Premier Group
Personal Pension Plan

2019/2020

A flexible way for you to save for retirement with help from the Company

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1. Introduction and Joining

This booklet provides important information regarding the Premier Group Personal Pension Plan ('the Plan') offered by Premier Pensions Management Limited/Premier Benefit Solutions Limited ('the Company') and will help you decide on whether or not you would like to join. Please also refer to the Aviva Key Features document and other explanatory information, which is available at https://www.aviva.co.uk/mypension/premier/

If you decide to join the Plan, you should retain these documents for future reference.

1.1 What is the Premier Group Personal Pension Plan?

The Plan is a modern way for you to save for your retirement. It is straightforward, flexible and offers good value for money. You will have your own personal pension policy with Aviva, which is set up in your name.

The pension benefits you receive when you retire will depend upon:

- The amount of money paid into your personal account
- The investment of the money within your personal account
- The terms for buying a pension when you decide to retire
- The annual management charges deducted from your policy

1.2 Who can join?

All employees can join. If you decide to join you will be added for the plan on the first day of the month following receipt of your completed application form.

If you have not already joined the plan by completing an application form, you will be automatically enrolled into the Plan the 1st of the month following two complete months' service, if you meet the criteria set out below:

- You are at least aged 22
- You are under State Pension Age
- You earn more than the automatic enrolment earnings trigger (£10,000 in tax year 2019/20)

If this applies you will receive further communications from the Company and Aviva confirming you have automatically enrolled and giving details of how you can opt out if you wish.

1.3 Why should I join?

Saving for your retirement is important. The Plan offers a number of advantages over other forms of saving including: -

- You will benefit from valuable Company pension contributions
- You will save both Income tax and National Insurance contributions on the money you pay into the Plan, so it costs you less than if you make contributions to another pension plan
- The company has negotiated special terms with Aviva, so you benefit from low management charges

1.4 How do I join?

You can choose to 'opt in' to the Plan immediately upon joining the Company even if you do not meet the criteria set out above. If you want to opt in please write to Human Resources, making sure you sign the letter. If you send an email to Human Resources, please make sure you use this phrase: "I confirm I personally submitted this notice to join a workplace pension scheme".

If you wish to pay higher contributions, please complete the contribution change form and return it to Human Resources at AMP House.

To make joining as simple as possible, the Company will send your personal details direct to the Plan provider, Aviva.

Please note that even if you do not opt in but meet the criteria set by the government, you will automatically be enrolled into the Plan.

1.5 What information will I receive if I join?

If you are automatically enrolled or choose to 'opt-in' to the Plan, Aviva will send you an enrolment notice. If you do not 'opt-out' during the initial 30 day period, when the first contribution has been paid into your plan, Aviva will send membership documents confirming the Plan details to your home address.

Your membership documents will also include details of how to register to get access to your pension details online.

1.6 Can I 'opt-out' of the Plan?

If you are automatically enrolled and you do not wish to remain in the Plan you have the right to opt out. Details of how to do this will be provided by Aviva after you have been enrolled. In the event that you choose to 'opt-out' in the initial 30 day period any personal contributions taken from your pay (if applicable) will be refunded. You can choose to cease your personal contributions after this period but all contributions will remain invested in the Plan until you retire.

If you have been enrolled into the Plan and opt-out, but subsequently wish to re-join you can do so once a year only and at the discretion of the Company.

You should note that if you elect to opt-out the legislation requires the Company to re-enrol staff every 3 years.

2. Contributions

The Company will help you save for retirement by making valuable contributions to the Plan, if you choose to join. Any employee contributions will usually be made via SMART (Salary Sacrifice) and be based on your Reference Salary, defined as your Basic Salary before your SMART contributions.

You decide how much you wish to contribute and this is known as your ‘SMART Pensions Contribution’.

2.1 What is the SMART Pensions Contribution?

SMART Pensions is a way to make your pension contributions which saves you National Insurance. Instead of making normal pension contributions, your gross salary is reduced and the Company makes an equivalent contribution to the Plan on your behalf, which will be shown on your payslip as a ‘SMART Pensions Contribution’.

This will reduce your taxable salary, so you will pay less income tax and National Insurance contributions.

Your original basic annual salary before your SMART Pensions Contribution, will be called your ‘Reference Salary’. For reference purposes, your pension contributions, life cover and overtime, will be based on your Reference Salary.

2.2 How much will the Company contribute?

If you are automatically enrolled you will be required to make a personal contribution of 3% and the Company will make a 6% contribution of your basic annual salary into the Plan on your behalf.

If you elect to make a SMART Pensions Contribution, the Company will contribute in accordance with the table below, with the contributions being calculated against your Reference Salary.

Your SMART Contribution	Company Contribution
3%	6%
4%	8%

Please note that you can choose a SMART Pensions Contribution of more than 4% if you wish, but the maximum Company contribution is 8%.

Example 1 – Basic Rate Taxpayer earning £25,000

If your basic annual salary is £25,000 a year and you choose a SMART Pensions Contribution of 3% (£750) under the Plan, your taxable income becomes £24,250. The net monthly cost to you of this, which will be deducted from your take home pay, would be £42.50 per month calculated as follows:

Annual SMART Pensions Contribution	£750.00
Less income tax saving Less National Insurance saving	(£150.00) (£90.00)
Net Yearly cost	£510.00
Net Monthly cost	£42.50

This compares with a net monthly cost of £50.00, if your contributions were not made on a SMART Pensions basis.

In this example, the Company will make a total contribution including your SMART Pensions Contribution of £187.50 per month.

Example 2 – Higher rate taxpayer earning £50,000

If your basic annual salary is £60,000 a year and you choose a SMART Pensions Contribution of 3% (£1,800) under the Plan your taxable income becomes £48,200. The net monthly cost to you of this, which will be deducted from your take home pay, would be £150.00 per month calculated as follows:

Annual SMART Pensions Contribution	£1,800
Less income tax saving Less National Insurance saving	(£720) (£36)
Net Yearly cost	£1044
Net Monthly cost	£87.02

This compares with a net monthly cost of £120.00 before higher rate tax relief, and £90.00 after higher rate tax relief, if your contributions were not made on a SMART Pensions basis.

In this example, the Company will make a total contribution including your SMART Pensions Contribution of £450.00 per month.

Please note these examples are for illustration purposes and assumes entitlement to the full personal allowance and no other additional elements of pay or deductions. Personal allowances, income tax and National Insurance rates are based on the 2019/20 tax year.

2.3 Are there any limits on contributions?

There are no limits to the amount of contributions that you can make to your pension account, but HM Revenue and Customs ('HMRC') have set limits on the amount that will receive tax relief. There are annual limits (the Annual Allowance) and lifetime limits (the Lifetime Allowance).

The Annual Allowance is £40,000 and the Lifetime Allowance is £1,055,000 for the tax year beginning 6 April 2019.

Subject to meeting certain criteria, individuals with "**adjusted income**" over £150,000 will have their Annual Allowance reduced from 6th April 2016. "Adjusted income" is broadly defined as taxable income plus all personal and employer pension contributions. If you feel that you may be impacted by this and would like advice, please do not hesitate to contact Human Resources.

2.4 How will SMART Pensions affect future pay reviews and any other elements of pay?

Future pay rises and Company benefits/incentives will be based on your Reference Salary (your Basic Salary before your SMART contribution).

2.5 Am I able to change the level of my SMART Pensions Contribution?

Yes, you will be able to alter the level of your SMART contribution at any time. Please request a form from HR.

2.6 What salary will be used if I need a mortgage or loan reference?

The Company will quote your Reference Salary (your Basic Salary before your SMART contribution).

2.7 Will SMART Pensions affect the amount of income tax that I pay?

SMART Pensions will enable you to effectively receive full tax relief on pension contributions at the time your salary is paid. If you pay tax above the basic rate of 20%, you will not need to claim higher rate tax relief from HMRC through Self-Assessment, as would be the case with normal contributions to a Group Personal Pension. The amount of tax relief is the same, but SMART Pensions saves you the trouble of having to make a claim for the higher rate relief.

However, if you earn less than the Personal Allowance (the level at which you start to pay income tax) of £12,500 per annum for 2019/20, SMART Pensions may not be appropriate for you, because you will not get tax relief on your contributions. If this applies the Company will allow you the option to pay normal contributions instead, which will automatically attract tax relief at 20%.

2.8 Will my State benefits be affected?

When you participate in SMART Pensions, you save on National Insurance contributions. For most employees paying less National Insurance contributions will not materially affect your State benefit entitlements.

However, if after deducting your SMART Pensions Contribution, your earnings fall below the Lower Earnings Limit (£6,136 for 2019/20) your state benefit entitlements may be affected by participating in SMART Pensions, and therefore the Company will allow you the option to pay normal contributions instead. If this applies to you please contact Marilynn King in Payroll.

It is not possible to sacrifice pay from statutory maternity pay ('SMP'), statutory paternity pay ('SPP') or statutory adoption pay ('SAP'). Therefore, although you may continue to participate in SMART Pensions during periods of maternity, paternity and adoption leave, the amount sacrificed cannot bring your annual salary below the level of SMP/SAP/SPP. This also applies to employees in receipt of enhanced SMP/SPP/SAP (please refer to Section 6 of this booklet for further details of the maternity provisions).

2.9 How does SMART Pensions affect tax credits?

SMART Pensions will reduce your salary, which may have a beneficial effect on working tax credits, child benefit and child tax credits, as these are typically calculated on your earnings. If you are in receipt of these benefits, you are advised to speak to the tax credits helpline on 0845-300-3900, or refer to the following website for further guidance:

http://www.taxcredits.inlandrevenue.gov.uk/qualify/WhatAreTaxCredits.aspx

2.10 What if participating in SMART Pensions takes me below the National Minimum Wage?

Participating in SMART Pensions must not reduce your salary below the National Minimum Wage. If it does, you will not be able to participate in SMART Pensions and the Company will confirm this to you. You will be given the options to pay normal contributions if this applies.

2.11 Can I opt out of SMART Pensions and pay normal contributions?

Yes, but you will not benefit from the National Insurance savings and your pension contributions will cost you more. If you do opt out of SMART Pensions please let HR know.

3. Investment and Charges

3.1 Where will the contributions be invested?

The contributions are paid into investment funds selected by you. Aviva offer you a wide range of individual funds and each member has the option of selecting which funds they wish to invest their contributions in. Full details are available at https://www.aviva.co.uk/mypension/premier/

Initially, your contributions will be invested in the default approach which is the Aviva Future Focus 3 Drawdown Lifestage Approach which has been selected by the Company. Further details can be found in the Aviva Lifestage Investment Approaches Guide.

This default investment option initially invests your money in Aviva's Diversified Asset Fund III and then from 10 years from your selected retirement age gradually moves your money into Aviva's Diversified Asset Fund I. 3 years prior to your selected retirement date, a proportion of your money is then moved into Aviva's Deposit Fund. This is explained further in the Aviva Lifestage Investment Approaches Guide.

There are 4 further Lifestage Investment Approaches available designed to cater for the different ways you can take your benefits when you retire, as set out in section 4 of this booklet, and for different levels of investment risk. Please refer to the Aviva Lifestage Investment Approaches Guide for further information which can be found at https://www.aviva.co.uk/mypension/premier/

You should consider carefully whether the Aviva Future Focus 3 Drawdown Lifestage Approach is appropriate for you. If you choose to remain in this option or one of the other Lifestage Investment Approaches, it is important that you notify Aviva if you decide to change your selected retirement age. You should also reconsider your decision as you approach retirement.

3.2 What other options do I have?

Once Aviva has issued your policy, you can select alternative funds at https://www.aviva.co.uk/mypension/premier/ or by requesting a form from Aviva by calling their helpline on 0800 145 5744 between 9am and 5pm, Monday to Friday. To select an alternative Lifestage Approach after you have joined, you will need to call Aviva on their helpline.

It is important that you pay close attention to the performance of your funds and investment options and you review your decisions regularly.

3.3 What are the charges?

The Company has negotiated favourable terms with Aviva for your benefit. The charge applied to the default approach will be 0.2%. This amounts to 20 pence per year for each £100 in your personal account.

If you select alternative investment funds, some have higher charges.

4. Benefits

4.1 When can I take my benefits?

The Plan's default selected retirement age is 65. However, you may choose to start receiving your pension benefits at any time from age 55.

You can choose an alternative selected retirement age by contacting Aviva.

4.2 What are the benefits?

The level of your benefits at retirement will depend on the value of your fund in the Plan, your age and the type of retirement benefits you choose when you retire.

The following summarises the main options available from April 2015:

- A tax free cash sum and a guaranteed income for life (an Annuity) - up to 25% of your pension savings can be taken as a tax free cash sum and you'll also receive an income for life (your annuity). This income will be taxed.

- Take it all as cash - In addition to the 25% tax free cash sum, you can take your remaining pension savings as cash, but this amount will be taxed as income, so you may have to pay tax on it.

- Flexible access - You can take part of your pension savings whenever you like and leave the rest invested. Again, you may have to pay tax on the amount you choose to take.

- **A combination of the above**

Please note that if you do flexibly access your Plan and still wish to make further contributions that these may be restricted to a maximum of £4,000 per annum.

Before your selected retirement age you will receive full details of your options. The choices can be complex, so it might be sensible to seek independent financial advice on the best option based on your circumstances.

4.3 What State benefits are payable?

In addition to benefits from the Plan, you will remain entitled to the State Pension. The full new State Pension is £168.60 a week for a single person. You will usually need to have 10 qualifying years on your National Insurance record to get any new State Pension. You will need 35 qualifying years to get the full new State Pension if you do not have a National Insurance record before 6 April 2016. You may get more than the new State Pension if you build up enough NI contributions towards the Additional State Pension. You can obtain a State Pension forecast from:

https://www.tax.service.gov.uk/checkmystatepension

4.4 What benefits are payable on death before retirement?

If you were to die before receiving any pension benefits, the full value of the fund in your personal account would be paid to your dependants or your estate. This is in addition to the life assurance benefit provided by the Company.

You are strongly encouraged to complete and return the Expression of Wish form which will be sent to you by Aviva to give them an indication of to whom you would like benefits to be paid in the event of your death.

4.5 What benefits are payable on death after retirement?

If you die after starting to receive pension benefits, any further benefit/pension payments will depend on the choices you made at retirement. For instance, the pension could continue until the end of any guaranteed period, if one was chosen when the pension was set up and/or a pension could be paid to your spouse or dependants, if this option was selected.

4.6 What happens on leaving service?

There are a number of options. These include continuing to make a personal contribution to the Plan, or stopping contributions and leaving your personal account invested until retirement. Alternatively, you may transfer your personal account to another approved pension. Full details of the available options will be provided by Aviva at the time.

5. Further information

Please refer to the Aviva Key Features document and explanatory information included in your information pack for further details of the Plan. This information is stored here:

https://www.aviva.co.uk/mypension/premier/

5.1 Who should I contact if I need help?

If you have any queries, or if you are in any doubt about the suitability of the Plan, please speak to a Consultant in the Premier Wealth Planning team, who will be happy to provide assistance. Premier Wealth Planning is authorised and regulated by the Financial Conduct Authority (the 'FCA').

Premier Benefit Solutions Limited
8th Floor, AMP House
Dingwall Road
Croydon
CR0 2LX

Telephone: 0800 122 3210
Email: HR@premiercompanies.co.uk

You will not receive advice or a recommendation from Premier Wealth Planning unless you specifically request it and they will advise you of their consultancy fees. Alternatively, you can contact another organisation at your own expense.

5.2 Who should I contact if I have a query about my plan?

For general enquires about your plan, you can contact Aviva directly. Their contact details are as follows:

Aviva Life and Pensions Limited
PO Box 520
Surrey Street
Norwich
NR1 3WG

Telephone: 0800 145 5744
Email: helpdesk@aviva.co.uk

5.3 Who should I contact if I wish to change my payments?

For payroll or benefits related queries please contact Sue Holmes in HR.

5.4 Can I manage my plan online?

Yes, Aviva offer a comprehensive range of online tools to help you manage your plan, including:

- My Account – where you can view and manage your pension (and any other Aviva plans you may have).

- Payments Section – where you can see what payments have been received.

- Investment Section – where you can understand what types of investments you have and how they've performed, use tools to help you understand your investment style and choose investment funds.

- Retirement Planner – where you can understand what your Plan could be worth - and use the "What if" calculator to see how any adjustments might affect your benefits.

There are also a number of helpful videos available and an interactive website guide. There's also a great App available to download onto your smartphone, mobile or tablet.

Details of how to access these services will be provided with your Plan documents.

5.5 Can I transfer other benefits into the Plan?

Yes, although we recommend you take independent financial advice before any transfer is made. Please contact a member of the Premier Wealth Planning team if you wish to consider transferring other benefits into your plan.

5.6 What happens if I am on maternity, paternity or adoption leave?

The Company will continue to make your SMART Contributions for you, without deducting them from your SMP, at the rate as it was making prior to you going on maternity, paternity or adoption leave, during paid leave. However, for the first six weeks of maternity leave (when you receive 90% of earnings), the amount of SMP paid could be reduced. If you are concerned about the reduction in your SMP entitlement, you may, opt out of SMART. Provided that you opt out before the eight-week period used to calculate SMP (so by the 17th week of pregnancy at the latest), your SMP will not be affected. You should however consider carefully whether opting out of SMART is in your best interest.

5.7 What happens if I am on sick leave

Whilst you are receiving company sick pay you will remain in SMART pensions and pension payments will continue to be paid into the Plan as normal. Once the entitlement to company sick pay has expired you will be removed from SMART Pensions and pension contributions will be calculated and paid based on the actual salary being received. This will be calculated using the previously agreed pension contribution rate. On return to work you will be reinstated into SMART Pensions.

5.8 What happens if I leave the UK?

If you leave the UK your benefits will remain invested in your plan, unless you choose to transfer them to another pension arrangement. In limited circumstances, you may also be able to continue to make tax relievable contributions whilst overseas, but you should seek professional advice, if you wish to continue contributions.

When you decide to take your benefits, they will be payable from the UK to you in your country of residence. If a double taxation agreement exists between the UK and your country of residence, the benefits may be paid gross from the UK, but will be subject to tax in your country of residence. Please refer to the HMRC website for details of the double taxation agreements that exist.

5.9 Are there any risks?

The figures within any illustrations provided by Aviva are only examples and are not guaranteed.

- What you will get back depends on how your investments grow and on the tax treatment of the investment.
- Your retirement fund could be more or less than that illustrated.
- Your pension income will also depend on interest and annuity rates at the time you retire.
- This investment is intended as a long-term investment and under current HMRC practice it is not normally possible to access the fund(s) prior to the age of 55.

The value of your fund can go down as well as up and the value will depend on how much you save, the charges you pay and the rate at which your investment grows.

All statements concerning the tax treatment of products and their benefits are based on our understanding of current tax law and HMRC's practice. Levels and bases of tax relief are subject to change.

5.10 Continuation of the Plan

The Company intends to continue to offer the Plan to employees, but reserves the right to amend the terms of or terminate the Plan in the future.

The SMART Pensions arrangements described in this booklet are based on current taxation and National Insurance law and practice. If these change, or if there is no longer a benefit in participating in this arrangement, the Company reserves the right to amend the terms of or terminate these arrangements in the future.

5.11 Financial Services Compensation Scheme ('FSCS')

The FSCS was set up under the Financial Services and Markets Act 2000 and exists to protect customers of FCA authorised firms and covers deposits, insurance and investments. The FSCS can pay compensation to customers who have lost money as a result of their dealings with FCA-authorised firms that are unable to pay claims against them, usually because they are insolvent or have stopped trading. Details of the FSCS arrangements are outlined in the Aviva Key Features document.

5.12 Pensions Credit

The Pension Credit is a means-tested benefit, whereby amounts of ‘capital’ are converted into ‘income’. Savings below £10,000 are disregarded. Every £500 or part thereof above £10,000 is counted as £1 of ‘income’. All personal and occupational pension benefits, as well as lump sum investments would be included, and it is virtually impossible to be sure of the fund values and resulting pension levels in advance.

We have no way of knowing what your income/savings will be at the point of retirement, or indeed the qualifying criteria at the time (since governments over the years have changed, and will no doubt continue to change, benefit levels and structures) and therefore cannot ascertain whether the Pension Credit will work for or against you.

Further information can be found at: www.gov.uk/pension-credit

5.13 Compliance Matters

A Group Personal Pension Plan has been selected by the Company in preference to a Stakeholder Pension Plan, in order to offer members a wider range of investment options, which would not be permitted under the charging cap imposed on Stakeholder Pensions. Premier will usually only make contributions to the Plan with Aviva and not to any other Pension Plan.

This booklet reflects present legislation and income tax rates that may be subject to change. It was issued and approved by Premier Benefit Solutions Limited whose registered office is AMP House, Dingwall Road, Croydon, Surrey, CR0 2LX. Premier Benefit Solutions is a company authorised and regulated by the Financial Conduct Authority.

Premier Benefits offers investment products from the whole market as well as offering insurance products from a range of insurers for life assurance and income protection insurance and can provide advice to individuals. As Premier Benefits’ advice is to the Company, unless you request Premier Benefits to provide you with independent advice with regard to the Plan, you will not receive any advice or a recommendation from Premier Benefits. Should you wish to receive advice from Premier Benefits on products other than the Plan, you would need to agree with Premier Benefits the basis of its remuneration. Premier Benefits will tell you how it gets paid, and the amount before it carries out any business for you.

Premier Benefit Solutions Limited’s registration number, as detailed on the Financial Conduct Authority’s Register is 460880. You can check this by visiting www.fca.gov.uk/register or by contacting the Financial Conduct Authority on 0800 111 6768.

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