12% National Insurance) taxpayer your take home pay will only fall by £68.00 if you make a £100.00 investment. Any gains made on the shares during the time that they are held in UK Sharepurchase are normally free of income tax, NIC and capital gains tax if they are held in UK Sharepurchase for five years. Matching Shares will normally also be free of income tax, NIC and capital gains tax if held for five years. You don't normally have to take your shares out until you are ready. Shares withdrawn from UK Sharepurchase may be transferred free of CGT into a stock and shares component of an ISA.
Investment type	A long-term investment as you can only benefit when you take your pension.	A short to medium-term investment which you can withdraw at any time (but you will lose the opportunity to buy discounted shares).	A medium to long-term investment (Partnership and Matching Shares must be kept for five years in order to retain your tax and NIC savings). Dividend Shares must be kept for three years.
Risk	The value of your AVC Fund will rise and fall in line with the underlying investment funds you have chosen.	You will always get your accumulated savings back if you decide not to buy your discounted Barclays shares. Once you become the holder of Barclays shares your risks are the same as any other shareholder.	The value of your investment in Barclays shares can go down as well as up. Your free Matching Shares do, however, give you a buffer against a fall in share price. The level of risk will depend on many factors including your exposure to a fall in the Barclays share price. You should think very carefully about whether investing in Barclays shares is right for you, and how much of your investments you want made up of Barclays shares.
Flexibility	You choose (and can change) the underlying investments for the AVC Fund from those available under the scheme.	You can take up to six months 'holiday' on your payments (this will extend your savings plan by one month for each payment missed).	You can invest either on a monthly basis or as a one-off investment. You can stop/start or change your investment at any time. While the Partnership Shares can be taken out at any time, the up front tax relief and NIC will be lost if they are removed before they have been in UK Sharepurchase for five years, and associated Matching Shares will be forfeited if they are held for less than three years. Matching Shares must normally be held in UK Sharepurchase for five years to get the tax savings. Dividend Shares must normally be held in UK Sharepurchase for three years.
Further information	Self Select Investment Guide – Move ahead from the Pensions Helpline on 01202 402060 or cw 7 4100 2060 or log on to barclayspensions.co.uk .	See the booklet entitled 'Sharesave – For something special...' or log on to mybarclaysshare.co.uk Helpline on 0871 384 2224 or for overseas call +44 (0)121 415 0154	See the booklet entitled 'UK Sharepurchase – Buy shares and we'll match' or log on to mybarclaysshare.co.uk Helpline on 0871 384 2224 or for overseas call +44 (0)121 415 0154

Note 1 for members of the UK Retirement Fund

Former members of the 1964 Pension Scheme, Allied Provincial 1989 Section, Capel Cure Sharp Section, Mercantile Section and Career Average transferred to Afterwork or the Pension Investment Plan (PIP) on 1 April 2010. Entitlements to benefits in the old sections accrued before 1 April 2010 remain within the scheme as deferred pension benefits. Members of PIP cannot also participate in Afterwork, and vice versa. If you are eligible, you will automatically become a member of PIP when you join Barclays. Barclays contributes 10% of your monthly Base Salary into your accumulated pension fund. You can choose how monies are invested. You should refer to your scheme booklet for further information on your pension benefits.

Note 2

Tax free pension contributions will be tested against an Annual Allowance of £255,000 (until April 2011). The Annual Allowance will then reduce to £50,000 for each of the tax years 2011/12 to 2015/16. HMRC introduced restrictions (from 22 April 2009) on the tax efficiency of pension savings for high earners. These changes, which will remain in place until 5 April 2011, affect individuals with an annual income of £130,000 or more. Further details are available on the HMRC website at www.hmrc.gov.uk and you should consider taking professional advice. On retirement, your total accrued pension benefits in all pension schemes will be tested against a Lifetime Allowance of £1.8 million (until 5 April 2012). The Lifetime Allowance will then reduce to £1.5 million until at least 2016. Any pensions savings in excess of the Lifetime Allowance will usually be subject to a tax charge.

It is important that you fully consider the appropriate investment portfolio for your own circumstances. It is recommended that you consult an independent financial adviser. Other external investment opportunities e.g. Individual Savings Accounts or life assurance products should be considered as they may be more suitable to your needs. This is only a summary of some of the key terms of the investment opportunities offered to Barclays employees and is not comprehensive. For more details please read the relevant booklets for each of the schemes above.