UNIVERSITY OF ABERDEEN SUPERANNUATION & LIFE ASSURANCE SCHEME
Members booklet

2002
University of Aberdeen
SUPERANNUATION AND LIFE ASSURANCE SCHEME

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Contents

Introduction ........................................................................................................... 1
  a What the Scheme provides ................................................................. 1
  b Your Choices ......................................................................................... 1
  c How the Scheme is Funded ................................................................. 2
  d How Contributions are invested ......................................................... 2
  e Transfers from other Schemes ............................................................. 2
  f State Scheme Benefits ......................................................................... 3
  g Statement of benefits ........................................................................... 3
  h Trustee Report and Accounts .............................................................. 3
  i Divorce .................................................................................................. 3
  j Data Protection Act 1998 .................................................................... 3

Section 1
Definitions ........................................................................................................... 4-5

Section 2
State Earnings Related Pension Scheme and Contracting-out .............. 6-7
  a Contracting-out of the State Earnings Related Pension Scheme .. 6
  b Before 6 April 1997 – Guaranteed Minimum Pension ............... 6
  c After 6 April 1997 – Minimum Benefits ........................................ 7

Section 3
Membership ...................................................................................................... 8
  a Joining the Scheme .............................................................................. 8
  b If you do not wish to join the Scheme ............................................... 8
  c Leaving the Scheme .......................................................................... 8

Section 4
Contributions ................................................................................................... 9
  a Your Contributions .............................................................................. 9
  b Additional Voluntary Contributions ................................................ 9

Section 5
Retirement Benefits .................................................................................... 10-12
  a Your Pension ..................................................................................... 10
  b Your lump sum benefit .................................................................... 10
  c Early Retirement. ............................................................................... 11
  d Late Retirement .................................................................................. 12
Section 6
Death Benefits ................................................................. 13-15
   a Your lump sum death benefit ........................................ 13
   b Your Spouse’s Pension ................................................. 14

Section 7
Leaving Pensionable Service ................................. 16-19
   a What is a Qualifying Member? ........................................ 16
   b Deferred Retirement Benefit ......................................... 16
   c Transfer and Buy-out Options ...................................... 18

Section 8
General Information ......................................................... 20
   a Constitution .............................................................. 20
   b Inland Revenue Limits ................................................. 20
   c Amendment or Termination ......................................... 20
   d Assignment .............................................................. 20

Section 9
Requests for Further Information ................................. 21
INTRODUCTION

This booklet explains the main features of the University of Aberdeen Superannuation and Life Assurance Scheme. This will be referred to as "the Scheme" throughout the rest of the booklet.

The Scheme is set up under an irrevocable trust and is administered by Trustees in accordance with the Definitive Trust Deed and Rules. It is the duty of the Trustees to ensure that your interests are protected. The Trustees employ professional advisers to help in their duties.

The full provisions of the Scheme are set out in the Definitive Trust Deed and Rules, which govern the Scheme. This booklet, which is issued jointly by your Employer and the Trustees, provides general guidance and information and does not override the Definitive Trust Deed and Rules, which are available for inspection.

a What the Scheme provides

<table>
<thead>
<tr>
<th>When you retire</th>
<th>A pension and a tax-free cash sum</th>
</tr>
</thead>
<tbody>
<tr>
<td>If you die while you are working for us</td>
<td>A cash sum plus a pension for your spouse</td>
</tr>
<tr>
<td>If you die after you retire</td>
<td>A pension for your spouse</td>
</tr>
</tbody>
</table>

b Your choices

- All employees have a right under legislation to choose how to provide for their retirement. The choices are as follows.
  - To be a member of their employer's Scheme
  - To opt out of their employer’s Scheme and make other arrangements.
  - To rely on State benefits.

- If you decide to join your employer’s Scheme, in some circumstances, you may also be able to pay contributions to a personal pension or stakeholder pension. Further details of this option are available on request from the contact point on the separate notice.

- You may be attracted by the idea of making provision for your retirement by using a Stakeholder contract or a personal pension scheme instead of being a member of our Scheme. If so, it is wise to get appropriate financial advice on this. Before you make a decision, you should carefully consider the benefits provided by the Scheme.

One of the main benefits if you stay in pensionable service in the Scheme, is that you are guaranteed a definite amount of pension linked to your Scheme service and your salary near retirement. This allows you to plan ahead knowing what to expect as your standard of living in retirement.
c How The Scheme is Funded

- The Scheme is funded by your contributions and contributions by your Employer. Your contributions are described in Section 4. Your Employer will pay the balance of the cost of providing the benefits and the full expenses of operating the Scheme.

- You may pay additional voluntary contributions to the Scheme to provide additional benefits. Again this is covered in Section 4.

d How Contributions are invested

- After meeting the cost of providing the death in service benefits, the balance of contributions to the Scheme form a fund, out of which the retirement benefits described in this booklet are provided.

- The trustees invest the fund through the medium of a segregated Pension Fund which includes, as part of its portfolio, UK and Overseas Equities, Government Securities and Cash.

- Any contributions paid voluntarily by you to the Scheme will be invested separately.

e Transfers from other Schemes

- If you have benefits in previous retirement arrangements, it may be to your advantage to have the value of these benefits transferred into this Scheme. This would mean that all your benefits would be payable from the same Scheme, but, depending upon the transfer terms available, the benefits may be in a different format.

- The Trustees have made arrangements to be included in what is known as the Public Sector “Transfer Club” which means that transfer values paid to (and from) the Scheme are determined on the basis used for all Public Sector schemes – resulting in many cases in “year for year” credit. Where the benefit structures for the old scheme and the receiving schemes are similar, the pensionable service in the old employment will, on payment of the transfer value, match the service qualifying for retirement benefit in the new scheme. For transfer payments into the Scheme, additional “Ranking Service” (explained in Section 1) will be granted to reflect the value of the benefits transferred from earlier schemes.

- If you want to consider transferring in other benefits, you should contact the Trustees and give them details of your previous arrangements and the benefits available from them. It is up to the Trustees whether or not to accept the transfer. If they agree to the transfer, they will tell you what additional benefit the transfer will provide.

- Before you make a decision, you should get appropriate financial advice on whether or not you can benefit from a transfer.
f State Scheme benefits

- As the Scheme provides better benefits than those provided by the State Earnings Related Pension Scheme ("SERPS"), it was decided to contract-out of SERPS. Because you are contracted-out you pay reduced rate National Insurance Contributions. Further details are given in Section 2.

g Statement of benefits

- You will be given a statement each year, which will set out details of your benefits and contributions under the Scheme.

h Trustee Report and Accounts

- Copies of these are available on request.

i Divorce

- How your benefits are affected, will depend on what is agreed as part of your divorce proceedings. Further details are available from the Trustees.

J Data Protection Act 1998

- The Trustees hold personal information on members and beneficiaries under the Scheme and are regarded as data controllers for the purposes of the Data Protection Act 1998. The data is processed for the purposes of calculating and paying benefits, determining contributions and generally ensuring the efficient running of the Scheme. The processing is performed by the Trustees, the employer, the Scheme administrators, actuary and any other person providing advice or services to the Trustees.
1. **DEFINITIONS**

The following terms, used to describe your benefits and contributions, have the specific meaning shown.

**Anniversary Date** - 1st August in each year.

**Pension Date** - your 65th birthday.

**Pensionable Salary** - your basic annual rate of earnings excluding any special remuneration such as bonus, commission or overtime payments, but including any contractual overtime.

- For contribution and retirement benefit calculation purposes, Pensionable Salary will be rounded to the nearer £1, if not already a multiple of £1, and will be fixed on the date of your inclusion in the Scheme and on each subsequent Anniversary Date, remaining unchanged until the following Anniversary Date.

- For Death-in-service benefits, Pensionable Salary, as defined above, is applied at the date of death.

**Final Pensionable Salary**

the greater of:

- Pensionable Salary in the year ending on Pension Date or earlier date of retiring or leaving the Scheme, rounded to the nearer £1;

- or the highest average of any three consecutive Pensionable Salaries in the 13 years ending on your Pension Date, or earlier date of retiring or leaving the Scheme, rounded to the nearer £1.
**Ranking Service** - the number of years (plus 1/12th of a year for each additional complete month) of your service after becoming a contributing Member of the Scheme but before your Pension Date.

Ranking Service shall be limited to a maximum of 40 years.

**State Pension Age** -

<table>
<thead>
<tr>
<th>Description</th>
<th>Age Requirement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Men</td>
<td>65&lt;sup&gt;th&lt;/sup&gt; birthday</td>
</tr>
<tr>
<td>Women Born before 6 April 1950</td>
<td>60&lt;sup&gt;th&lt;/sup&gt; birthday</td>
</tr>
<tr>
<td>Women born between 6 April 1950 and 1955</td>
<td>Between 60&lt;sup&gt;th&lt;/sup&gt; and 65&lt;sup&gt;th&lt;/sup&gt; Birthday depending on the actual date of birth</td>
</tr>
<tr>
<td>Women born after 6 April 1955</td>
<td>65&lt;sup&gt;th&lt;/sup&gt; birthday</td>
</tr>
</tbody>
</table>
2. STATE EARNINGS RELATED PENSION SCHEME AND CONTRACTING-OUT

a Contracting out of the State Earnings Related Pension Scheme

As a member of the Scheme you are automatically contracted-out of the State Earnings Related Pension Scheme ("SERPS").

How does this affect you?

- Your entitlement to Basic State Pension is not affected.
- You will not earn any State Earnings Related Benefit while you are contracted-out.
- You will pay lower National Insurance contributions as will your employer.
- By law, the Scheme must provide minimum levels of benefits.

b Before 6 April 1997 – Guaranteed Minimum Pension

- The level of benefits provided before 6 April 1997 must be guaranteed. This is called your Guaranteed Minimum Pension ("GMP").
- Your employer must also pay a pension to your spouse, on your death, ("Spouse's GMP").

Level of Spouse’s GMP

- Men - at least half your GMP.
- Women - half of your GMP relating to Scheme membership after 5th April 1988.

Minimum increases to GMP

Provided by the Scheme

- The Scheme must provide a minimum increase on the part of your GMP and your spouse's GMP relating to your Scheme membership after 5th April 1988. This minimum increase each year is 3%, or the rise in the Retail Prices Index ("RPI") if less.

Provided by the State

- The State is responsible for providing the following under SERPS:-
  - The balance of inflation proofing (as measured by the RPI) on the GMP and Spouse's GMP earned before 6th April 1988.
  - The balance of any inflationary increases (as measured by the RPI) above the 3% rate on the GMP and Spouse's GMP earned after 5th April 1988.
The normal scale pension payable from the Scheme for benefits earned before 6 April 1997 will usually be greater than the GMP. However, it may be necessary to restrict certain options available to you under the Rules, particularly those relating to early retirement and the exchange of part of your pension for a cash sum, if the exercise of these options would reduce your pension to less than your GMP.

c After 6 April 1997 – Minimum Benefits

- From 6 April 1997 the contracting-out rules were simplified.
- From that date, you will not earn any further GMP. Instead a legal standard has been set known as a Reference Scheme test. Schemes will meet the standard if they give benefits that are broadly equivalent to, or better than, those in the statutory "reference scheme". The reference scheme sets a benchmark for members' and spouses' benefits and will ensure that contracting-out continues to be a suitable alternative to SERPS for most people.
3. **MEMBERSHIP**

a  **Joining the Scheme**

- You can become a member of the Scheme if you:
  - are an employee but not a member or eligible for membership of the Universities Superannuation Scheme which is the Scheme for academic and academic related staff.
  - are over age 18 and under age 60
  - complete a Membership Form confirming that you want to join the Scheme.

- You will become a full member on completion of the above conditions, although cover for lump sum death benefits applies from your date of entry into service, or if later, your 16th birthday.

b  **If you do not wish to join the Scheme**

- If you decide not to join the Scheme, you must still complete a Membership Form confirming that you do not wish to apply for membership and that you understand the implications of your decision.

- If you do not join when you are first eligible, no other retirement or death-in-service benefits will be provided for you.

- Later inclusion in the Scheme will be entirely at the discretion of your Employer and the Trustees, and may be subject to special terms.

c  **Leaving the Scheme**

- If you want to leave the Scheme, but you are not leaving your Employer, you must give the Trustees the same period of notice required if you were leaving your Employer.
- No other retirement or death-in-service benefits will be provided for you.
- Later re-inclusion in the Scheme is also entirely at the discretion of your Employer and the Trustees and may be subject to special terms.

The options available if you leave the Scheme voluntarily are described in Section 7.
4. CONTRIBUTIONS

a  Your Contributions

- You pay 6% of your Pensionable Salary each year

- Your Employer pays the contributions, together with the Employer Contribution, to the Trustees. The Trustees then arrange for the investment of the contributions.

- Your contributions are deducted from your earnings before your tax is calculated. This gives you automatic income tax relief and, therefore, reduces the cost of your contributions to a net amount according to the rate of tax you would otherwise have paid. The effect of this is shown in the Table below.

- Your contributions start when you join the Scheme and stop on the earliest of:
  - completion of 40 years’ contributory membership of the Scheme; or
  - the anniversary Date before your Pension Date; or
  - the day you leave service

- If you are absent from work on unpaid leave, your contributions may be continued or suspended but your retirement benefit will be reduced if you do not make up the arrears when you return to work.

b  Additional Voluntary Contributions

- You can increase your benefits by paying Additional Voluntary Contributions ("AVCs").
- You will be given full tax relief on your AVCs and the effect of this is shown below.
- You will not pay any direct UK taxes on the investment earned on your AVC’s.
- You may pay AVCs up to a maximum of 15% of your earnings having allowed for your normal Scheme contributions of 6%.
- Details of both AVC Schemes - on a Money Purchase basis (Scheme A) and an added years basis (Scheme B) - are available on request from the Pensions Office.

Examples of effect of Tax Relief on your Contributions:

<table>
<thead>
<tr>
<th>Amount of AVC</th>
<th>Rate at which income tax is payable</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>20%</td>
</tr>
<tr>
<td>£100</td>
<td>£80</td>
</tr>
</tbody>
</table>

The Table shows only the effect of tax relief on your contributions to the Scheme. In addition, there are reductions in National Insurance Contributions resulting from contracting-out of SERPS - see Section 2.
5. **RETIREMENT BENEFITS**

**a Your Pension**

**Amount**

- Your pension will equal \( \frac{1}{80} \)th of your Final Pensionable Salary multiplied by your Ranking Service.

**Taxation**

- Income tax will be deducted from each monthly payment under the PAYE system just like earnings.

**When is it paid?**

- When you retire at your Pension Date, you will receive a pension payable for your lifetime in monthly instalments.

- Your pension will start to be paid on the first day of the month following your Pension Date.

**Increases to your Pension**

- Your pension will increase annually in payment (except any pension from AVC’s under Section A) in terms of the Pensions (Increase) Act 1971 (PIA) or subsequent legislation. These increases are based on the index of retail prices. Increases are effective from 1st April in each year, with a proportionate increase on the 1st April immediately following your retirement.

- Regardless of the level of inflation during payment of your pension, the Scheme provides that your pension as increased above will not be less than your Scheme pension at retirement increased at the rate of 3% p.a.

- The State provided inflation proofing on your GMP (see Section 2) is deducted from the PIA increases.

**b Your lump sum benefit**

- At retirement at Pension Date you will receive a **tax free** lump sum benefit of \( \frac{3}{80} \)ths of your Final Pensionable Salary multiplied by your Ranking Service.
EXAMPLE

A member retires on his Pension Date, having completed 30 years' Ranking Service, with a Final Pensionable Salary of £15000.

\[
\begin{align*}
\text{His pension} & = 30/80 \times 15000 \\
& = £5625 \text{ each year.}
\end{align*}
\]

\[
\begin{align*}
\text{His cash sum} & = 30 \times 3/80 \times 15000 \\
& = £16875
\end{align*}
\]

- If you started to pay AVCs to the Scheme on or after 8th April 1987 on a Scheme A Money Purchase basis to provide increased benefits for you and/or your dependants, you cannot take these benefits as a cash sum at the time of retirement. They must be taken as pension.

**c Early Retirement**

- If you retire before your Pension Date with your Employer’s consent, your retirement benefits may become payable earlier. This can be after age 50 or at any time because of serious ill-health. Benefits will normally be reduced because of early payment and potential payments of pensions for a longer period, any reduction being recommended by the Scheme Actuary.

- Special early retirement conditions apply if you were an existing member of the Scheme on 31 July 1994. Women can retire at any time from age 60 without any reduction in benefits and men can retire at age 60 without any reduction in benefits earned after 17th May 1990. This is consistent with the European Law.

- In addition, any member of the scheme (irrespective of date of joining) who is over age 60 and who has completed 5 years Ranking Service may, with the consent of the Employer, retire at any time between their 60th and 65th birthday with no reduction to their benefits for early payment.

- Any member completing 40 years Ranking Service (including any years resulting from a Transfer Value received into the Scheme) may retire at that time with no reduction to their benefits for early payment.
Irrespective of your date of joining the Scheme, special terms apply if you have to retire early because of permanent illness or incapacity (as agreed by the Employer’s medical adviser) provided you have completed 5 or more years’ Ranking Service. Your pension would then be based on the Ranking Service you have completed but enhanced as follows:-

- 5 to 10 years’ Ranking Service completed - Ranking Service doubled.
- over 10 up to 20 years’ Ranking Service completed - increased to 20 years or by 6 2/3 years, whichever is greater.
- over 20 years’ Ranking Service completed - increased by 6 2/3 years.

For the purposes of determining Ranking Service in these circumstances, any added years resulting from a Transfer Value received into this Scheme or from AVC’s paid into Scheme B will be taken into account.

In no case will you receive credit for more than the number of years of Ranking Service which you would have completed had you remained in service until Pension Date (including any full added years of service purchased by AVC’s under Scheme B).

If you joined on or after 17 March 1987 and are granted enhanced Early Retirement Benefits, the lump sum retirement benefit available may have to be reduced to meet Inland Revenue limits.

The Trustees will retain the power to withdraw, suspend or reduce the enhanced pension in respect of a pensioner who retires early and whose health subsequently improves.

d Late Retirement

- Your retirement benefits may become payable later if you retire with your Employer’s agreement after your Pension Date. The benefits will be increased to reflect later payment, the increase being recommended by the Scheme Actuary.
6. **DEATH BENEFITS**

Evidence of health is not usually needed unless your death-in-service benefits are over a certain level. You will be told if you are affected.

a **Your lump sum death benefit**

**Amount payable**

- **if you die in service before your Pension Date**
  - will equal 3 times your Pensionable Salary.
  - all the contributions you have paid to the Scheme will be refunded plus interest at the rate of 4% p.a. (or such other rate as the employer may decide).

- **if you die within five years after your retirement on pension**
  - will be a lump sum equal to the value of the further monthly payments of your pension which would have been paid had you survived until you received your 60th monthly payment of pension.

- **if you die in service after your Pension Date**
  - will be the amount of cash you would have received if you had retired on the date of your death
  - PLUS
  - an amount equal to the discounted value of 60 monthly payments of the pension which would have been payable.

**When is it payable?**

- Immediately on your death.

**The Tax position**

- Death benefits are normally tax free.

**Who receives it?**

- the Trustees will decide who receives your death benefit. It will normally go to your dependants or be paid into your estate.
- The Trustees will consider your wishes in making this decision, if you complete a Nomination of Beneficiary Form. This form is available on request from the Pensions Officer in the Finance Section.
• You may prefer to put the form in a sealed envelope before passing it to the Trustees. If you
write on the envelope: Nomination of Beneficiary, your name and National Insurance
Number and an instruction "open only in the event of my death", the details will remain
confidential until your death.
• You should complete a revised form if your circumstances change or if you wish to alter any
of the information given on your original form. (The Trustees will return your earlier form
if you ask for it.)

b Your Spouse’s Pension

• if you die in service before your Pension Date
    - will equal one-half of the pension you would have received, at your Pension Date,
      had you remained in service until then with no change in your Pensionable Salary.

• if you die after retirement on pension
    - will equal one-half of your pension (allowing proportionately for the special ill-
      health retirement scale if this applies).

• if you die in service after your Pension Date
    - will equal one-half of the pension you would have received if you had retired on
      the day of your death;

Increases

• Your spouse’s pension will increase annually in payment on 1st April under the
  provisions of the PIA as set out in Section 5 allowing for any increases provided by the
  State.

When is it payable?

• Monthly in instalments starting on the first day of the month following your death.

Tax Position

• Each instalment will be subject to PAYE income tax deduction.

When payments stop

• The pension will cease on your spouse's death unless there is, at that time, at least one
dependent child of your marriage, or of any previous marriage of yours, under the age of
16 or still in full-time education, in which case the pension will continue until the
youngest child reaches age 16 or if later, has ceased full-time education.
Further details

The part of the spouse's pension which is in excess of your Spouse's GMP:-

(a) may be reduced if you were more than 10 years older than your spouse;

and

(b) will be payable at the discretion of the Trustees if you die within 180 days after your marriage.

Discretionary Dependant’s Pension:

On the death of a member there is now discretionary pension provision for surviving dependent partners irrespective of sex or marital status. The details are:

- You can complete a Potential Dependant Nomination Form to help the Trustees decide if a dependant’s pension can be paid. If you are married you may wish to do this for completeness.

- If you are married and living with your spouse at the time of your death then your spouse will receive the full spouse’s pension.

- If you are married but not living with your spouse at the time of death the Scheme must pay a minimum pension to your spouse but in addition the trustees have discretion to pay a pension to a dependant.

- If you are not married at the time of death a pension may be payable to a dependant.

- The total amount of pension payable cannot be more than the spouse’s pension, but it can be divided among more than one dependant.

- Under Inland Revenue rules unmarried partners must be financially dependent on a member prior to death to enable a dependant’s pension to be paid. Financial interdependence where there is joint financial commitment is usually considered to be financial dependence.

- The Trustees will determine whether a dependant’s pension can be paid taking into account individual circumstances at the time of a member’s death.
7. **LEAVING PENSIONABLE SERVICE**

This section describes the options available to you if you leave the Scheme before Pension Date for any reason other than retirement on pension. These options depend on whether or not you are a **Qualifying Member**.

**a What is a Qualifying Member?**

- A Qualifying member is a Scheme member who has completed two years in the Scheme. This would include service under a previous employer’s Scheme from which benefits have been transferred to our Scheme.
- You will automatically be a Qualifying Member if a transfer payment is made to this Scheme from a personal pension or retirement annuity from previous employment.

**If You are not a Qualifying Member**

- If you are not a Qualifying Member, you will receive a refund of the contributions you have paid to the Scheme. The contributions will be increased by an interest adjustment decided by the employer – currently 4% p.a.

- When you leave the Scheme, the Trustees will make a payment to reinstate you into the State Earnings Related Scheme for the time you were a contracted-out member of the Scheme. The part of this payment that relates to your own contributions will be deducted from the amount payable to you.

- A deduction for income tax (currently 20%) will also be made from the net amount after any deduction above.

- In some circumstances, the Trustees may allow you to take a Deferred Retirement Benefit instead of a refund of contributions. You will be told if this is an option.

**If you are a Qualifying Member**

- A deferred retirement benefit will apply (see below)

**b Deferred Retirement Benefit**

**Amount**

- The amount of benefit will be at least equal to the legal minimum and includes entitlement to a spouse's pension if you die after your Pension Date.
- The amount of deferred benefit will be related only to your full membership of the Scheme.
- Your pension earned before 6 April 1997 will be at least equal to the GMP which you earned as a contracted-out member of our Scheme. This pension will be increased for each complete tax year between your date of leaving and State Pension Age at the fixed rate laid down by Government regulations. The current fixed rate is 6.25% per annum. (4.5% from 6th April 2002)
Increases

- The amount of the fixed rate increase, at the time of leaving, will be added to your scale entitlement to form part of your total pension.

- That part of your scale entitlement earned before 6 April 1997 in excess of your basic GMP and your scale entitlement earned after 6 April 1997, which relates to *Final Pensionable Salary*, will be increased in line with the Retail Price Index, but to a maximum of 5% per annum, until your *Pension Date*.

*EXAMPLE:*

A Scheme leaver has 10 complete years (and tax years) left from the date of leaving to his Pension Date. His scale pension is £1,000, of which £200 per annum is GMP. Assuming price increases are at 4% each year in the period to his Pension Date, his pension at the Pension Date will be:

<table>
<thead>
<tr>
<th>Scale pension in excess of GMP</th>
<th>£800</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase on the pension at 4% each year</td>
<td>384</td>
</tr>
<tr>
<td>GMP</td>
<td>200</td>
</tr>
<tr>
<td>Increase on GMP at 6.25% each year</td>
<td>166</td>
</tr>
<tr>
<td>Total Pension</td>
<td>£1,550</td>
</tr>
</tbody>
</table>

Conditions

- The deferred benefit will be payable from the Scheme under the same conditions as would have applied had you retired from service at your Pension Date.

On your death

- *If you die before your Pension Date*, the contributions paid by you to the Scheme will be refunded plus interest at 4%.

  In addition,

  - your spouse will receive a pension of:

    - one half of your total pension with the amount in excess of your spouse’s GMP increased in line with the Retail Price Index up to a maximum of 5% p.a. until your date of death.

    plus

    - an amount equal to the increase on your basic spouse’s GMP at the fixed rate for each complete tax year from the date of leaving to the date of death.
• If you die after your Pension Date your spouse’s pension will be at least equal to the spouse's pension described above, with the increases calculated from your date of leaving to your Pension Date.

Getting further information

• You will be given details of your benefits when you leave the Scheme. If you initially decide to leave your deferred retirement benefits in the Scheme, you will normally be allowed to re-select an appropriate leaving option later.

As an alternative to Deferred Retirement Benefit, you can select a Transfer or Buy-Out Option.

c Transfer and Buy-out Options

As an alternative to a Deferred Retirement Benefit, you may choose between Transfer and Buy-out options

Transfer Option

Conditions

• You can only transfer your pension rights if the arrangement to which you wish your benefits to be transferred has suitable Inland Revenue approval and is willing to accept the transfer. If the other arrangement is also contracted-out, it may be that your GMP can be included in the transfer.
• Where the other arrangement is unable to receive the contracted-out portion of your benefits, these can be transferred separately.

Calculating the transfer value

• The Scheme Actuary will calculate this using actuarial guidelines.
• For your guidance, the transfer value is broadly speaking, the cash value of your deferred benefits at the date of calculation including pension increases but not any discretionary benefit increases.
• You can ask the Scheme contact for further details.

Buy-out Option
• This allows you to transfer your retirement benefits (including your GMP) to an insurer, chosen by you, which has a suitable contract.
• Where the other arrangement is unable to receive the contracted-out portion of your benefits, these can be bought-out separately with another insurer.
8. GENERAL INFORMATION

a Constitution

- The Scheme is set up under an irrevocable trust and is administered by Trustees in accordance with a Trust Deed and Rules.
- The Trust Deed confers upon the Trustees the power, at their discretion, to provide additional benefits for or in respect of a member, including increases on pensions, which are already being paid. If you are affected you will be informed. However, if you leave service and are still entitled to deferred retirement benefits you will not benefit from those additional benefits except for those increases guaranteed by legislation.
- The Scheme is approved by the Inland Revenue under Chapter I of Part XIV of the Income and Corporation Taxes Act 1988. Such approval allows various valuable tax reliefs on contributions (yours and your Employer's) and benefits and on the scheme investments. In return, the benefits payable from the Scheme have limits imposed on them from time to time by the Inland Revenue.

b Inland Revenue Limits

- if you joined the Scheme after 16th March 1987 but before 1st June 1989, any earnings in excess of £100,000 must be ignored for the purpose of calculating your tax-free cash sum
- if you joined the Scheme on or after 1st June 1989, there is an Inland Revenue limit on Pensionable Salary for the calculation of benefits and the maximum contributions you may pay. The limit for the tax year 2001/2002 year is £95,400.

c Amendment or termination

- Although, your employer expects to be able to maintain contributions to the Scheme, future business conditions cannot be foreseen. They must therefore reserve the right to amend or terminate the Scheme at any time.
- If the Scheme is wound up or Scheme contributions are stopped, you will remain entitled to benefits in accordance with the Rules and legislation governing these situations.

d Assignment

- No part of the benefits under the Scheme can be assigned by any member.
9. **Requests for Further Information**

Trustees have drawn up procedures for resolving disagreements or disputes about the Scheme with members and beneficiaries. The appropriate forms are available from the Pensions Office. The complaint should be addressed in the first instance to the Pensions Officer at the Finance Office. If the complaint is not resolved there is the opportunity to refer this to the full Trustees Board.

**Occupational Pensions Advisory Service (OPAS)**

If the process set up by the Trustees fails to resolve any difficulties to your satisfaction, you may contact OPAS.

OPAS is an independent voluntary organisation with local advisers who are experts in pension matters. It is available to assist the members and beneficiaries of the Scheme with any difficulties they have been unable to resolve with the Trustees or the Scheme Administrator. Normally, you should try to contact a local OPAS adviser through your nearest Citizens Advice Bureau. Alternatively, you can write to OPAS:

11 Belgrave Road  
London  
SW1V 1RB

**Pensions Ombudsman**

The Scheme also falls within the jurisdiction of the Pensions Ombudsman, appointed under the Social Security Pensions Act 1975, who is able to investigate and determine any complaints or disputes of fact or law in relation to any occupational pension scheme. The Pensions Ombudsman can also be contacted at the above address. Please note that the Pensions Ombudsman will normally only consider a referral after it has already been investigated by OPAS but could not be satisfactorily resolved.

**OPRA (Occupational Pensions Regulatory Authority)**

OPRA is an independent body set up to regulate occupational pension scheme. Its main role is to supervise new safeguards put in place by the Pensions Act 1995 and, in doing so, to protect schemes and their members.

OPRA will be able to intervene in the running of schemes where trustees, employers or professional advisers have failed in their duties.

Individuals who have concerns about the running of their scheme can contact OPRA at

Invicta House  
Trafalgar Place  
Brighton  
BN1 4BY.

**Registrar of Pension Schemes**
The Trustees have given information about the Scheme including the names of and a contact address for the Trustees, to the Registrar of Occupational and Personal Pension Schemes, as they are legally required to do. The registry was set up by the government to assist members and others in tracing the people responsible for paying the benefits under Pensions Schemes with which contact has been lost.

The registrar holds details of the names of schemes, participating employers, and addresses at which contact can be made.

If you need to contact the registrar, the telephone number is 0191 225 6393 or you can write to

Registrar of Pension Schemes
The Occupational Pensions Regulatory Authority
P O Box 1NN
Newcastle Upon Tyne
NE99 1NN
UNIVERSITY OF ABERDEEN SUPERANNUATION
LIFE ASSURANCE SCHEME

TO MEMBERS

The attached booklet sets out basic information about the Scheme. If you require more information regarding the Scheme or the particular benefits provided for you then you should address all communications and requests, in writing to:

Miss Michelle Slater
Pensions Administrator
Finance Office
King’s College
Aberdeen
AB24 3FX

Any special terms already applying to your benefits or contributions continue as previously agreed with you. The Benefit Statement sent to you each year will confirm your benefits.