



# MEMBERS' GUIDE

Shipbuilding  
Industries  
Pension Scheme

Shipbuilding Industries Pension Scheme  
Money Purchase Plan – A Member's  
Guide for Employees of BVT



## The purpose of this Guide is to provide the detailed information needed if you are thinking of joining the Shipbuilding Industries Pension Scheme Money Purchase Plan (the Plan).

The **Plan** is a money purchase arrangement. This means that the contributions paid by yourself and your employer (after deducting expenses), and if applicable, contributions from HM Revenue & Customs National Insurance Contributions Office (HMRCNICO) are paid into your **Retirement Account** in the **Plan**. These contributions are then invested on your behalf by the Trustee of the **Plan** in your chosen investment option. The pension ultimately provided under the **Plan** will depend on the amount accumulated in your own individual **Retirement Account** and annuity rates at the time you retire.

You have the option to contract-out of the State Second Pension (**S2P**) under the **Plan**. This means that you will pay less **NI** contributions but you will not receive an additional earnings-related pension from the State in respect of your period of service in the **Plan**.

If you choose to contract-out of **S2P**, the saving in **NI** contributions by you and your employer is paid to your **Retirement Account** and referred to as your **Protected Rights**. There is also an **Age-Related Rebate** payable by HMRCNICO to your **Retirement Account** and this also forms part of your **Protected Rights**.

The **Plan** offers flexibility – you can choose how to invest your **Retirement Account** and at retirement, you can choose what benefits to purchase with your **Retirement Account** balance to suit your particular circumstances.

The **Plan** is available to all employees who meet the conditions for membership. Membership of the **Plan** is not compulsory. The **Plan** gives you and your family a measure of financial security in the event of your retirement, ill-health or death.

This Guide summarises the main features of the **Plan** and explains the choices available to you.

Please note that nothing in the Guide can override the Rules which govern the **Plan**. A copy of the Rules can be obtained on request from your employer.

In addition, the contributions and benefits payable under the **Plan** cannot exceed limits prescribed by HM Revenue & Customs (HMRC) for a registered pension scheme.

Some of the abbreviations and terms used have special meanings which are set out in Section 1 of the Guide. Where these appear in the Guide they are shown in bold print.

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# 1. Abbreviations and terms used in the Guide

Any abbreviations and terms contained within the text are highlighted in **bold typeface**.

## Age-Related Rebate

If you choose to contract-out of **S2P**, HMRCNICO will make a payment into your **Retirement Account** approximately six months after the end of each tax year. This payment usually increases with your age and will reflect the different amounts of rebate needed at different ages to generate the same benefits as **S2P**.

## Annuity rate

The rate at which your **Retirement Account** is converted to pension when you retire.

## LEL

Lower Earnings Limit.

This is the lower limit of earnings used in the calculation of your **S2P** entitlement. For the tax year 2008/09 the **LEL** is £4,680 per annum. This is subject to annual review by the Government in line with existing legislation.

## NI

National Insurance.

## Pensionable Pay

Your basic salary. **Pensionable Pay** is fixed on joining the **Plan** and on each subsequent 1 April. This is the salary on which contributions are based.

## Plan

The Shipbuilding Industries Pension Scheme Money Purchase Plan.

## Primary Threshold

This is the lower limit at which the payment of **NI** contributions begins. No **NI** contributions are payable by you on any earnings below this limit.

## Protected Rights

The portion of your **Retirement Account** made up of the savings in **NI** contributions paid by you and your employer and the payments made by HMRCNICO. This is only applicable to members who are contracted-out of **S2P** under the **Plan**.

## Qualifying Service

Your continuous service after joining the **Plan** and employment which qualified you for retirement benefits under any occupational pension scheme from which a transfer payment has been made in respect of you, either direct to the **Plan**, or to an insurance policy or annuity contract and subsequently to the **Plan**.

## Retirement Account

The account set up for you as a member of the **Plan** which records the value of the contributions invested on your behalf.

## S2P

The State Second Pension.

This consists of the State Earnings-Related Pension Scheme (SERPS) which started on 6 April 1978 and the State Second Pension which replaced SERPS from 6 April 2002. **S2P** provides benefits for employees in addition to the flat-rate Basic State Pension.

## UEL

Upper Earnings Limit.

Prior to April 2003, no **NI** contributions were payable by you on earnings above the **UEL**. You are now paying an additional 1% of **NI** contributions on all earnings above the **UEL**. For the tax year 2008/09 the **UEL** is £40,040 per annum.

## 2. What does the Plan offer?

The **Plan** provides retirement benefits when you retire. You will normally have the right to take part of your **Retirement Account** as a tax-free cash lump sum.

Here are the main features of the **Plan**:

### Valuable benefits

- tax relief on your contributions
- contributions made on your behalf by your employer
- death in service lump sum life cover paid out of contributions made by your employer
- administration costs paid out of contributions made by your employer

### Flexibility

- your own individual **Retirement Account**
- the option to take part of your **Retirement Account** as a tax-free cash lump sum at retirement
- a variety of options for your pension at retirement age
- the chance to remain in or opt out of **S2P** on 6 April each year
- the option to use extra contributions to boost your **Retirement Account**
- a range of investment options for you to choose from

### 3. Can I join the Plan?

Membership of the **Plan** is open to employees of employers who participate in the **Plan**.

You may join the **Plan** if your contract of service says that you are eligible to do so. If you are entitled to join, complete an Application Form and give it to your Human Resources Department.

Membership of the **Plan** is not compulsory; you do not have to join the **Plan** and you can choose to stop your membership of the **Plan** at any stage without changing jobs, provided that you give at least six weeks' notice to your employer and the Trustee. However, if you give up your membership, you have no automatic right to rejoin at a later stage, although your employer and the Trustee may permit this. Such consent may be subject to the production of satisfactory medical evidence.

### How does the Plan work?

The **Plan** is a money purchase arrangement which means that the pension benefits which you receive at retirement ultimately depend on the contributions paid into the **Plan**, the investment returns on these contributions, and the rate (**Annuity Rate**) at which your contributions are converted to pension at retirement.

Your contributions and those paid on your behalf by your employer (less an allowance for administration expenses and life assurance) go into your own individual **Retirement Account** in the **Plan**. The Trustee, with its expert investment advisers, chooses a range of investment funds for the **Plan**. You can then choose how to invest your **Retirement Account** from this range of funds.

When you retire, your **Retirement Account** is used to buy your pension – how much pension you can buy will depend on how much money you have in your **Retirement Account** at that time, and the rates applying in the annuity market at that time for converting your **Retirement Account** balance into pension.

The contributions paid into the **Plan** by you and your employer on your behalf, and the investment returns on those contributions are recorded separately from those of other **Plan** members. Your individual **Retirement Account** is used only for your pension arrangements at retirement.

If you die before your retirement, the balance of your **Retirement Account** will be used by the Trustee to provide benefits for your dependants.



## 4. How does the Plan affect membership of the State Pension Scheme?

Membership of the **Plan** will have no effect on your eligibility for the State Pension Scheme.

### The State Pension Scheme consists of two components:

- i) the Basic State Pension – a flat-rate pension to which everyone who has paid enough **NI** contributions is entitled, and which is not affected in any way by membership of the **Plan** or other company pension scheme; and
- ii) an additional pension from **S2P** – a pension which is linked to your earnings between the **LEL** and **UEL** during your working life.

Under the **Plan** you, as an individual, can choose to contract-in or contract-out of **S2P** when you join, and you also have the opportunity to change on 6 April in every year.

If you choose to contract-out of **S2P** under the **Plan**, you and your employer pay lower flat-rate **NI** contributions and you do not qualify for a **S2P** pension for the period in which you are contracted-out. The savings in **NI** contributions made by both you and your employer are redirected into your **Retirement Account**, where they form a special portion known as your **Protected Rights**. There is also an **Age-Related Rebate** payable by HMRC six months after the end of each tax year. This is paid to your **Retirement Account** and also forms part of your **Protected Rights**. This will provide you with benefits in place of those which you would have received under **S2P**, although they may not be of the same amount.

If you choose not to contract-out of **S2P** you will continue to pay standard rate **NI** contributions and save for both State pensions as well as your **Plan** pension.

On joining the **Plan** you will need to decide whether to remain in **S2P** or contract-out. Every year you will be able to review your decision and make a change, if you decide this is appropriate. This opportunity is available annually on 6 April, provided that you give at least one month's notice. Your decision to remain contracted-out in any future year will need to be made in light of any changes made by the Government to **S2P** contributions and benefits.

If you are a member of a contracted-out rebate only personal pension plan, you cannot contract-out of **S2P** under the **Plan** as well.

## 5. How much will it cost me?

### Basic Regular Contributions

#### *Contracted-in members*

If you do not choose to contract-out of **S2P** you must contribute at least 4.5% of your **Pensionable Pay** and will pay **NI** contributions at the full rate. You will receive tax relief on your pension contributions so that your actual cost of membership will be significantly lower.

#### *Contracted-out members*

If you choose to contract-out of **S2P** under the **Plan** you must contribute at least 4.5% of your **Pensionable Pay** but, on your earnings which fall between the **Primary Threshold** and the **UEL**, you will pay **NI** contributions at the reduced rate. This saving in **NI** contributions is added to the 4.5% contribution you pay to the **Plan**. You will receive tax relief on your pension contributions so that your actual cost of membership will be significantly lower.

Your employer may from time to time agree with you that you will pay contributions at a higher rate with effect from any 6 April. Any agreed contribution rate must remain in force for twelve months unless HMRC allows it to be changed earlier.

### Further Regular Contributions

You may, with the consent of your employer, pay further regular contributions above the basic regular contributions to increase the benefits you will receive. You may vary your contributions annually on 1 April each year.

If you choose to pay further regular contributions, such that your basic regular contributions and further regular contributions together equal 6% or more of your **Pensionable Pay**, your employer will also increase its contribution to 6% (see 'How much will my employer pay?'). In addition, you will be entitled to the higher rate of life cover (see Section 8).

### Additional Contributions

On top of your regular contributions to the **Plan** you can make Additional Voluntary Contributions (AVCs) on a basis agreed with the Trustee. These are more flexible than further regular contributions as you may pay a lump sum on a one-off basis if the Trustee agrees.

### What are the maximum contributions I can pay?

You can save as much as you like into any number and type of registered pension scheme and get tax relief on contributions of up to 100% of your annual UK earnings (or £3,600 if this is greater), subject to an Annual Allowance. For the tax year 2008/09 the Annual Allowance is £235,000. This will increase to £255,000 by 2010/11, when it will be reviewed by the Government.

## How much will my employer pay?

Your employer will pay contributions to the **Plan** in respect of your membership in accordance with the following table:

Employee's total contribution rate (i.e. basic regular contributions and further regular contributions)	Employer's contribution rate
4.5% to 5.9% of <b>Pensionable Pay</b>	4.5% of <b>Pensionable Pay</b>
6% or above of <b>Pensionable Pay</b>	6% of <b>Pensionable Pay</b>

Your employer may vary these rates from time to time, either generally or in respect of any particular member or group of members, by giving written notice to the Trustee. If this happens, you will be informed.

For contracted-out members, the saving in **NI** contributions made by your employer will be paid into your **Retirement Account**. This saving in **NI** contributions is included in the contribution your employer pays to the **Plan**.

In addition there is an **Age-Related Rebate** payable dependent on your age. This is paid by HMRCNICO in addition to your contributions and your employer's contributions paid to the **Plan**.

## Who pays the cost of running the Plan?

Not all the employer contributions described above which are paid in respect of your membership of the **Plan** are paid into your **Retirement Account**. The cost of the administration and the majority of the investment expenses of the **Plan**, along with the cost of the death in service life cover premiums are deducted from the employer contributions.

The current costs are:

Administration and the majority of investment costs	£48 per member per annum
Death in service premium	£2.25 per £1,000 sum assured

Investment charges are deducted at source in respect of the overseas equities and two of the five UK equity managers; these amount to approximately 0.4% for those invested in the SIPS Equity Fund. Investment management charges of 0.495% are deducted at source for the Clerical Medical With-Profits Fund.

If you leave the **Plan** before retirement and leave your **Retirement Account** in the **Plan**, there will be an administration charge of £24 deducted from it annually.

Administration, investment costs and death in service premiums may vary from time to time. Any changes will be notified to you.

## 6. How is my money invested?

You get to decide how your **Retirement Account** money is invested by choosing from a range of investment funds offered by the Trustee. When considering which funds to offer, the Trustee takes expert investment advice from its appointed investment advisers.

You then have the opportunity to choose how to invest your **Retirement Account**. There is a form for this purpose which can be obtained from your Human Resources Department.

Your contributions and those made by your employer are invested in the **Plan**. Contributions invested in the **Plan** are used to purchase units in one of several investment funds. The price of the units changes to reflect the investment return achieved on the investment fund. Units in six funds are currently available for investment, as follows:

### *SIPS Equity Fund*

This consists of 60% UK and 40% overseas equities (made up of 14% US, 14% Europe, 6% Japan and 6% Pacific Basin) and will be managed by investment managers appointed by the Trustee. There is also a very small US property investment within this fund.

### *SIPS Bond Fund*

The assets are invested in fixed interest securities representing 75% of the value of the pool, with the balance of 25% invested in index-linked gilts. The index-linked gilts are invested on a passive basis, with an active investment management approach adopted for the 75%, using investment managers appointed by the Trustee.

### *Over-15-year Conventional Gilt Index Fund*

This fund invests exclusively in conventional Government securities (gilts).

### *Over-5-year Index-Linked Gilt Index Fund*

This fund invests exclusively in index-linked Government securities (gilts).

### *Clerical Medical With-Profits Fund*

A with-profits policy typically provides capital security and a low guaranteed rate of return. The bulk of the investment return comes from discretionary bonuses declared regularly during the term of the policy and at retirement.

### *Legal & General Cash Fund*

This investment is similar to a deposit account earning interest.

These funds can be changed from time to time by the Trustee. The Trustee and its advisers also monitor the performance of their chosen investment managers. Details of the available funds can be obtained from Capita Hartshead.

You are encouraged to invest in one of the above vehicles or to apportion contributions between two or more funds. There are a range of funds you can invest in, some of which are considered to carry a higher risk than others. For example, the SIPS Equity Fund attracts a higher risk than the SIPS Bond Fund or the Legal & General Cash Fund. However, there is a possibility of higher returns from the SIPS Equity Fund. There can be no guarantee that any one investment option, or mix of options, will produce the best returns. If you are not sure about your options, you are encouraged to seek advice through an Independent Financial Adviser (IFA) who will be able to provide impartial advice about your options. The Trustee is prevented by law from giving you this kind of advice, so you may find it useful to talk to an IFA.

## Lifestyle Option

If you do not let the Trustee know how you would like your contributions to be invested, then your **Retirement Account** will automatically be invested in line with the Lifestyle Option. The Trustee has adopted this investment strategy option (the "Lifestyle Option") following advice from an investment adviser. The investment strategy reflects the fact that members' investment needs change as their working lives progress and is based on a target retirement age of 65. The strategy is reviewed from time to time by the Trustee, and may be changed at the Trustee's discretion.

### *Younger Members – how the Lifestyle Option works*

During the earlier part of your working life, the main consideration is that your **Retirement Account** should grow as quickly as possible. The degree of risk is less important, since there should be plenty of time for your **Retirement Account** to recover if short-term downturns in investment performance occur. It is generally accepted that the best vehicle for achieving strong investment growth is equities (also known as stocks and shares). Whilst equity investments can go down as well as up and increases cannot be guaranteed each year, they are expected to outperform inflation significantly over the longer term.

With this in mind, unless you choose otherwise, the whole of your **Retirement Account** will be invested in the SIPS Equity Fund until you reach age 55.

*Older Members – how the Lifestyle Option works*

When you reach the age of 55, and retirement is starting to become a less distant prospect, avoiding risk begins to become a more important consideration. Whilst your **Retirement Account** still needs to increase with investment return, it is desirable that the **Retirement Account** you have already built up should be protected from large fluctuations or unpredictable events like a stock market crash.

As described in Section 7, you have the option to take part of your retirement benefits in the form of a tax-free cash sum. Therefore, a proportion of your **Retirement Account** will be invested in the Legal & General Cash Fund to protect its market value as you approach age 65. The proportion of your **Retirement Account** invested in this cash fund will increase in accordance with the table below, up to 25% at age 65. The remainder, which will be used to purchase an annuity (i.e. your pension), will be invested in an *Annuity Protection Fund* (currently the SIPS Bond Fund), which provides some protection against increases in the price of annuities.

Unless you decide otherwise, your **Retirement Account** will be invested over your working life in the Lifestyle Option as follows:

Years to age 65	% in SIPS Equity Fund	% in Annuity Protection Fund	% in Cash
10 or more	100	0	0
9	90	10	0
8	80	20	0
7	70	30	0
6	60	40	0
5	50	50	0
4	40	55	5
3	30	60	10
2	20	65	15
1	10	70	20
0	0	75	25

*Planning your own investment strategy*

You should consider carefully how to invest your **Retirement Account** balance and should keep your investment choices under regular review. When making decisions about investments it is useful to keep in mind how near or far you are from retirement. You may wish to allocate different proportions of your **Retirement Account** to the SIPS Equity Fund, an *Annuity Protection Fund* or the Legal & General Cash Fund. You may also want to use one of the three other available funds.

If you are unsure about how to invest your **Retirement Account** balance, you are advised to discuss your personal circumstances with an IFA.

You can move your existing investments on the first day of any month provided at least one month's notice is given. You can also change the destination of new contributions on the first day of any month provided at least the same notice is given.

## 7. When can I retire?

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The **Plan** has a Normal Retirement Age of 65. If, however, you leave the service of your employer after age 55 (age 50 if you retire before 6 April 2010) you are able to take your pension at that time if you so wish. At your retirement age you choose how to use your **Retirement Account** balance and what benefits to buy with it. You can choose a pension and other retirement benefits up to the maximum allowed by HMRC.

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### What benefits will the Plan provide when I retire?

Remember – the size of the **Retirement Account** you have built up will dictate the level of benefits you will be able to secure at retirement.

#### Maximum Benefits

The overall benefits that you may receive from SIPS are not subject to any limits. Instead, HMRC has determined a maximum amount of tax-privileged savings you can build up in a pension fund throughout your life. This value is called the Lifetime Allowance. It is set at £1.65 million for the tax year 2008/09 and will rise to £1.8 million by 2010/11, when it will be reviewed by the Government. If the value of your total pension savings, including your past and present savings from all other arrangements, exceeds the Lifetime Allowance, you will pay a tax charge on the excess called the Lifetime Allowance Charge.

#### What cash can I expect on retirement?

You will normally be able to take up to 25% of your **Retirement Account** as a tax-free cash sum.

#### What pension will I get on retirement?

After deducting any tax-free cash, the money that remains in your **Retirement Account** will be used to buy a pension for you. This pension will be bought from an insurance company offering competitive terms at your retirement.

The Trustee has entered into an arrangement with Hargreaves Lansdown, an independent specialist in the annuity market, for the provision of pension arrangements on your retirement. When you retire, your **Retirement Account** will be converted into an annuity and there are various options you can choose when you set up the annuity. The retirement service provided by Hargreaves Lansdown will help you make appropriate choices on the best terms available. Details of the service provided by Hargreaves Lansdown will be provided to you by Capita Hartshead prior to your retirement age.

## 8. What happens on death or ill-health?

If you die whilst still contributing to the **Plan** you will be insured for a death in service lump sum benefit which under current legislation is payable to your beneficiaries tax-free (unless your employer and the Trustee agree something different, in which case you will be notified). If you pay contributions at a rate of 6% or more; the death in service lump sum will be three times your **Pensionable Pay** at the date of death. If you pay contributions at a rate of up to and including 5.9%; the death in service lump sum will be twice your **Pensionable Pay** at the date of death.

Your **Retirement Account** balance will be used by the Trustee to provide a lump sum and/or a pension for one or more of: your spouse/civil partner, children or dependants.

### Who receives the lump sum?

The Trustee has the discretion to pay the lump sum to one or more of your beneficiaries. Beneficiaries include your spouse/civil partner, children, dependants, and wider family members such as grandparents, parents, brothers and sisters, nephews and nieces. A beneficiary can also be anyone you nominate in writing. So a partner or friend could be a beneficiary, without needing to be a family member or financially dependent on you.

You can indicate to the Trustee on an Expression of Wish Form who you would like to receive the lump sum should you die in service. The Trustee will be guided by your wishes but the Trustee is not legally obliged to act in accordance with your wishes. All insured benefits are subject to insurability and in certain cases medical evidence may be required.

Please make sure that you fill in and return the Expression of Wish Form provided by your Human Resources Department, showing who you wish the Trustee to consider to receive any lump sum after your death.

You can update the form at any time, and you are strongly advised to do so to take account of your changing circumstances. Failure to do so could result

in delayed payment of benefits. You can rest assured that the information on your form will be treated in the strictest confidence and will only be considered if you die in service.

### What if I die after leaving the Plan but before I retire?

If you have left your **Retirement Account** invested, the Trustee will use your **Retirement Account** balance to provide a lump sum and/or pension for your spouse/civil partner, children or dependants.

There will be no death in service lump sum benefits, since this cover stops when you leave the **Plan**.

### What if I die after I start to receive my pension?

The benefits payable if you die after starting to draw your pension will depend on the way in which you "spent" your **Retirement Account** at retirement. For example, if you used part of your **Retirement Account** to provide for a spouse's pension on your death, a spouse's pension will be paid to your spouse.

### What if I cannot work through permanent ill-health?

If you have to retire early and the Trustee is satisfied, after receiving medical evidence, that you are incapable of working due to permanent ill-health, you may choose to start receiving your pension immediately. The usual age restriction of age 50 (55 from 6 April 2010) will not apply.

You can use your **Retirement Account** balance to buy a pension and other benefits in the same way as on normal retirement. You have the same option to take some of your **Retirement Account** in the form of a tax-free cash sum and use the balance to provide an early retirement pension.

If you do not require an immediate income then you may prefer to leave your **Retirement Account** invested and take your pension when you reach Normal Retirement Age.

## 9. What happens when I change jobs?

If you move from one participating employer to another your **Retirement Account** will generally move with you, and there may well be no disruption to your **Plan** membership. If your new employer has a qualifying period for new members, it is possible that this may be waived.

There may, however, be differences in the level of your new employer's contributions, the level of contributions that you are required to pay, and the level of life assurance and spouse's pension that your new employer provides for its employees.

### What if my new employer does not participate in the Plan?

If your new employer is in the Shipbuilding or Shiprepair Industries it may wish to consider joining the **Plan** so that your membership can continue. If your new employer chooses not to participate, you will have the same choices as somebody who moves outside the industry (see page 15).



## What if I move outside the industry?

If you move outside the industry you cannot continue as a contributing member and your options are as follows:

- You can leave your **Retirement Account** invested in the **Plan**. Your **Retirement Account** will continue to be invested and you can still switch your investments around if you wish. On retirement you can use your **Retirement Account** to provide the same form of benefits you would have been able to choose had you remained as a contributory member of the **Plan** to retirement.
- You can transfer the value of your **Retirement Account** to another approved pension arrangement, which could be your new employer's scheme or a personal pension plan. You can exercise this option until you reach age 64. However, you need to look closely at the terms of your new pension arrangement to make sure that a transfer out of the **Plan** would be to your advantage. It would be best to take advice on this from an IFA.
- If you have less than two years' **Qualifying Service** and have not transferred benefits from a personal pension scheme into the **Plan** (and have not contracted-out of **S2P** under the **Plan**) you may elect to receive a refund of the contributions you made to the **Plan**, less tax at such a rate as applies from time to time.

Should you move out of the industry and back again later to a job with a participating employer, you may be able to rejoin the **Plan**.

## Can I transfer benefits into the Plan?

If you have been in an employer-sponsored pension scheme or have had a personal pension, you may be able to transfer your benefits from those arrangements into the **Plan** if the Trustee agrees. If so, the whole of the amount of the transfer value will be added to your **Retirement Account**, subject to any investment charges.

The investment options which apply to your contributions also apply to the amount of transfer value you bring into the **Plan**.

Any element of a transfer value that is made up of any **Protected Rights** or Guaranteed Minimum Pension (if you were contracted-out through a final salary arrangement) would form part of your **Protected Rights**.

However, you need to look closely at the terms of your previous pension arrangements to make sure that a transfer into the **Plan** would be to your advantage. It would be best to take advice on this from an IFA.

## What if I leave the Plan without leaving my employer?

You may elect to leave the **Plan** without leaving your employer at any time by giving six weeks' notice to your employer and the Trustee. You will be treated as having left the **Plan** on the day the notice expires.

However, if you elect to leave the **Plan** you will not be able to receive a pension or a tax-free cash sum until you leave the service of the employer or reach age 75, whichever occurs earlier.

You will not be eligible for the life assurance benefit under the **Plan** should you die while still working for your employer.

You may rejoin the **Plan** with the consent of your employer. Such consent may be subject to the production of satisfactory medical evidence.

## 10. What happens if I have a complaint?

If you are dissatisfied with any aspect of the **Plan**, you should first discuss the matter with your Human Resources Department, and if necessary with the Plan Administrator.

If you are still not satisfied you should write to the Scheme Secretary with details of your complaint at the following address:

**Hadrian Trustees Limited  
Innovation Court  
New Street  
Basingstoke  
Hants  
RG21 7JB**

The Scheme Secretary will try to resolve your dispute but if he is unable to do so to your satisfaction, you should ask for a formal complaints form. If the Scheme Secretary considers it appropriate, he will invoke the Internal Disputes Resolution ('IDR') Procedure immediately and you will be advised and issued with a formal complaints form to complete. Please note that the IDR Procedure cannot be invoked for complaints between you and your employer.

Once you have completed and returned the formal complaints form, your complaint will be considered by a committee of the Trustee Board. You will normally receive a formal response to your complaint within two months. If your complaint is not dealt with within two months you will be sent a letter explaining the reason for the delay.

If you are not satisfied with the committee's decision, you will be able to raise the matter with the full Trustee Board. Further details will be provided with the committee's decision.

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### The Pensions Regulator

The Pensions Regulator (TPR) is able to intervene in the running of schemes where trustees, employers or professional advisers have failed in their duties.

TPR also acts as the Registrar of Occupational & Personal Pension Schemes. The register contains basic information on all registered pension schemes to enable employees to trace the source of their benefits. Information concerning SIPS (including the address at which the Trustee may be contacted) has been supplied to the Registrar.

TPR can be contacted at the following address:

**The Pensions Regulator  
Napier House  
Trafalgar Place  
Brighton  
East Sussex  
BN1 4DW**

**Telephone: 0870 606 3636  
Website: [www.thepensionsregulator.gov.uk](http://www.thepensionsregulator.gov.uk)**

## The Pensions Advisory Service

The Pensions Advisory Service (TPAS) is available at any time to assist members and beneficiaries of the **Plan** in connection with any pensions query they may have or difficulty which they have failed to resolve with the Trustee or Plan Administrator. TPAS may be contacted at the following address:

**TPAS**  
**11 Belgrave Road**  
**London**  
**SW1V 1RB**

**Telephone: 0845 601 2923**  
**Website: [www.pensionsadvisoryservice.org.uk](http://www.pensionsadvisoryservice.org.uk)**

## The Pensions Ombudsman

The Pensions Ombudsman appointed under Section 145(2) of the Pension Schemes Act 1993 may investigate and determine any complaint or dispute of fact or law in relation to an occupational pension scheme made or referred to him in accordance with that Act. The Pensions Ombudsman can be contacted at:

**Pensions Ombudsman**  
**11 Belgrave Road**  
**London**  
**SW1V 1RB**

**Telephone: 020 7834 9144**  
**Website: [www.pensions-ombudsman.org.uk](http://www.pensions-ombudsman.org.uk)**

## 11. What else should I know?

### The Trust

SIPS is set up under Trust. The Trustee of SIPS is Hadrian Trustees Limited, a company limited by guarantee. Its Trustee Board is representative of both the employers participating in SIPS and the members. The contributions paid to SIPS by both the members and the employers are invested by the Trustee in funds that are totally separate from the assets of the Company and any other employer.

### Approval

SIPS is a registered scheme with HMRC. One of the requirements of the Rules is that the Trustee is bound by any requirements of HMRC and governing legislation.

### Plan Administration

Day-to-day running of the **Plan** is handled on behalf of the Trustee by Capita Hartshead, an independent firm of professional administrators.

Your employer will liaise on your behalf with the Plan Administrator and will arrange for your contributions to be deducted automatically from your salary, and paid direct to Capita Hartshead who will ensure that they are invested.

### Keeping you informed

Your own personal benefit statement will be sent to you showing details of your **Retirement Account** as it stands at 1 April each year. In addition to this, the Trustee of the **Plan** prepares an Annual Report which is available to you on request.

If you are thinking of switching funds you may request a statement showing your holdings in the various investment funds – it will help you decide if you wish to move any of your funds, and where you might move them to. You can also request a statement giving an indication of what your benefits might be on retirement.

### Absence

You will normally be treated as having left service if you stop receiving contractual pay or statutory sick pay from your employer.

If your absence is due to maternity leave, adoption leave or paternity leave, you will continue to be treated as being in service during your paid statutory “ordinary maternity leave period”, “ordinary adoption leave period” or “paternity leave period”. You will have to pay contributions to SIPS based on your actual pay.

During any period of “additional maternity leave”, “additional adoption leave” or “paternity leave”, you will only be treated as still being in service for so long as you receive contractual pay from your employer. You will have to pay contributions to SIPS based on your actual pay.

### Assignment

You cannot assign or charge your benefits under the **Plan** (e.g. as security for a loan). If you try to assign or charge your benefits, they will cease to be payable. However, if your benefits cease the Trustee may, at its discretion, agree to pay benefits to or for the benefit of you, your spouse/civil partner or dependants.

### Changes to the Plan

From time to time, changes may be made to the **Plan** and you will automatically be informed if you are affected by the changes which are made. Although it is intended to keep the **Plan** in force indefinitely, the Trustee reserves the right to change or terminate the **Plan**. Neither change nor termination will reduce the value of your entitlement under the **Plan**.

## The Data Protection Act 1998

The Trustee is the data controller for the purposes of the Data Protection Act. Under the Act the Trustee must ensure that all data held about you is obtained and processed lawfully and fairly. The Trustee has a legitimate interest in processing data for the purposes of SIPS.

At any time you are entitled to a report containing a description of all data held on the Trustee's records and the names of any persons or firms who are eligible to see the data. As some of the data may be technical in nature, you will be provided with an explanation in "plain English" about what is held. You will be asked to pay a small charge for the report, but if any data is recorded incorrectly, you are entitled to have it corrected immediately.

## 12. Who can answer my queries?

Not everyone will have the same needs at retirement. The **Plan** recognises that different members will want different benefits out of their **Retirement Account**. Should you require any further information, you should contact, in the first instance, the person responsible for pension matters at your employer.

For further information regarding the **Plan** please contact Capita Hartshead at the following address:

**Capita Hartshead**  
**Private Sector Pensions (SIPS)**  
**257 Ecclesall Road**  
**Sheffield**  
**S11 8NX**

**Telephone: 0141 221 8665**

Alternatively, you can visit the SIPS website: [www.sips-pensions.co.uk](http://www.sips-pensions.co.uk)

### How do I join the Plan?

If you are eligible to join the **Plan**, you should ask the person dealing with pension matters at your employer for an Application Form and an Expression of Wish Form to complete.

**Trustee**

Hadrian Trustees Limited  
Innovation Court  
New Street  
Basingstoke  
Hants  
RG21 7JB

**Address for Correspondence with the Plan Administrator**

Capita Hartshead  
Private Sector Pensions (SIPS)  
257 Ecclesall Road  
Sheffield  
S11 8NX

