The Key Scheme Details

This document provides a summary of the main points of the workplace pension to help you understand the key benefits to you. It should be read in conjunction with the Key Features and Personal Illustration that will be included in your Welcome Pack.

The Scheme

The Real Estate: UK Workplace Pension (referred to as "the scheme") is a **Group Personal Pension** insured with **Scottish Widows** and overseen by **Whiteleaf Financial Plc**.

Postponement

In line with legislation, your joining date for the workplace pension will be **Postponed** from the date you start your employment. You will receive a **Postponement Notice** that explains this in more detail.

Enrolment

After Postponement, your employer will enrol you into the workplace pension. The default pension contribution will be calculated on your Basic Pay, as follows:

Employee	Employer
5%	15%

You can save less, but your employer contribution will reduce as shown below:

Employee	Employer
4%	12%
3%	9%

- If you wish to save less than the default contribution, you can do so by indicating the amount on the **Pension Joining Form**.
- There is a useful calculator on the Government-backed 'Money Helper' website to help you work out how much you should be saving each month.
- The rules of a qualifying workplace pension require you and your employer to pay the minimum contributions outlined above. If you stop your pension contribution your employer will stop their pension contribution too.
- Your employer will only make pension contributions to the scheme and will not make pension contributions to an individual pension arrangement.

The Scheme is a SMART Pay Pension

The scheme is a **SMART Pay Pension**, which means that it operates on a Salary Exchange basis. Your gross basic pay will be reduced by the gross cost of your personal contribution, and in return your employer will pay your gross pension contribution together with their own contribution into your pension pot.

The benefit of a SMART Pay Pension is:

- Your pension contribution will be deducted from your Gross Basic Pay, which will save you tax and national insurance when compared to making your pension contribution from your pay after tax.
- More money will be paid into your pension pot as your employer will add their saving in national insurance as an additional employer contribution.
- Higher rate taxpayers will not need to make a claim for the higher rate tax relief.

Importantly, this will not affect the calculation for future pay increases, which will still be based on your pre-exchanged salary.

SMART Pay

You will participate in SMART Pay by default subject to the conditions on the **SMART Pay Guide**, which provides more detail on how this works and the key points you should be aware of.

Stepping Out of SMART Pay

If, after reviewing the SMART Pay Guide, you believe SMART Pay is not appropriate for you, then you can step-out of SMART Pay by completing Section 7 on the Pension Joining Form.

Higher Rate Taxpayers

As the scheme operates on SMART Pay by default, you will not need to make a claim for higher rate (or additional rate) tax relief, as your gross pension contribution will be deducted from your gross pay before it is subject to tax (unless you have stepped out of SMART Pay, in which case you will need to make a claim for the higher rate tax relief). If you are claiming higher rate tax relief through your PAYE coding for an existing pension contribution, and you have chosen to redirect this to the scheme, you should advise your Tax Office accordingly, so they take the tax relief out of your PAYE coding (assuming you have not stepped out of SMART Pay).

Scheme Retirement Age

The scheme retirement age of 65 shown on the illustration is for regulatory purposes only and is not an indication of when you will actually retire. Pension providers are required to show a retirement date, so that you can see what the projected pension pot value may be at a certain point in time to illustrate the costs and benefits to you.

As the gradual reduction to investment risk commences 15 years out from age 65, we recommend that you login to your pension pot and set your preferred retirement age (if not 65) so that the gradual reduction to investment risk can be set to commence 15 years before your preferred retirement date. You may take benefits from your pension pot from age 55 under current legislation and there are no penalties for doing so (apart from the loss of investment returns).

If You Die Before Age 75
If you die before age 75, the money left in your pension pot will generally be paid to your beneficiaries as a tax-free lump sum.

Nomination Form
You can login to your online pension account to provide details of your preferred beneficiaries that you wish to receive your pension fund in the event of your death.

Default Investment Option
Pension contributions will be invested in the **Balanced Pension Investment Approach.**

To help you assess your own personal investment risk tolerance you can use the on-line **Risk Profiler,** which is available to you when you login to your pension pot. If you wish to change the investment risk profile to **Cautious** or **Aggressive** you can do so when you login to your pension pot.

The Pension Investment Approaches may include investment in UK and Overseas Shares, Bonds, Cash, Property and other assets. They are designed to provide capital growth over the longer term. As you approach your selected retirement age the risk is gradually reduced to help protect the final value of your pension fund, as outlined in the Key Features document. In addition, the fund is rebalanced every quarter to maintain your chosen risk profile. Alternatively, you can create your own investment portfolio from a range of selected investment funds based on your own personal investment risk tolerance. If you exercise your own investment choice or choose to manage your pension fund on-line, then you alone will determine the investment risk.

Please be aware that the value of all investments (including some Cash funds) can go down as well as up, particularly in the short-term and they are not guaranteed. It is always possible that you may not get back the amount you invested. Where past performance figures have been quoted, they do not in any way guarantee future investment growth and should not be taken as a guide to future investment returns.

You should review your investment profile on a regular basis to make sure that it is still appropriate for your needs and meets your objectives in relation to your pension planning.

If you leave employment
If you leave this employment, you can take your pension pot with you and, if appropriate, continue to make contributions to it. Alternatively, you can transfer your pension pot to a new employer's pension scheme if they are willing and able to accept it. There are no penalties if you transfer your pension pot.

Regular Review
There is no guarantee that this scheme will provide you with sufficient income in your retirement or meet your target or desired income. You should review your pension arrangements on a regular basis to make sure the benefits will meet your expectations at your selected retirement age.

Stakeholder Pensions
The Government introduced Stakeholder pensions in April 200I. A scheme can apply to register with the Pensions Regulator as a Stakeholder Pension scheme, if it agrees to meet certain conditions on charges, access and the way that the scheme is run. The Pensions Regulator does not 'approve' any of the schemes listed on the register and can give no guarantees about the performance of a scheme or its suitability for any individual or employer. Stakeholder providers can only amend their charges with the approval of the government.

This scheme is a Group Personal Pension and not a Stakeholder pension. The scheme has lower charges than a Stakeholder pension, which can charge 1.5% per year for 10 years and 1% per year thereafter. From 1 October 2012, there is no requirement for an employer to offer a Stakeholder pension.

The Key Features & Illustration
The Key Features & Illustration you will receive from Scottish Widows in the Welcome Pack shows the projected benefits payable at retirement and details of the charges for your pension pot.

The illustration is only a guide to the possible benefits payable in the future. The actual benefits payable are not guaranteed and could be higher or lower than illustrated. This is because the final benefit payable will depend on the actual investment returns achieved over the term to retirement. If there is anything contained in the illustration that you are unsure of, then you should seek clarification from Whiteleaf.

The Scheme Charges
The scheme has an **Annual Management Charge (AMC) of 0.25%** for regular contributions to the Default investment options. Other funds may have higher charges.

The following table will help you understand how the Annual Management Charge is calculated.

Annual Management Charge Calculation (Default Investment Option)	
Pension Pot Value	**Annual Management Charge (AMC)**
£1,000	**£2.50**
£10,000	**£25.00**
£100,000	**£250.00**

This is only a guide to help you understand the calculation of the annual management charge that is deducted from your pension pot by Scottish Widows. The actual charge will be determined by your pension pot value.

There are no other deductions or charges on your pension pot and 100% of each regular contribution is invested for your benefit. There are no transfer penalties if you leave service and wish to move your pension money to another approved pension scheme. Pension operators reserve the right to amend their terms, conditions and charges in the future, with due notice to you the client.

The State Pension
The pension from the scheme will be paid in addition to the pension you can expect to receive from the State.

It is recommended that you obtain a **State Pension Statement** by calling **The Future Pension Centre on 0800 731 0175**. This will help you understand how much pension income you may receive from the State and at what age this will be payable. Alternatively, you can register for a **State Pension Statement** on-line at **www.gov.uk/future-pension-centre**

Switching an Existing Pension Pot into the Workplace Pension

You may wish to consider switching money from an existing pension pot (but not a final salary pension) into your workplace pension pot to take advantage of the low charges and structured investment approach. This could also provide you with the following benefits:

- One pension statement
- One nomination form
- One secure login for your pension money
- Ease of pension planning

If you would like Whiteleaf to prepare a **Switch Analysis Report** for you - to help you understand your options, then please complete a **Letter of Authority** for each pension pot and return this to Whiteleaf. There is no initial cost for the Switch Analysis Report. If a switch to the scheme is recommended and you decide to proceed, there will be an adviser transaction fee payable for the advice and facilitating the switch for you. The fee is 5% of the money switched or £500 plus 1% of the money switched (whichever is the lower). This will be taken into account in the Switch Analysis Report and will be deducted from the money being switched from the old scheme to the new scheme, so that you do not have to pay this personally.