

BRIDON

BRIDON GROUP (2013) PENSION SCHEME

Applicable only to members who were active members of the FKI Group Pension Scheme
on the date it closed to future accrual (28 February 2011)

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1. GENERAL INFORMATION

1.1 Introduction

This booklet gives you the basic facts about the SCHEME. It is a guide to your benefits but it does not override the legal documents which govern the SCHEME. The booklet does not provide complete information about the SCHEME. In the event of any conflict between this booklet and the governing documents, the latter shall prevail.

The assets of the SCHEME are held in trust by the TRUSTEE and are invested with the benefit of professional advice. The TRUSTEE is also responsible for administering the SCHEME and for paying the pensions and other benefits to members and their dependants.

The SCHEME is closed to new members and future pension accrual. This means that you cannot build up any additional benefits in the SCHEME.

You will previously have been a member of the Bridon Section or the FKI Standard Staff Section of the FKI Group Pension Scheme. There has been no change to the pension benefits you had accrued in the FKI Group Pension Scheme on their transfer to the SCHEME. The only change is where you receive your benefits from, which will be the SCHEME rather than the FKI Group Pension Scheme. The level of benefits you are entitled to remains the same as your previous entitlement under the Bridon Section or the FKI Standard Staff Section of the FKI Group Pension Scheme.

Please note this booklet provides details of the benefits payable to those members who were active members of the FKI Group Pension Scheme as at the date it closed to future accrual (28 February 2011) but does not apply to Original Staff Scheme Members, 1958 Staff Fund Transferring Members, 1975 Works Fund Transferring Members, 1958 Staff Fund Members and 1975 Works Fund Members. If you left the FKI Group Pension Scheme prior to 28 February 2011 or you are a member of the other categories listed, different provisions may apply in respect of you. If you have any queries please contact the Bridon Pensions Team, Aon Hewitt, PO Box 196, Huddersfield HD8 1EG.

Please also note some of the benefits detailed in the main section of this booklet only apply to members who were in the Bridon Section of the FKI Group Pension Scheme. Where there are any differences in the benefits that apply to members who were in the FKI Standard Staff Section of the FKI Group Pension Scheme these are set out in the Appendix towards the back of this booklet.

1.2 Definitions

Certain words have special meanings when used in this booklet. These definitions are set out in Section 7 or elsewhere in the booklet. To help you know when a word has a special meaning it is shown in CAPITAL LETTERS.

1.3 State Second Pension Scheme

If you were a member of the FKI Group Pension Scheme before 1 March 2011 you would have paid lower National Insurance contributions as a result of being contracted out of the STATE SECOND PENSION SCHEME.

Because you were contracted out, no benefits are paid from the STATE SECOND PENSION SCHEME in respect of this period of membership. The benefits from the SCHEME replace the benefits from the STATE SECOND PENSION SCHEME.

The State will still provide your basic State pension.

1.4 State Earnings Related Pension Scheme (SERPS)

If you were a member of the FKI Group Pension Scheme before 6 April 1997, the SCHEME must guarantee to pay you and your spouse at least a certain level of pension (known as the Guaranteed Minimum Pension or GMP). The GMP is broadly equivalent to the pension you and your spouse would have obtained from SERPS for service before 6 April 1997 if the FKI Group Pension Scheme had not been contracted out.

SERPS was replaced by the STATE SECOND PENSION SCHEME on 6 April 2002.

2. YOUR DEFERRED PENSION BENEFITS AT RETIREMENT

2.1 Normal Retirement Pension

On leaving active membership of the FKI Group Pension Scheme you will have been informed of the amount of your deferred pension. Your deferred pension will increase between the date your active membership of the FKI Group Pension Scheme ended and your NORMAL RETIREMENT DATE. Different parts of your pension will be revalued at different rates as follows:

- (a) Guaranteed Minimum Pension (GMP) – currently increases in line with the amount specified by the Department for Work & Pensions based on your date of leaving active membership. An increase is given for each complete tax year between leaving and State Pension age. For members whose active membership of the FKI Group Pension Scheme ended between 6 April 2007 and 5 April 2012 the increase is 4.0% a year.
- (b) The pension in excess of GMP earned up to and including 5 April 2009 - increases by the percentage increase in the Consumer Prices Index but not by more than 5% for each complete year between your date of leaving active membership and NORMAL RETIREMENT DATE.
- (c) The pension in excess of GMP earned on and after 6 April 2009 - increases by the percentage increase in the Consumer Prices Index but not by more than 2.5% for each complete year between your date of leaving active membership and NORMAL RETIREMENT DATE.

At your NORMAL RETIREMENT DATE you are entitled to an annual pension payable for life equal to your revalued deferred pension.

If you were a member of the FKI Standard Staff Section of the FKI Group Pension Scheme you should refer to the Appendix towards the end of this booklet for details of how your normal retirement pension is calculated.

2.2 Early Retirement Pension

If you are a CLOSURE DEFERRED MEMBER and wish to retire early immediately on ceasing employment with an EMPLOYER at any age between 55 and your NORMAL RETIREMENT DATE you may do so if the COMPANY agrees to your request. If you retire after age 60, certain enhancements may be applied when calculating your pension. Please contact the Bridon Pensions Team, Aon Hewitt, PO Box 196, Huddersfield HD8 1EG for further details.

If you are a woman and have benefits in the SCHEME that you built up prior to 17 May 1990 you can take these pre-17 May 1990 benefits from age 60 without needing the agreement of the COMPANY. Please note you will need the agreement of the COMPANY to take your post-17 May 1990 benefits earlier than your NORMAL RETIREMENT DATE.

If you cease to be employed by an EMPLOYER, and at a later date decide you wish to retire early and take your pension, you may do so with the agreement of the COMPANY at any time after age 55 and before your NORMAL RETIREMENT DATE.

Your pension will be equal to your deferred pension revalued to your early retirement date, but may be reduced by an Early Retirement Factor to take account of the fact that it is being paid early. The factors vary according to pensionable service before and after 1 March 2004.

In certain circumstances, it may not be possible to receive an early retirement pension. The SCHEME is required to retain sufficient pension at State pension age to meet the Guaranteed Minimum Pension due to you (see paragraph 1.4). You will be notified in writing if this affects you.

If you were a member of the FKI Standard Staff Section of the FKI Group Pension Scheme you should refer to the Appendix towards the end of this booklet for details about taking your pension early.

2.3 Late Retirement Pension

With the agreement of the TRUSTEE you may retire later than your NORMAL RETIREMENT DATE. Your pension will be calculated based on your revalued deferred benefits payable on your NORMAL RETIREMENT DATE, and increased by a percentage decided by the TRUSTEE after taking advice from the SCHEME Actuary to reflect the late payment.

You will be notified of the latest date on which you can defer taking your pension.

2.4 Ill Health Pension

If you cease to be employed by an EMPLOYER and, based on medical evidence, the TRUSTEE considers you incapable of employment, you may be able to retire before reaching NORMAL RETIREMENT DATE.

If you:

- are a CLOSURE DEFERRED MEMBER and
- have completed five years' Pensionable Service and
- leave employment with an EMPLOYER because you are incapable of discharging your duties in your present employment to the satisfaction of the Trustee based on medical evidence, and
- the TRUSTEE consents

you may be able to retire before reaching NORMAL RETIREMENT DATE.

The actual pension you would receive will depend on whether you are a CLOSURE DEFERRED MEMBER or have left employment at the time of your ill health retirement application.

In most circumstances until you reach your NORMAL RETIREMENT DATE the TRUSTEE has the power to reduce, suspend or terminate your ill health pension if, in its opinion, this is justified by a subsequent change in your medical circumstances or you return to work.

2.5 Cash Option on Retirement

On retirement you can normally take up to 25% as a tax-free cash sum, although in certain circumstances this amount may be higher.

However, the cash sum may have to be limited in order to leave enough pension to provide the Guaranteed Minimum Pension in respect of any service prior to 6 April 1997. You will be notified in writing if this is applicable to you.

The rate at which pension is converted into a cash sum depends on your age at retirement. Commutation factors (calculated by the SCHEME Actuary and agreed by the TRUSTEE) are used to determine the amount of pension which needs to be given up in order to provide the cash sum.

These factors are regularly reviewed by the TRUSTEE and the maximum cash sum which you are permitted to take will depend on the factors in force at your date of retirement.

Shortly before your NORMAL RETIREMENT DATE you will be notified of the maximum cash sum you may receive and the remaining pension.

If the value of your pension is sufficiently small, it may be possible for you to receive a cash sum rather than a pension from the SCHEME. You will be notified if this option is available to you shortly before your NORMAL RETIREMENT DATE. If you accept a cash sum in these circumstances, you will have no further entitlement to final salary from the SCHEME.

If you were a member of the FKI Standard Staff Section of the FKI Group Pension Scheme you should refer to the Appendix towards the end of this booklet for details of the cash option on retirement.

3. BENEFITS IF YOU DIE

3.1 Introduction

Under the SCHEME Rules, a cash sum is payable in the event that you die while you are a deferred member or in your first five years of retirement. A pension may also be payable to your spouse and/or dependants. Further details can be obtained from the Bridon Pensions Team, Aon Hewitt, PO Box 196, Huddersfield HD8 1EG.

The TRUSTEE has the final decision over who receives the cash sum payable on your death. This way, it should not become part of your estate and your beneficiary (or beneficiaries) should not have to pay inheritance tax on it.

To help the TRUSTEE decide to whom any cash sum should be paid, it is important for you to complete an Expression of Wish form. This form enables you to tell the TRUSTEE who you would like to receive the payment. For the reasons above, the TRUSTEE is not bound by law to follow your wishes, but it will usually act on them unless it considers there is good reason to do otherwise. The form also helps the TRUSTEE to make a relatively quick decision at what would be a time of great distress for your family. It is recommended that you keep your Expression of Wish form up to date - for example, if your personal circumstances change – if you marry, divorce, register or dissolve a civil partnership, or become a parent – it may affect who you want to name on your form.

An Expression of Wish form is included at the back of this booklet should you wish to update your details.

If you require further copies of the Expression of Wish form these can be obtained from the Bridon Pensions Team, Aon Hewitt, PO Box 196, Huddersfield HD8 1EG. The information provided will be kept in confidence by the TRUSTEE.

3.2 Death of a Deferred Member

If you die before your deferred pension becomes payable a cash sum is paid, equal to 10 times the deferred pension calculated as at the date of your leaving, plus any Additional Voluntary Contributions you have paid. A higher cash sum may apply if you are also an active member of a pension plan sponsored by the COMPANY at your date of death.

In addition, a spouse's pension is payable for life from the date of your death (which will be calculated differently depending on whether you are a CLOSURE DEFERRED MEMBER or have left employment at the date of your death).

If you do not leave a spouse, a pension of the same amount may at the TRUSTEE's discretion be paid to your dependants.

If you were a member of the FKI Standard Staff Section of the FKI Group Pension Scheme you should refer to the Appendix towards the end of this booklet for details of the benefits payable on your death.

A substantial age difference between husband and wife will influence the amount of the surviving spouse's pension. If you are more than 10 years older than your spouse the amount of the pension is reduced by 2½% for each complete year in excess of 10 years.

If you marry and then die within 6 months of your marriage, the spouse's pension in excess of the GMP is only paid at the TRUSTEE's discretion.

The benefits payable on your death detailed here may differ if you have asked to defer taking your pension until after your NORMAL RETIREMENT DATE.

Further details of the benefits payable can be obtained from the Bridon Pensions Team, Aon Hewitt, PO Box 196, Huddersfield HD8 1EG.

3.3 Death of a Pensioner Member after Retirement

Spouse's Pension

If you die after your pension starts, a spouse's pension is payable for life from the date of your death. The amount of the pension is one half of your own pension at the date of your retirement (before giving up part of your pension for a cash sum) but increased from that date on the same basis as your own pension.

If you do not leave a spouse, a pension of the same amount may at the TRUSTEE's discretion be paid to your dependants.

If you are more than 10 years older than your spouse the amount of the pension is reduced by up to 2½% for each complete year in excess of 10 years.

If you marry and then die within 6 months of your marriage, the spouse's pension in excess of the GMP is only paid at the TRUSTEE's discretion.

If you were previously a member of the Bridon Staff Pension Fund, the spouse's pension may be less than one-half of your own pension.

Five Year Guarantee

If you die before your pension has been paid for five years, a cash sum is paid equal to the further payments you would have received if you had lived for that period and the pension had continued unchanged in amount. (This may or may not include any pension payments derived from your Additional Voluntary Contributions). Confirmation can be obtained from the Bridon Pensions Team, Aon Hewitt, PO Box 196, Huddersfield HD8 1EG.

4. INCREASES TO YOUR PENSION

Your pension is increased each year after retirement. Your spouse's or dependant's pension is also increased each year.

Different parts of your pension will be increased at different rates as follows:

- (a) Guaranteed Minimum Pension (GMP) earned before 6 April 1988 - no increase provided by the SCHEME after State pension age - instead the whole of this part of the GMP is inflation-proofed by the STATE SECOND PENSION SCHEME.
- (b) GMP earned after 5 April 1988 - increases by 3% a year. Any inflation above 3% a year is provided by the STATE SECOND PENSION SCHEME.
- (c) Pension in excess of GMP earned prior to 6 April 1997 - increases by 3% a year.
- (d) Pension earned after 5 April 1997 and up to and including 31 December 2009 - increases by the percentage increase in the Retail Prices Index but not by more than 5% or less than 3% a year.
- (e) Pension earned after 1 January 2010 - increases by the percentage increase in the Retail Prices Index but not by more than 2.5% a year.

If you have been retired for less than 12 months at the time of your first pension increase, the actual increase is less than that described above to reflect the proportion of a year since your retirement.

If you were a member of the FKI Standard Staff Section of the FKI Group Pension Scheme you should refer to the Appendix towards the end of this booklet for details of the increases payable.

5. TRANSFER OF A DEFERRED PENSION

You can transfer your benefits out of the SCHEME to another registered pension scheme (a registered pension scheme is one with similar tax arrangements to the SCHEME) provided you are at least 1 year away from reaching your NORMAL RETIREMENT DATE. If you are less than 1 year away from reaching your NORMAL RETIREMENT DATE, the agreement of the TRUSTEE will be needed to the transfer.

If your transfer value is greater than £30,000, legislation requires you to obtain independent financial advice before you go ahead with the transfer. The TRUSTEE will need to check that you have obtained the advice and will not pay the transfer until the necessary checks have been made.

If you decide to transfer no benefits will be left under the SCHEME.

The value of your transfer entitlement is calculated on a basis approved by the SCHEME actuary and as required by legislation. It is equal to the value of your deferred benefits, including the value of any increases in benefits arising under the SCHEME rules. It does not include any allowance for the possibility of future discretionary increases which might otherwise be granted on your deferred pension, or any additional benefits which might be granted at the discretion of the COMPANY or TRUSTEE.

Because the value is linked to market conditions, the amount of the transfer value can vary from time to time. However, the transfer value is guaranteed for a period of three months from the effective date on which it is calculated. If more than three months have passed, a new transfer value quotation would need to be provided and this may be higher or lower than the first quotation.

Where a scheme is not sufficiently well-funded to pay full transfer values to all members, legislation permits a scheme to pay a lower transfer value than described above. If you request a transfer value and the SCHEME is applying a reduction, you will be notified of the reduction when the transfer value is provided.

You can ask the Bridon Pensions Team to provide you with your transfer value although the TRUSTEE may charge you if you request more than one transfer value in any 12 month period. Contact details are shown on page 2.

6. OTHER POINTS

6.1 Payment of Pensions

Your pension is paid in advance at monthly intervals or at such other intervals as you are advised at the time of your retirement. Payments are paid direct into a bank account or to a building society.

The pension is subject to any income tax you are liable to pay, which is deducted on the PAYE system before you receive your pension instalment.

6.2 HM Revenue & Customs Limits on Benefits

The Finance Act 2004 limits the types of payments that can be made from a pension scheme which receives favourable tax treatment. These payments are known as 'authorised payments'. Any payment which is not an authorised payment is subject to additional tax charges payable by both the person receiving them and the SCHEME. Under the Trust Deed and Rules of the SCHEME, the TRUSTEE is only permitted to make payments which are 'authorised payments' under the Finance Act 2004. Accordingly, any benefit or payment described in this booklet can only be made if it will be an 'authorised payment' for the purposes of the Finance Act 2004.

6.3 Termination or Amendment

While it is the intention at present to continue the SCHEME for the time being, the COMPANY reserves the right to alter (with the consent of the TRUSTEE) or discontinue the SCHEME at any time. Unless permitted by law any alterations would not affect your benefits.

6.4 Assignment

Except as allowed under the Rules of the SCHEME, you cannot assign your benefits under the SCHEME. Nor can you use them to obtain a mortgage or for any similar purpose.

6.5 Other Information

- (a) **LEGISLATION.** The TRUSTEE is required by legislation to provide you with certain information about the SCHEME. This information, where not provided elsewhere in this booklet, is shown below or is included in separate written communication.
- (b) **ESTABLISHMENT OF THE SCHEME.** The SCHEME was established with effect on and from 4 April 2013 to provide retirement and death benefits for and in respect of specified individuals. The operation of the SCHEME is currently governed by a definitive trust deed and rules dated 4 April 2013 as amended by a deed of amendment dated 27 June 2013.

The SCHEME has received a transfer amount in respect of members' benefits accrued in the Bridon Section and the FKI Standard Staff Section of the FKI Group Pension Scheme.

- (c) **FUNDING OF THE SCHEME.** The TRUSTEE seeks the advice of the SCHEME actuary at all times with regard to the amount and adequacy of the contributions to the SCHEME.
- (d) **ANNUAL REPORT AND ACCOUNTS.** The TRUSTEE produces an Annual Report and Accounts. A copy of the report is available on request from the Bridon Pensions Team, Aon Hewitt, PO Box 196, Huddersfield HD8 1EG.
- (e) **LIFETIME ALLOWANCE.** This is the maximum amount of pension saving you can build up over your life that benefits from tax relief. If you build up pension savings worth more than the lifetime allowance you will pay a tax charge on the excess unless you have protection in place. You can obtain further information regarding the limits and protections available on the HMRC website www.hmrc.gov.uk/pensionschemes/lifetime-allowance.htm.
- (f) **FURTHER INFORMATION.** Further information may be obtained and copies of the documents constituting the SCHEME may be inspected on request to the Bridon Pensions Team, Aon Hewitt, PO Box 196, Huddersfield HD8 1EG. Many of the SCHEME documents are available via the SCHEME website www.bridonpensions.co.uk. Alternatively a copy of the documents can be made available for your personal use although a charge is made to cover the cost of this service.
- (g) **REGISTERED SCHEME.** The SCHEME has been registered with HMRC which enables it to qualify for relief and exemption from various taxes. The details set out in this booklet are based on current understanding of tax law and practice which is subject to change.
- (h) **TRANSFERS IN.** The TRUSTEE does not accept transfers into the SCHEME.
- (i) **REGISTRAR OF OCCUPATIONAL AND PERSONAL PENSION SCHEMES.** Information about the SCHEME and its address has been provided to the Pensions Regulator and the Scheme is included in the Registrar of Occupational and Personal Pension Schemes, which is also used by the Pensions Tracing Service.
- (j) **INTERNAL DISPUTES RESOLUTION PROCEDURE.** The SCHEME has set up an Internal Disputes Resolution Procedure. If you wish to receive details of the procedure, please write to the Pensions Manager at Bridon Pensions, Aon Hewitt, PO Box 196, Huddersfield HD8 1EG.

- (k) **THE PENSIONS ADVISORY SERVICE (TPAS).** TPAS is available at any time to help with questions about pensions. If you or your dependants have any queries or are experiencing problems concerning SCHEME benefit rights and are not satisfied by the information or explanation given by the TRUSTEE, you can consult TPAS. You should however normally use the SCHEME'S Internal Disputes Resolution Procedure described above before contacting TPAS (although you are not obliged to do so). There is no charge for TPAS's services. You can write to TPAS at 11 Belgrave Road, London SW1V 1RB, or telephone 0845 601 2923. Further details are given on the TPAS website www.pensionsadvisoryservice.org.uk
- (l) **PENSIONS OMBUDSMAN.** The Pensions Ombudsman investigates complaints about how pension schemes are run. The Ombudsman is independent and the service is free and open to people who have a complaint against those responsible for the running or administration of pension schemes. The Pensions Ombudsman has power to investigate and decide on complaints or disputes of fact or law in relation to pension schemes and has the power to enforce its findings. The address of the Pensions Ombudsman is 11 Belgrave Road, London SW1V 1RB, telephone 020 7630 2200. Additional information can be found on the Pensions Ombudsman website www.pensions-ombudsman.org.uk
- (m) **THE PENSIONS REGULATOR.** The Pensions Regulator is able to intervene in the running of schemes where trustees, employers or professional advisers have failed in their duties. The address of the Pensions Regulator is Napier House, Trafalgar Place, Brighton, East Sussex BN1 4DW, telephone 0845 600 0707. Further information can be found on the Regulator's website www.thepensionsregulator.gov.uk
- (n) **DATA PROTECTION ACT 1998.**
- (i) Information about you and any dependants that may benefit from your membership of the SCHEME is held on computer and within personal files. The TRUSTEE needs to hold this information to administer the SCHEME and calculate and pay benefits. For many members, the TRUSTEE also holds (confidentially) details set out on members' Expression of Wish forms to consider in the event of their death and may also gather 'sensitive personal data' such as information about your health or family circumstances. It may also be necessary for the TRUSTEE to pass this information to the COMPANY, the SCHEME's actuary, auditors, legal advisers and other third parties for any purposes connected with the administration of the SCHEME.
- (ii) By continuing to be a member of the SCHEME, you are deemed to consent to the TRUSTEE holding your data, including your 'sensitive personal data', and using it in accordance with the administration of the SCHEME. This information may be transferred to third parties who advise or assist the TRUSTEE, the COMPANY and any business associated with it, Government bodies and persons associated with you. Where you disclose (or have disclosed) to the TRUSTEE personal data relating to other living individuals, you are also deemed, as agent on behalf of those individuals to have:
- (A) given consent on their behalf; and
- (B) informed them of the identity of the TRUSTEE as the data controller in relation to the SCHEME and the purposes (as set out above) for which their personal data will be processed.

- (iii) It is the policy of the TRUSTEE to take all necessary steps to ensure that personal data held by or for the TRUSTEE about SCHEME members, beneficiaries and other individuals is processed fairly and lawfully. The TRUSTEE will take all necessary steps to implement this policy.
- (iv) It is the policy of the TRUSTEE to ensure that all relevant statutory requirements are complied with and that the SCHEME'S internal procedures are monitored periodically to ensure compliance.
- (v) The TRUSTEE has implemented and complies with the eight Data Protection Principles contained in the Data Protection Act 1998 which promote good conduct in relation to the processing of personal information.
- (vi) The TRUSTEE is registered with the Information Commissioner's Office as required by the Data Protection Act 1998. The Data Protection Act gives you the right to check your personal details held by the TRUSTEE and you may do this by contacting the Bridon Pensions Team, Aon Hewitt, PO Box 196, Huddersfield HD8 1EG. The TRUSTEE reserves the right to charge you for providing these details. In case of dispute, you may refer any data issue to the Office of the Information Commissioner at the following address:

Information Commissioner's Office
Wycliffe House
Water Lane
Wilmslow
Cheshire
SK9 5AF

You can also contact them by telephone on 0303 123 1113 or visit their website at www.ico.org.uk

- (o) **YOUR PERSONAL INFORMATION.** Please make sure the TRUSTEE has an up to date address and contact details for you. If you move or change any of your details, please inform the TRUSTEE as soon as possible at Bridon Pensions, Aon Hewitt, PO Box 196, Huddersfield HD8 1EG.

7. DEFINITIONS

CLOSURE DEFERRED MEMBER

is a member who was an active member of the FKI Group Pension Scheme on the date it closed to future accrual (28 February 2011) and who continues to be employed by the COMPANY or an EMPLOYER.

COMPANY

is Bridon International Ltd (Principal Employer).

EMPLOYER

means the company which employs or employed you provided it formally participates in the SCHEME.

GUARANTEED MINIMUM PENSION (GMP)

is the minimum pension that must be provided to you by the SCHEME as a result of your contracted-out membership of the FKI Group Pension Scheme. Your contracted out membership of the FKI Group Pension Scheme means that you were contracted-out of the State Earnings Related Pension Scheme which was in existence between 6 April 1978 and 5 April 1997.

NORMAL RETIREMENT DATE

is your 65th birthday.

SCHEME

means the Bridon Group (2013) Pension Scheme.

STATE SECOND PENSION SCHEME

is the additional State pension scheme (see paragraph 1.3).

TRUSTEE

is Bridon Scheme Trustees Limited. This is a non-trading company whose job is to administer the SCHEME. At present it comprises a board of seven people. There are 2 independent directors, 2 directors are appointed by the COMPANY and 3 directors are nominated by the members of the SCHEME.

8. ADDITIONAL VOLUNTARY CONTRIBUTIONS

8.1 Introduction

The FKI Group Pension Scheme historically provided members with the option of paying Additional Voluntary Contributions (AVCs) in order to improve their pension benefits.

AVCs are currently held with Equitable Life and Friends Life.

There are a range of funds available in which you can invest, but you cannot pay any more contributions to them.

8.2 Retirement Benefits

AVC benefits become payable at the same time as your normal SCHEME benefits.

Your AVCs can be used to provide one or more of the following:

- (a) a tax-free cash sum;
- (b) additional pension for you;
- (c) an increased pension for your spouse or other dependants.

In addition to the above options, with effect from 6 April 2015 it has been possible for you to draw the total value of your AVCs as a cash sum independently of your other SCHEME benefits. 25% of the cash sum will be paid tax-free with the remainder subject to tax at your normal income tax rate.

8.3 Information

You receive regular statements of your total accumulated AVC contributions.

If you require any further information on your AVC benefits this can be obtained from the Bridon Pensions Team, Aon Hewitt, PO Box 196, Huddersfield HD8 1EG.

APPENDIX

Provisions applicable to Members of the SCHEME who were in the FKI Standard Staff Section of the FKI Group Pension Scheme at the date it closed to future accrual on 28 February 2011.

This Appendix sets out the different provisions that apply to you from those set out in the main section of this booklet. Please note, if you left the FKI Group Pension Scheme prior to 28 February 2011 different provisions may apply. If you have any queries regarding your benefits please contact the Bridon Pensions Team, Aon Hewitt, PO Box 196, Huddersfield HD8 1EG.

2.1 Normal Retirement Pension

On leaving active membership of the FKI Group Pension Scheme you will have been informed of the amount of your deferred pension. Your deferred pension in excess of GMP will be increased at different rates to those set out in the main section of this booklet as follows.

- (a) GMP earned after 5 April 1988 - increases by the percentage increase in the Consumer Prices Index but not by more than 3%. Any inflation above 3% a year is provided by the STATE SECOND PENSION SCHEME.
- (b) The pension in excess of GMP earned up to and including 31 December 2009 - increases by the percentage increase in the Retail Prices Index but not by more than 5% for each complete year between your date of leaving active membership and NORMAL RETIREMENT DATE unless a greater amount is required by law.
- (c) The pension in excess of GMP earned on and after 1 January 2010 - increases by the percentage increase in the Retail Prices Index but not by more than 2.5% for each complete year between your date of leaving active membership and NORMAL RETIREMENT DATE unless a greater amount is required by law.

2.2 Early Retirement Pension

If you are a CLOSURE DEFERRED MEMBER you will need the consent of the TRUSTEE to take your pension early immediately on leaving employment with an EMPLOYER at any age between 55 and your NORMAL RETIREMENT DATE.

If you cease to be employed by an EMPLOYER and at a later date request to take your pension early you will need the consent of both the TRUSTEE and the COMPANY at any age between 55 and your NORMAL RETIREMENT DATE.

Your pension will be equal to your deferred pension revalued to your early retirement date but will be reduced to take account of the fact that it is being paid early.

No enhancements are payable on your early retirement.

2.4 Ill Health Pension

If you cease to be employed by an EMPLOYER and, based on medical evidence, the TRUSTEE considers you are suffering incapacity which:

- prevents you from following your normal employment; or
- seriously impairs your earning capacity; and
- the TRUSTEE consents;

you may be able to retire before reaching NORMAL RETIREMENT DATE.

If you are a CLOSURE DEFERRED MEMBER who leaves employment with an EMPLOYER through incapacity which prevents you from following your normal employment or seriously impairs your earning capacity to the satisfaction of the TRUSTEE based on medical evidence you may be able to retire before reaching NORMAL RETIREMENT DATE.

The actual pension you would receive will depend on whether you are a CLOSURE DEFERRED MEMBER or have left employment at the time of your ill health retirement application.

In most circumstances until you reach your NORMAL RETIREMENT DATE the TRUSTEE has the power to reduce, suspend or terminate your ill health pension if, in its opinion, this is justified by a subsequent change in your medical circumstances or you return to work.

2.5 Cash Option on Retirement

You need the consent of the TRUSTEE to give up part of your pension in exchange for a tax-free cash sum on retirement.

3.2 Death of a Deferred Member

If you die before your deferred pension comes into payment a cash sum is payable equal to the contributions you have paid including any Additional Voluntary Contributions.

A spouse's pension may also be payable. If you have no spouse, a pension may instead be payable for the benefit of your children until age 18 (or up to 23 if in full time education). Further details can be obtained from the Bridon Pensions Team, Aon Hewitt, PO Box 196, Huddersfield HD8 1EG.

4. INCREASES TO YOUR PENSION

Your pension in payment will be increased slightly differently than set out in the main section of this booklet.

- (a) For increases to GMP earned before 6 April 1988 refer to the main section of this booklet.
- (b) GMP earned after 5 April 1988 increases by the lower of the Consumer Prices Index and 3% a year. From your State Pension Age the SCHEME pays up to a maximum of 3% a year. Any inflation above 3% a year is provided by the STATE SECOND PENSION SCHEME.
- (c) Pension in excess of GMP earned prior to 6 April 1997 – discretionary increases.
- (d) Pension in excess of GMP earned on or after 6 April 1997 up to and including 31 December 2009 – increases by the percentage increase in the Retail Prices Index but not by more than 5% a year.
- (e) Pension in excess of GMP earned after 1 January 2010 - increases by the percentage increase in the Retail Prices Index but not by more than 2.5% a year.

For all members who were previously members of the Cableform Group Limited Retirement Benefits Plan, the Trustee will in any event, on 1 January in each year, increase that part of the pension in payment in excess of GMP by the percentage increase in the Retail Prices Index but not more than 5% a year.

Bridon Group (2013) Pension Scheme

Expression of Wish

To: The Trustee of the Bridon Group (2013) Pension Scheme

Please use block letters throughout this form.

Surname: Forenames:
NI No: Location:
Employee No:

Declaration

I understand that this request is not binding on the Trustee and that it is for the Trustee to decide who receives any cash sum benefits that may be due on my death. However, the Trustee will consider my wishes when reaching its decision. In the event of my death I would like the Trustee to consider making payments of cash sum benefits due under the Bridon Group (2013) Pension Scheme to the following:

Name(s)	Address(es)	Relationship to me (if any)	Percentage

Data Protection Act 1998

Where I have disclosed to the Trustee in this form personal data relating to other living individuals, as agent on behalf of those individuals, I:

- give consent on their behalf to the Trustee to process such personal data about them.
and
- have informed them of the identity of the Trustee as the data controller in relation to their personal data and the purposes for which their personal data will be processed.

This form cancels any previously submitted expression of my wishes.

Signed: Date:

Note on completing the Form

You can indicate two or more beneficiaries with a proportion of the total benefits for each: for example your spouse (60%) and your father (40%). When your circumstances change, simply complete a new form. Please return the completed form to Bridon Pensions, Aon Hewitt, PO Box 196, Huddersfield HD8 1EG.

