

it's what

you

make of it

The Thomson-Leng
Provident Fund

This Guide aims to help you make some important decisions which will affect your income when you retire. You may feel comfortable making these decisions yourself or you may wish to seek independent financial advice about your investment options, not only when you first join the *Plan* but whenever your circumstances change.

Updated February 2020

Welcome

Welcome to the The Thomson-Leng Provident Fund – a tax efficient way of saving money you earn today, to provide you with money when you retire.

Before reading this booklet, make sure you read **'Guide 1 – getting started'** which introduces you to planning for your retirement and the basics of investing.

As a member of the plan, you need to make some decisions about your Retirement Account. This booklet, **'Guide 2 – investing in your plan'**, looks at your retirement plan in more detail and will help you make those decisions.

Please ensure you read each section and complete the forms with your details and decisions.

- **1** Getting to know your retirement plan
- **2** Saving for your future
- **3** Your investment choices
- **4** Benefits for you and your family
- **5** The legal perspective of your plan
- **6** Support for you



Mercer Online

www.merceroneview.co.uk/tlpf



Mercer Helpline

0345 600 1168

1 Getting to know your retirement plan

In this section:

- What's it all about?
- How it works
- Key features
- Who looks after my plan?
- Joining and eligibility

Headlines:

- Putting enough away now will help ensure you have financial security later on in life
- The *Plan* offers flexibility and choice - it's what you make of it

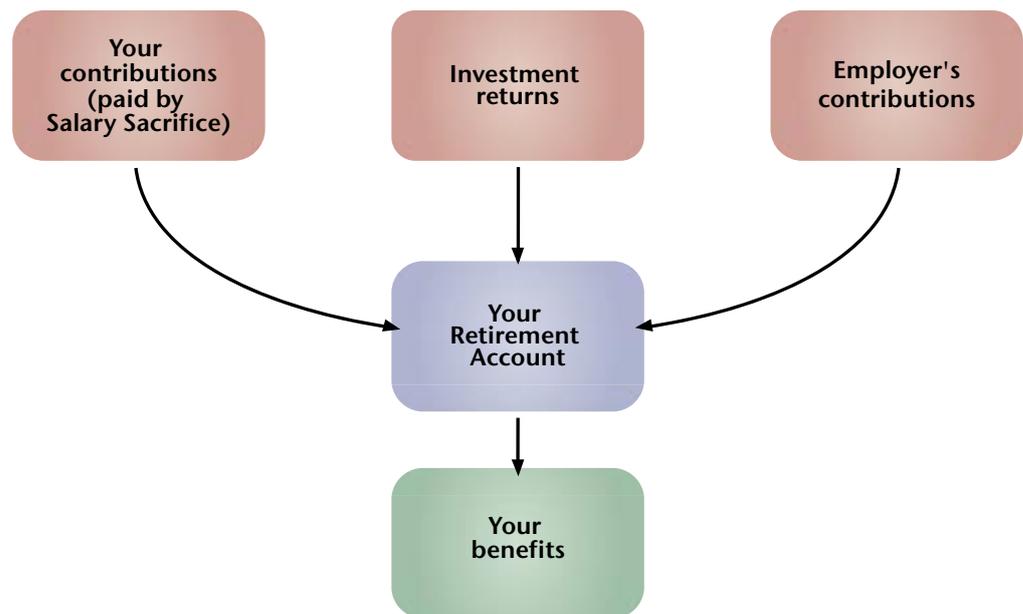


What's it all about?

Membership of your retirement plan is an important and valuable part of the package of benefits you receive from the Company. The *Plan* provides you with a tax efficient way to save for your retirement and provides financial security for you and your family.

How it works

To help build income for your retirement, both you and the *Company* will pay into your *Retirement Account*. Contributions may be paid by Salary Sacrifice, which means that you make National Insurance savings on your contributions. You will choose how to invest this money and the accumulated value of the fund you have built up will be used to provide your income at retirement. The greater the amount paid into your *Retirement Account* while you are working, the higher your ultimate benefits will be when you retire.



NEED MORE?

The **Some Terms Explained** section at the back of this Guide explains the terminology used. For ease of reading these defined terms have been highlighted in italics.

Key features

Your benefits will depend on the value of your *Retirement Account*, the type of retirement income you choose and what it costs to provide this income when you retire.

The benefits you choose are up to you; for example, you can have:

- a monthly retirement income for you; or
- a tax-free cash sum and a lower monthly retirement income; or
- one of the above options plus an income for your *Dependants* if you die.



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NEED MORE?

Details of the Trustees and their advisers are published each year in the Trustee Annual Report, a copy of which is available by calling the Mercer Helpline.

Who looks after my *Plan*?

The *Plan* is looked after by the Trustees. The day-to-day administration of the *Plan* is looked after by Mercer, one of the largest providers of retirement services in the UK. The Trustees also have other advisers to help them manage the *Plan*.

Where can I get more information?

Call the Mercer Helpline on 0345 600 1168 to:

- request up-to-date information on the value of your *Retirement Account*,
- find out how to change your contributions,
- request a form to change your Beneficiary details,
- request a form to change your investment options,
- enquire about the transfer of benefits from another pension plan,
- opt out of paying contributions by Salary Sacrifice,
- get a projection of your benefits.

More help is available online by visiting the website. You can:

- view your account details,
- update your contact details,
- find useful information,
- download copies of forms and documents,
- change your investment options,
- check investment fund prices and data.



Who can join?

You are eligible to join as soon as you begin service with the Company.

How do I join?

All employees who meet the following criteria are automatically enrolled:

Employees who: earn at least £10,000 a year (from April 2019 - this is reviewed annually by the government)

: are age 22 or over, and

: are under State Pension Age

On joining, you may choose to complete an [Application Form](#) and an [Investment Choice Form](#). If you do not do so, contributions will be deducted from your *Salary* at the minimum rate of 3%, and invested in line with the default arrangements.

If you are not eligible to be automatically enrolled, you can still join The *Plan* by completing an [Application Form](#) and an [Investment Choice Form](#).

Do I have to join?

You can choose to opt out, but if you do this you will be automatically enrolled again after a period of three years and you will need to opt out again.

If you opt out but then change your mind, you can join The *Plan* at the discretion of the Trustees. Contact the Mercer Helpline if you would like to join.

Over to you...

At this point, you should go to the [Application Form](#) and fill in your personal details in part 1.



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2 Saving for your future

In this section:

- Why saving NOW is important
- How much do I pay?
- How much does the *Company* pay?
- Can I pay more to the *Plan* to increase my benefits?
- How does tax relief work?
- How do I know if I'm saving enough?
- Are there any costs associated with the *Plan*?

Headlines:

- Starting early makes a big difference
- Being retired for 20-30 years is increasingly common
- Help from a likely source ... the *Company*
- ... and from an unlikely source (the government)
- Keep your savings on track



Why saving NOW is important

Saving for retirement may not rank top of your spending plans - particularly if retirement seems a long way off. It's important to realise that money invested when you're young has much more time to grow by the time you retire. However, it's never too late to start.

The tax reliefs available for retirement savings can make it worthwhile, no matter what age you are. Another great thing about your membership of the *Plan* is that it makes you a regular saver.

How much do I pay?

The minimum amount you can pay into your *Retirement Account* is 3% of your basic Salary. This will be paid by Salary Sacrifice, unless you opt out. If you wish to opt out of Salary Sacrifice, please contact the Pensions Department at pensions@dcthomson.co.uk.

What is Salary Sacrifice?

Salary Sacrifice is a way of paying pension contributions that allows you to make National Insurance savings. As a member of the *Plan*, you can choose to pay contributions by Salary Sacrifice.

If you pay contributions by Salary Sacrifice the Company will reduce your salary by the amount of your pension contributions, and pay this amount directly to the *Plan* as an employer contribution in addition to its existing employer contributions. As a result you do not have to pay any National Insurance on your contributions and your take-home pay will be higher.

All other benefits based on your Salary will be calculated based on your salary before Salary Sacrifice.

How much does the Company pay?

While you are a member of the *Plan*, the Company arranges to pay contributions of between 6% and 9% of your Salary into your *Retirement Account* on your behalf. Company contributions will normally come directly from the Thomson-Leng Provident Fund. The exact amount depends on how much you contribute to the *Plan*, as per the table below:

Your contributions	Company contributions
3.0%	6.0%
3.5%	6.5%
4.0%	7.0%
4.5%	7.5%
5.0%	8.0%
5.5%	8.5%
6.0%	9.0%

The Company will make an additional contribution of 0.5% of Basic Salary if you pay your contributions by Salary Sacrifice.



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NEED MORE?

If you would like to change your regular monthly contribution or Additional Voluntary Contributions, you can do this on the Contributions page of Mercer Online.

Can I pay more to the *Plan* to increase my benefits?

You can increase your *Retirement Account* by increasing your own contributions. If you wish to pay more than 6% of basic *Salary* you can do so, without limit, however, the Government will only provide tax relief on contributions up to 100% of your Earnings. These contributions are classed as Additional Voluntary Contributions and are invested in your choice of investment funds.

How does tax relief work?

You automatically receive tax relief on the amount you pay at your highest rate of tax. As contributions will be deducted directly from your *Salary* before tax, these reliefs will be credited to you automatically. You have no tax liability in respect of the *Company* contributions paid on your behalf.

Example

If you pay tax at the basic rate of 20%*, each £1.00 you pay into your retirement plan actually costs you 80p.

If you pay the higher rate tax of 40%*, each £1.00 you pay into your retirement plan actually costs you 60p.

If you pay the additional rate tax of 45%*, each £1.00 you pay into your retirement plan actually costs you 55p.

**Based on income tax rates for England, Wales and Northern Ireland. If you live in Scotland you may have a different rate of income tax.*

How much can I save each year?

Because retirement plans benefit from tax breaks, the Government sets a limit on the amount you can pay in any tax year. This is known as the 'annual allowance', and is set at £40,000 for the 2019/2020 tax year.

Generally you can save as much as you like up to the annual allowance, but tax relief is only available on contributions up to 100% of your *Earnings*. A reduced annual allowance applies where taxable earnings from all sources exceeds certain thresholds set by HMRC**.

***A reduced annual allowance, known as the 'money purchase annual allowance' applies to individuals who have taken flexible benefits from their pension savings. The money purchase annual allowance for the 2019/2020 tax year is £4,000.*



There is also a limit to the overall amount you can save tax-efficiently in a retirement plan throughout your lifetime (known as the lifetime allowance). If you are close to the lifetime allowance you will be notified.

If you pay by Salary Sacrifice you will also save on National Insurance contributions.

How do I know if I'm saving enough?

Each year you will receive a statement showing how much is in your *Retirement Account* and an illustration of the income you may have if you continue paying until retirement.

What happens to my contributions if I:

Go on maternity leave?

If you are away from work to have a baby, your membership under the Plan will continue during your maternity leave. The percentage rate for the contributions you pay will stay the same, but while you are on paid maternity leave this will be based on the pay you actually receive rather than your Salary. The contributions the Company pays will be based on the pay you would have received if you had been working normally. The Company will also make up the shortfall in your own contributions - effectively paying the difference between the contributions based on your normal Salary and that which you pay whilst on maternity leave.

If you are participating in the Plan through the Salary Sacrifice arrangement, the Company will continue to pay contributions in full (at their core maternity rate) while you receive maternity pay. However, the Company cannot make any reduction in your statutory maternity pay to reflect the amount of Salary Sacrifice contributions.

During any period of unpaid maternity leave, neither you nor the Company will normally pay any contributions.

Your life assurance benefit will continue during any period of paid or unpaid maternity leave.

Take paternity leave?

If you qualify for paternity leave, your membership of the Plan will continue as though you were working normally.

Take adoption leave?

If you take adoption leave, contributions and benefits will be continued in the same way as for maternity leave.



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Am absent from work?

Most absences from work are for a short period of time and will not normally affect your membership of the Plan. There will, however, be circumstances where your membership may be affected.

Provided the Trustees consent, if you become unable to work through illness or disability, your membership will normally continue and the Company will decide to what extent your benefits will be affected.

For longer periods of absence (e.g. through illness or disability), you will be notified how this affects your scheme membership.

Get divorced?

If you get divorced, your benefits under the Plan may become subject to a court order requiring the Trustees to allocate part of your benefits to your ex-spouse. Normally, benefits will be allocated as a proportion of the value of your *Retirement Account* under the Plan. It is therefore important that you tell the Trustees (through the Mercer Helpline) when divorce proceedings begin.

On divorce, you should tell the Trustees about the change in your personal details. You may also wish to consider changing your *Expression of Wish Form* by getting a new copy from the Mercer Helpline. If you request a quotation of the value of your benefits for divorce purposes, you should make this clear to the Mercer Helpline as the Trustees may need further information from you.

You should note that the Trustees reserve the right to recover from either you or your ex-spouse (or from both of you) any costs incurred in relation to providing information and any action taken by them in connection with an intended divorce, or for complying with a court order concerning your benefits in the Plan.



NEED MORE?

If you have a pension entitlement from a previous employment, you should obtain:

- Confirmation from your Pensions department as to whether your transfer can be accepted.
- details of your options, and
- an employer contact name and address for further information.

Can I transfer assets from another retirement plan?

The *Plan* may accept transfers from other similar retirement arrangements, subject to various requirements being satisfied. You may wish to seek independent financial advice before making this decision. If assets are transferred from another retirement plan, the money will normally be invested in your *Retirement Account* in the same proportions as you have chosen for your regular savings.

Are there any costs associated with the *Plan*?

Yes. There are costs of running the *Plan* and managing the funds where you invest your contributions. The cost of managing the funds is deducted from the assets of the investment funds in which your *Retirement Account* is invested. The fund management charges are shown in the Fund Fact Sheets. The other costs of running the *Plan* are met by the Company.

Remember:

The amounts paid in by you and the *Company* are invested and the total value of the amount you've built up will be used to provide your benefits at retirement.

Over to you...

At this point, you should go to part 3 of the Application Form and let us know what contributions you want to make.



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3 Your investment choices

In this section:

- What should I consider when deciding on my investment choices?
- How do risk and time affect my investment choices?
- Different types of risk
- Your investment options
- What is *Lifestyle*?

Headlines:

- Contributions are paid into your *Retirement Account* and invested
- The money you make on your investments will be a key factor in determining the ultimate value of your *Retirement Account*
- The *Plan* offers a range of investment options
- You can select just one investment fund, or several
- If you do not make an investment choice, your *Retirement Account* will be invested in the default option
- You can change your mind



What should I consider when deciding on my investment choices?

The money you pay each month into the *Plan* is added to the money your employer pays in. The next step is to decide how you want to invest this money. First, you should consider:

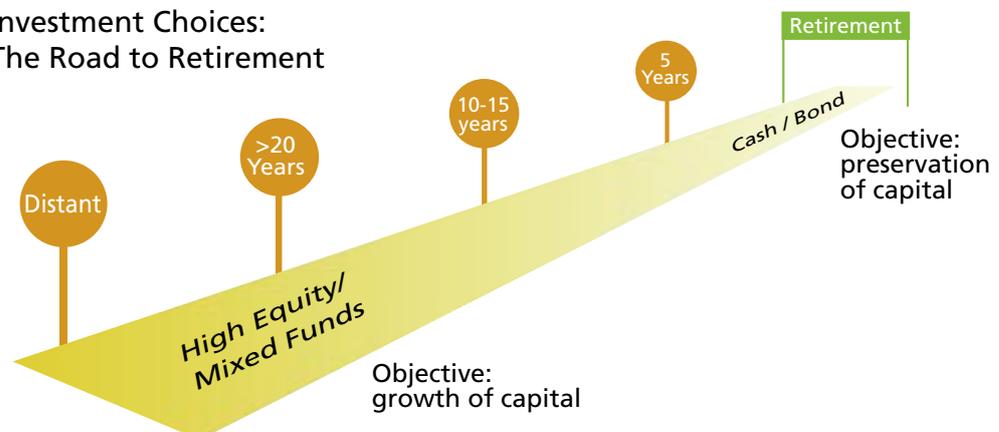
- How much risk you are comfortable with.
- How many years you have until retirement, which is how much time you have to invest.
- How much money and what benefits you will need when you retire, which is your goal.

How do risk and time affect my investment choices?

Unless you are reasonably close to retirement age, your *Retirement Account* is a long-term investment. The road to retirement (the number of years you have to save and invest) will typically be 20 to 30 years or more. Over such a long period, even relatively small differences in the returns achieved by various investments make a big difference to its final value. Therefore, the returns you achieve will have a significant impact on your *Retirement Account*.

If you are further from retirement, you have a longer time to invest and generally can tolerate greater risk in order to maximise your returns. This is because your savings have more time to recover from any falls in value. As you approach retirement, you may want to take less risk as you have a greater amount of savings (i.e. the accumulated value of your *Retirement Account*) at stake and less time to recover any short-term losses.

Investment Choices: The Road to Retirement



Different types of risk

There are different types of risk associated with investments – for example, the risk that an investment might fall in value, or the risk that an investment won't grow very much over time. For someone who is close to retirement the consequences of a fall in the value of their *Retirement Account* can be severe, whereas someone who is further away from retirement may worry more about not having enough saved. These two individuals will probably make different investment decisions, the first choosing investment funds that will be more stable with the potential for steady growth, and the other selecting investment funds which offer a greater opportunity to increase in value over the long term (but which might be more volatile over short periods).

What if I expect to have other sources of income at retirement?

If you expect to have other money to fund your retirement; for example, from property, an inheritance, State pension or other investments you hold, you may want to take this into account when choosing your investment options.

Alternatively, if your retirement income from the *Plan* is likely to be your main source of income in retirement, you will naturally want as big a *Retirement Account* as possible. But remember, while equities have traditionally provided higher returns over the long term, they are also more risky than mixed funds, bond funds and cash funds.

NEED MORE?

The funds are managed by Mercer. More specific information on each of the funds you can invest in is available in the **Fund Fact Sheets**.

Your investment options

When it comes to investing your *Retirement Account*, there are different types of investment funds for you to choose from. You may wish to consider a Target Retirement Fund with Lifestyling (see page 17), or if you are comfortable making your own investment decisions, you may wish to tailor your investments to suit your own circumstances (self-select).

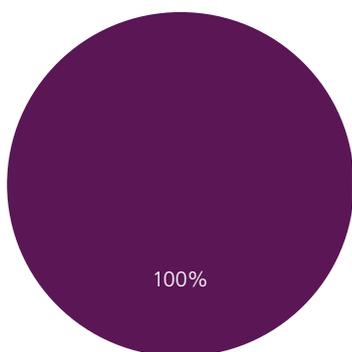
The Trustee has delegated day to day management of the investments to Mercer who has provided the six funds below as options for you to invest your contributions. Mercer, as the delegated investment manager, is responsible for making decisions on asset allocation, selection, appointment, removal and monitoring of underlying investment managers.

Most of the options are mixed funds, which are made up of investments in a range of asset classes. You can choose any one, or more, of these investment options for your *Retirement Account*.

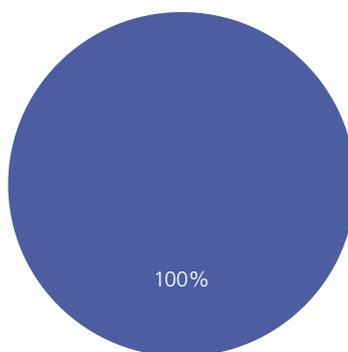


Mercer, as the delegated investment manager, may make changes to the asset allocations in these funds at any time. The following charts show how the funds were made up at 30 June 2019, unless otherwise stated (please refer to the Fund Fact Sheets for more detail on each of the funds):

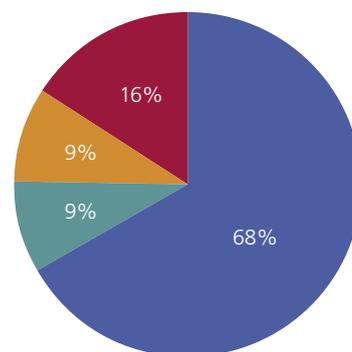
MERCER ACTIVE MONEY MARKET FUND*



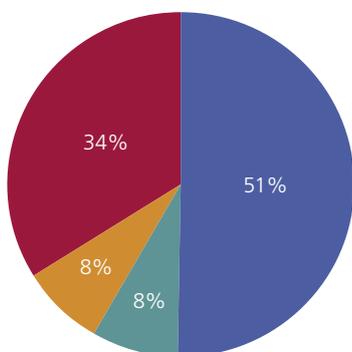
MERCER ACTIVE GLOBAL EQUITY FUND



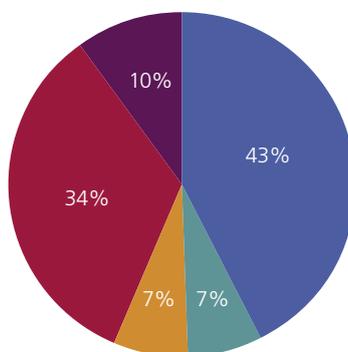
MERCER HIGH GROWTH FUND



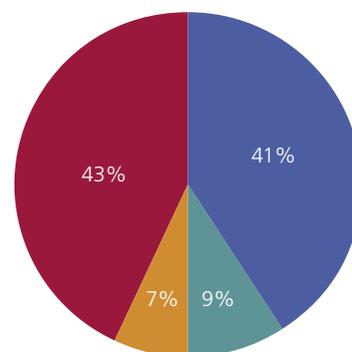
MERCER GROWTH FUND



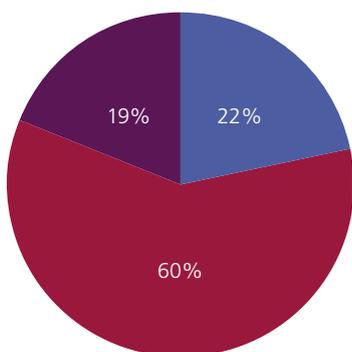
MERCER MODERATE GROWTH FUND



MERCER DIVERSIFIED GROWTH FUND



MERCER DEFENSIVE FUND



KEY

- Cash and Cash like instruments
- Equity ■ Alternatives ■ Property via Real Estate Investment Trusts (REITs) ■ Bonds

Please note that the percentages are rounded to the nearest whole number; therefore, some of the charts above may not total exactly 100%.

**The Mercer Active Money Market Fund is shown as at 31 August 2019.*



GENERALLY, EQUITY FUNDS:

Are:

- made up of shares in companies traded on stock markets
- affected by rises and falls in stock markets; their value can go up or down, sometimes suddenly, by a large amount and for a sustained period



Equity

Historically have:

- offered higher long-term returns than most other investments
- offered long-term returns greater than inflation

Are normally thought to be suitable if you:

- are not close to retirement
- wish to aim for high investment returns over the long term and will accept short-term losses

GENERALLY, BOND FUNDS:

Are:

- made up of loans to the UK government and companies where the governments or companies borrow an amount of money for a stated period
- also called fixed interest securities (because they receive interest at a fixed rate) or, in the case of bonds issued only by governments, gilts



Bonds

Historically have:

- experienced rises and falls over their lifetime, but returns have not fluctuated as much as equities
- not offered the same potential for growth as equities over the long term

Are normally thought to be suitable if you:

- are close to retirement
- want a defensive investment strategy to try to preserve the value of your *Retirement Account* as retirement approaches

GENERALLY, CASH FUNDS:

Are:

- looking to provide a return in line with bank deposit accounts, although inflation may reduce the real value of the investment
- invested in specialist third parties to diversify the risk
- cautiously managed and aim to protect investments although this cannot be guaranteed



Cash

Historically have:

- offered lower returns over the long term than equities or bonds

Are normally thought to be suitable if you:

- are close to retirement and plan to take a cash lump sum at retirement

Alternative assets are those which do not fall into one of the conventional asset classes described above. Examples can include investments in Global Listed Infrastructure or commodities.

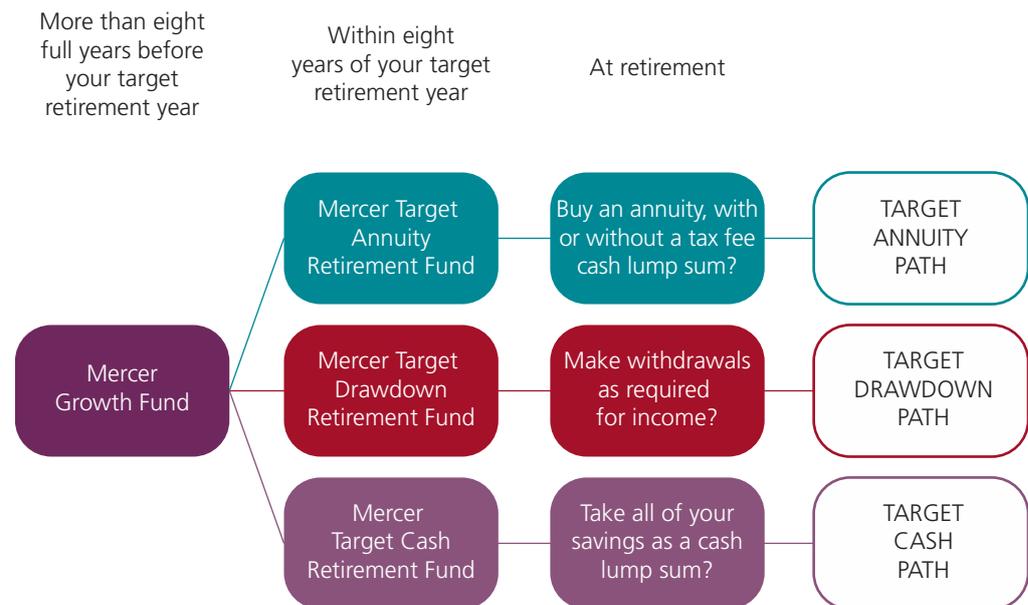
Property investment can take different forms. The seven fund options invest in property via Real Estate Investment Trusts (REITs). REITs trade on public markets and provide access to property investment without direct property ownership.



What is a Target Retirement Fund?

The Mercer Target Retirement Funds have an eight-year lifespan and are designed for members retiring in that year (e.g. 2020, 2021, 2022, 2023, etc.). There are three types of Target Retirement Funds, corresponding to each of the three target retirement paths (Drawdown, Annuity and Cash). A new set of Target Retirement Funds are launched each year as the next group of members become eight years away from their Target Retirement Age, which is automatically set to 65 (the Plan's Normal Retirement Age) unless you change it.

The three target retirement paths are designed to Lifestyle towards Drawdown (default), Annuity or Cash depending on how you intend to use your *Retirement Account* when you retire.



What is Lifestyle?

Lifestyle is a process of gradually moving your *Retirement Account* from the growth investments into more secure funds, the closer you get to retirement. If you choose one of the Mercer Target Retirement Funds this will happen automatically.

Each path uses the Mercer Growth Fund until you are eight years before your Target Retirement Age, then your *Retirement Account* begins to be switched to a more defensive strategy, tailored towards how you intend to use your *Retirement Account* when you retire.



The charts below show how the three Target Retirement Paths lifestyle towards Drawdown, Annuity and Cash.

MERCER TARGET DRAWDOWN PATH (DEFAULT)



- The Mercer Growth Fund is predominantly made up of equities which are historically the most volatile asset class; therefore, they are sold down first as you approach retirement.
- The allocation to the Diversified Retirement Fund increases over the eight years to target retirement age. It is designed to be appropriate for members wanting to access their pension flexibly through retirement (drawdown). It retains exposure to growth assets as members opting for drawdown will have their funds invested through retirement.
- 25% cash targeted for tax-free lump sum at retirement.

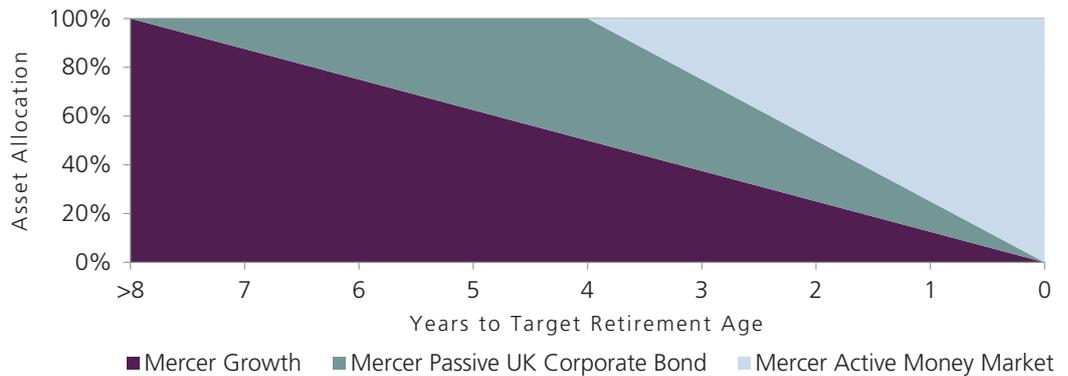
MERCER TARGET ANNUITY PATH



- The Mercer Growth Fund is predominantly made up of equities which are historically the most volatile asset class; therefore, they are sold down first as you approach retirement.
- The allocation to the Pre-Retirement Fund increases over the eight years to target retirement age. The Pre-Retirement Fund has a high allocation to gilts and bonds which helps track changes in annuity rates for members who intend purchasing an annuity at retirement date.
- 25% cash targeted for tax-free lump sum at retirement.



MERCER TARGET CASH PATH



- The Mercer Growth Fund is predominantly made up of equities which are historically the most volatile asset class; therefore, they are sold down first as you approach retirement.
- The Mercer Passive UK Corporate Bond Fund is made up of various types of bonds and provides additional diversification with lower expected volatility.
- Cash allocation increases to 100% over the final four years.

What if I don't make a choice?

If you do not make an investment choice, your *Retirement Account* will be invested in the 'default' option. This is the Mercer Growth Fund up to eight years before the *Plan's* Normal Retirement Date, your 65th birthday. Your *Retirement Account* will then be switched automatically into the Mercer Target Drawdown Path, as described above.

NEED MORE?

If you want to change the way your funds are invested, you can switch your investment funds by logging on to Mercer Online.

Or you can complete an Investment Switch Form. (You can get one by logging on to Mercer Online or by calling the Mercer Helpline.)

Can I change my mind about my choices?

Yes. Your choices are not a once and for all decision and you should review them on a regular basis. Remember, your retirement plan is a long-term investment and changing funds too frequently may cause your investments to underperform in the long run.

You can change your investment choice at any time via Mercer Online, or by filling in an [Investment Choice Form](#). This form allows you to reallocate your existing savings and any future contributions to a new fund choice.

Over to you...

At this point, you should go to the [Investment Choice Form](#) and make your investment choices.



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4 Benefits for you and your family

In this section:

- Benefits on retirement
- Benefits if you die
- Benefits if you leave

Headlines:

- You can take your benefits with no penalty
- The value of your *Retirement Account* can be used to provide:
 - A retirement income for you
 - Incomes for your *Dependants* after your death
 - A tax-free cash sum
 - Regular increases to your retirement income
- Select the package of benefits that's best for you
- Don't forget to advise changes in your circumstances (getting married, having children)



Benefits on your retirement

When can I retire?

In normal circumstances you will retire when you reach 65, which is the *Plan's* Normal Retirement Date.

If you retire from the Company you may choose to take your benefits early if you are over age 55. If you remain an employee, you can also continue to contribute beyond Normal Retirement Date.

NEED MORE?

Details of how to select your package of benefits will be provided to you nearer your retirement.

It's up to you

The benefits you choose are up to you. For example, you might decide to use your *Retirement Account* to provide one or more of the following:

- Tax-free cash lump sum(s) up to 25% of your *Retirement Account*.
- A drawdown product allowing you to have your *Retirement Account* invested through retirement, withdrawing funds as and when required.
- A retirement income for you, for life - normally this will be paid monthly.
- A retirement income for your Dependants payable after your death.
- Regular increases to your retirement income to help protect against inflation.
- A one-off, or multiple, taxable cash lump sum

You can ask for a package of benefits different from the list above as long as they meet the minimum benefits laid down in law. You don't have to choose your benefits now; you can wait until you are near retirement before making up your mind, although you may wish to tailor your investment strategy according to how you are planning to withdraw your *Retirement Account*.



What amount of retirement income will I get at retirement?

This will depend on:

- the value of your *Retirement Account* when you retire;
- how you choose to withdraw your *Retirement Account*;
- the cost of providing retirement income at the time you retire (this can depend on a number of factors including your age at retirement and long-term interest rates); and
- the type of retirement income you choose - for example, one that includes an income payable to a Dependant on your death or one that is just payable to you.

You should look at the statements you receive each year as these give you an indication of what you might get when you do retire.

Will I receive benefits from the State?

Most working people from the age of 16 through to State Pension Age must pay contributions into the National Insurance Scheme. These contributions are earnings related and collected by payroll, just like income tax.

National Insurance contributions help you to qualify for State benefits, including:

- **Basic State Pension:** A taxable weekly benefit for people who have reached State Pension Age – (see below). The actual amount of Basic State Pension you receive will depend on your National Insurance contribution history.
- **State means-tested benefits:** These have included, for example, an increased pension and help with rent and council taxes. Any personal savings you and your partner have may affect whether you qualify. There is a risk that contributions you make to your employer's retirement plan will reduce an entitlement to means-tested benefits. Of course, State benefit entitlements could have changed by the time you retire, so relying on them is unlikely to be the best course of action open to you.

NEED MORE?

To get a forecast you simply complete and return Form BR19, available by calling the Future Pension Centre on 0800 731 0175 or online at: www.gov.uk



All State pensions are payable from your State Pension Age. This was equalised at 65 for both men and women in November 2018. The State Pension Age is increasing in stages and is due to increase for everyone:

- To age 66 for everyone by October 2020
- To age 67 for everyone between 2026 and 2028
- To age 68 for everyone between 2037 and 2039

So, when you will be able to take your State pension will depend on your age. If you want to know more or keep up to date with current proposals, visit www.gov.uk.

Know what you'll be getting from the State

If you want to know what your Basic State Pension is likely to be from the State you should get a statement from the Department for Work & Pensions (DWP). This can be requested online at www.gov.uk or by calling the Future Pension Centre on 0800 731 0175.

Clearly there are many advantages to doing this; your Basic State Pension will form part of your overall retirement income and it's important to know how much you are on course to receive. It could also affect how much you need to save and where you decide to invest your *Retirement Account*.



Benefits if you die before retirement

If you die while working with the Company, the following benefits are payable:

- a life assurance benefit of three times your Salary at the date of your death, and
- the value of your *Retirement Account* will be used to provide a spouse's / civil partner's / Dependant's pension. In any event this will not be less than 25% of your basic Salary at the date of your death.

What happens if I die after retirement?

If you die after starting to receive your retirement income, any benefits payable will depend on the decisions you made when you retired. Just before you retire, you can choose whether or not to make a lump sum and/or Dependant's retirement income available on your death after retirement.

Expression of Wish Form

You should complete an Expression of Wish Form so that any lump sum death benefit can be paid directly to your Beneficiaries on your death. The Trustees will make the final decision over who should receive these benefits. However, they will take your wishes into account. You should use the [Expression of Wish Form](#) to let the Trustees know your wishes. You should keep this form up to date if your circumstances change (for example if you get married or divorced or if you have children).

NEED MORE?

You can update your *Beneficiaries* at any time by completing an Expression of Wish Form, available via the website or by calling the Mercer Helpline.

Over to you...

At this point, you should complete an Expression of Wish Form.



Benefits if you leave service

If you leave the *Company* or choose to opt out of the *Plan* before retirement, neither you nor the *Company* can make further contributions to your *Retirement Account*.

Your options on leaving will depend on your length of Qualifying Service:

■ **If you have completed less than 30 days Qualifying Service**

You will receive a refund of the current value of your own contributions including any investment returns they have earned (this will be taxed at a special rate). You will lose the contributions that the *Company* has contributed on your behalf.

■ **If you have completed 30 days or more Qualifying Service**

You may leave both your own and the *Company's* contributions paid on your behalf (plus any investment returns) invested in the *Plan*. Your *Retirement Account* will be held under the *Plan* until your Normal Retirement Date or date of earlier retirement, and you will be entitled to receive the benefits which can be secured by the value of your *Retirement Account* at that date.

Or

You may transfer the value of your *Retirement Account* to a new employer's retirement plan or another pension arrangement, such as a stakeholder or personal pension arrangement.

If you have transferred benefits from a previous pension then the options if you have completed less than 30 days Qualifying Service may be different. You should contact the Mercer Helpline to find out more.



You should note:

The actual value of your contributions will reflect the investment returns experienced and it could be higher or lower than the amount you have actually put in.

If you do take a refund of your contributions, you will lose the value of the Company's contributions.

It may not necessarily be in your interests to transfer your benefits, as this will depend upon the benefits that will be provided under the other retirement plan or pension arrangement. Each case has to be looked at individually and you should therefore obtain financial advice before deciding to transfer.

Full details of these options will be provided at the time.

What happens if I die after leaving service?

If you die after leaving service, and before you start receiving your retirement income, the value of your *Retirement Account* will still be available. This can be paid, at least partially, as a tax-free lump sum. Any balance may have to be paid as an income for your Dependant(s).

NEED MORE?

If you have left the *Company*, you can still contact the Mercer Helpline who may be able to help answer any questions you may have.



5 The legal perspective of your plan

In this section:

- How the *Plan* is run
- Data protection

Headlines:

- The *Plan* meets the legal requirements...
- ...even if there's a dispute



Mercer Online

www.merceroneview.co.uk/tlpf



Mercer Helpline

0345 600 1168

How the *Plan* is run

Your benefits will be paid from a trust fund. The assets of the trust fund are entirely separate from those of the Company. The Trustees of the trust fund are responsible for the *Plan's* administration and the investment of its assets.

NEED MORE?

You can request to see the Trust Deed & Rules, the annual Report & Accounts, Statement of Investment Principles and the *Plan's* Payment Schedule by contacting the Mercer Helpline. There may be a small administrative charge for this service.

Plan documentation

The *Plan* is legally governed by a formal Trust Deed & Rules and has to comply with all the relevant legislation to enable you and your employer to qualify for the tax advantages available. Every effort has been made to reflect the Trust Deed & Rules in this Guide and in other member material, but if there are any differences, the Trust Deed & Rules will always take precedence. The contents of the Guides are based on our understanding of legislation, tax rates and existing economic factors at the time of going to print.

Tax registration

The *Plan* is registered with HM Revenue & Customs, which brings important tax advantages for members up to certain limits.

Previous benefits

When you join the *Plan* it is important that you give the Mercer Helpline details of any pension you are entitled to from any other source – for example, from a previous employer's pension arrangement. This is because there may be a number of options open to you in respect of these benefits, possibly including transferring their value to the *Plan*. The merit of transferring benefits depends on a number of factors, including where they are being transferred from, and it may not necessarily be the most beneficial choice.

You should talk to an independent financial adviser about your best options for the future. Neither your employer, the Trustees nor Mercer are legally permitted to advise you.

Benefits restrictions

Your employer will not contribute to any other plan. You are not allowed to use your benefits under the *Plan* as security for a loan or to transfer ownership of them to another person.

Income and Inheritance Tax

When in payment, your pension will be treated as earned income for tax purposes. As a general rule any lump sum death benefit will not be subject to Inheritance Tax.



Changing the *Plan*

Under the terms of the Trust Deed & Rules, the Trustees (together with the Company) are allowed to vary details of the *Plan* for your future membership but can't change any of the benefits you've already built up. Your employer also has the right to stop contributing to the *Plan* at any time, although in such a case you would be notified accordingly.

Whilst your employer has every intention of continuing the *Plan* indefinitely, it understandably must reserve the right to make alterations in the future where they are deemed necessary in the light of changing circumstances.

In the event of the *Plan* being discontinued:

- The assets will be used for the benefit of the members and their dependants in the way described in the *Plan's* rules.
- The Trustees will have responsibility for looking after members' best interests.
- You will remain entitled to the value of your *Retirement Account*.

If your employer cannot pay any costs in respect of administering the winding-up of the *Plan*, these costs may have to be met from members' accounts. However, your employer has given an undertaking to pay these costs, if possible.

Privacy Notice

Collecting your personal information

All employers in the UK are required by law to automatically enrol eligible workers in a pension scheme. To meet our legal obligations the Trustee of the *Plan* will collect personal information belonging to you. This will include:

- Name
- Date of birth
- Sex
- National Insurance Number
- Address
- Salary
- Pension contributions
- Investment choices
- Accrued pension fund
- Marital status (and partner's date of birth if appropriate)
- **Expression of Wish Form** (which covers who the member would like to receive any death benefits)



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Mercer Helpline

0345 600 1168

Your personal information will be held by us and on our behalf by the plan administrators, Mercer Limited (authorised and regulated by the Financial Conduct Authority and registered in England No 984275) or any other plan administrators that we appoint from time to time and notify to you.

Using your personal information

We will use your personal information to:

- Automatically enrol you in the *Plan*;
- Arrange and administer your entitlements (and entitlements in respect of you) from the *Plan*;
- Operate the *Plan*;
- Pay benefits to you under the *Plan*.

Sharing and storing your personal information

To enable us to effectively operate the *Plan*, and in addition to Mercer Limited, we may share your personal information with other third parties, including:

- Our professional advisers (e.g. actuaries)
- Insurance companies to arrange entitlements
- Your current or future employer

We may also be required to disclose your information to government and/or other regulatory authorities.

Any personal information we collect about you will be stored securely. We will use our reasonable endeavours to ensure that any third party (including those detailed above) with whom your personal information is shared, also uses secure protective measures to ensure the safety of your personal information.

Accessing the personal information we hold about you

We will provide you with a copy of all personal information we hold about you, upon receipt of a written request from you.

Contact us

If you have any questions or comments regarding this privacy notice or processing of your personal information, you can contact us by telephone on 0345 600 1168.

Telephone recording

To ensure accuracy and for training purposes, all calls to the Mercer Helpline may be recorded and monitored.

Over to you...

At this point, you should sign and date the Application Form.



6 Support for you

In this section:

- Getting in touch
- Any problems?
- Useful contacts
- Some terms explained

Headlines:

- Clear, straightforward information is our aim
- Help is always on hand



Getting in touch

Our aim is to give you clear, straightforward information that is relevant and easy to understand. However, communication is a two-way process and we recognise that there may be occasions when there are questions you want to ask, or issues you need assistance with. You can contact us either by writing to us or by phoning the Mercer Helpline.

You can write to:

Mercer Limited,
PO Box 505,
Westgate House,
Chichester,
PO19 9AF

Or you can call the Mercer Helpline on 0345 600 1168

The Mercer Helpline is open business days from 9am to 5pm. If you call outside of these hours, you can leave a message on our confidential answering service and a representative will call you back during the next business day.

When you call we'll ask you for some personal details, just to confirm your identity. The representatives know the details of your *Plan*, and are happy to answer any questions you may have. Your call will be billed at local rate regardless of where you are calling from in the UK. Please note the Mercer Helpline cannot provide personal financial advice - for advice on what choices to take, you should talk to an independent financial adviser.

Go online

You can visit www.merceroneview.co.uk/tlpf.

Other formats

If you find it difficult to read this Guide, please contact the Mercer Helpline and they will endeavour to provide you with a suitable alternative format.

Any problems?

The Trustees of the *Plan* aim to provide you with the best service possible, and that includes creating a formal procedure for resolving any disputes which may arise. Most queries can be resolved as they arise. However, if you have a problem which has not been resolved to your satisfaction, the Mercer Helpline representatives will provide you with information on the procedure so your complaint can be resolved. The first stage will be to send you a form on which to document your complaint, so that it can be reviewed and commented on formally.

Your complaint will then be passed to the Trustees. If the Trustees are unable to assist or bring the matter to a resolution you will be provided with information about how to take the matter forward.

NEED MORE?

If you have a formal complaint, this will initially be considered by the Secretary to the Trustees. Contact the Mercer Helpline who will send you the appropriate form to complete.



Useful contacts

The Pension Service

The Pension Service is part of the Government's Department for Work and Pensions (DWP). The Pension Service website provides useful factsheets which explain the different pension options (personal, stakeholder, occupational) and information on State benefits. You can also apply for a forecast of your State retirement pension using a form available on the website.

- Telephone: 0800 731 7898
- Textphone: 0800 731 7339
- www.gov.uk

The Pensions Advisory Service (TPAS)

This is a free and confidential service that provides help and advice to members and other beneficiaries of occupational and personal pension plans. TPAS is available at any time to assist members and other beneficiaries of a plan in connection with any pensions query they have or any difficulty they have. TPAS is due to be replaced by The Money and Pensions Service in 2019.

- Telephone: 0800 011 3797
- www.pensionsadvisoryservice.org.uk
- The Pensions Advisory Service,
11 Belgrave Road,
London,
SW1V 1RB

The Pensions Ombudsman

Can investigate and determine complaints or disputes of fact or law relating to an occupational pension plan.

- Telephone: 0800 917 4487
- Email: enquiries@pensions-ombudsman.org.uk
- www.pensions-ombudsman.org.uk
- The Pensions Ombudsman,
10 South Colonnade,
Canary Wharf,
London,
E14 4PU



The Pensions Regulator

The regulatory authority that is responsible for overseeing the running of occupational pension plans and is able to intervene where trustees, employers or professional advisers have failed in their duties.

- Telephone: 0345 600 1011
- Email: customersupport@tpr.gov.uk
- www.thepensionsregulator.gov.uk
- The Pensions Regulator,
Napier House,
Trafalgar House,
Brighton,
BN1 4OW

Pension Tracing Service

If you have pension benefits from a previous job but you no longer have the details, the Pension Tracing Service may be able to help you. You can fill in a 'pension tracing form' (available from your local DWP office or online via the website) to investigate your former rights with previous plans. Information about the *Plan* has been given to the Pension Tracing Service.

- Telephone: 0800 731 0193
- Textphone: 0800 731 0176
- www.gov.uk
- The Pension Service 9,
Mail Handling Site A,
Wolverhampton,
WV98 1LU

NEED INVESTMENT ADVICE?

Contact an independent financial adviser (IFA). You can do this by visiting www.unbiased.co.uk, the website of an organisation that promotes independent financial advice. It will give you contact details for a number of IFAs in your area.



Some terms explained

Throughout the Guide certain expressions have been used which, for the purpose of your benefits, have the following meanings:

An **Annuity** is a type of retirement income product that you buy with some or all of your *Retirement Account*. It pays a regular retirement income either for life or a set period.

Beneficiaries is defined in the *Plan's* rules but usually means your Dependants and any other relation either by blood or marriage, any person named on your *Expression of Wish form*, or any beneficiary under your will.

The **Company** means D C Thomson & Company Limited and (where applicable) any subsidiary or associated company admitted to the *Plan*.

Dependants are any of the following:

- your spouse or civil partner,
- your dependent children, or
- any person who, before your death, was wholly or partly dependent on you for the ordinary necessities of life or the sharing of living expenses.

Drawdown is a way of using your *Retirement Account* to provide you with a retirement income by investing it in funds designed for you to leave it invested through retirement and make withdrawals as and when required.

Earnings means your total income from employment, including Salary and any other taxable benefits you receive.

The **Lifestyle** option is an investment choice whereby your *Retirement Account* is invested in funds that reflect how much time you have before retirement. In the early years, the focus is on generating higher returns by investing in a fund with exposure to equity markets. Then, as you approach retirement, the Lifestyle option becomes more conservative, by gradually moving your *Retirement Account* to bonds and cash. This happens automatically - there is no need for you to do anything.



Normal Retirement Date means your 65th birthday.

The **Plan** means the Thomson-Leng Provident Fund.

Qualifying Service means service completed as a member of the *Plan* for retirement benefits. Similar service completed in another Company plan, or in another plan, from which a transfer value has been paid to the *Plan*, will also be counted as Qualifying Service.

Retirement Account means the accumulated value, taking into account investment returns earned, of the contributions which have been paid by the Company on your behalf, together with your own contributions and any Additional Voluntary Contributions (AVCs) you may decide to pay. Your *Retirement Account* may also include any transfer payment to the *Plan* to which you are entitled as a result of a previous employment. The benefits available to you from the *Plan* on retirement, leaving service or death will depend on the value of your *Retirement Account* at that time.

Salary means your basic annual salary or wages excluding overtime, commission, bonuses or any other variable Earnings.

Salary Sacrifice is a way of making contributions free of National Insurance. If you choose to participate in Salary Sacrifice, the Company will reduce your salary by the amount of your member contribution, and pay the same amount into the Plan on your behalf, alongside its existing employer contributions.



Need help or more information?

Log on to Mercer Online:



www.merceroneview.co.uk/tlpf

Call the Mercer Helpline:



0345 600 1168

About Mercer

Your plan's services are provided by Mercer, a global leader in retirement services. Our organisation has over 40 years' experience providing retirement services. We administer retirement plans for over 3,000 companies and nearly 5 million members worldwide.

We know your retirement plan is one of your most important benefits, and we are committed to helping you make the most of it.

Other formats

If you find it difficult to read the information provided, please contact the Mercer Helpline who will endeavour to provide you with a suitable alternative format.