

Reasons to Join

Unitised Ethical Plan

Reasons to Join



Benefits of the Plan

The simple fact is that the younger you are when you join, the greater the benefits, and the higher the standard of living you and your family will enjoy when you do finish work.

Reasons to Join the Unitised Ethical Plan

- Your employer will pay towards your retirement
- It will cost less than you think
- You can plan when to retire
- You can opt for a tax-free lump sum when you retire
- Your pension will grow
- You can provide security for your family
- Your money will be in safe hands
- It's flexible if you change jobs

The Benefits:

- **Your employer will pay towards your retirement** – your employer is offering you the chance to join The Pensions Trust's Unitised Ethical Plan. Your employer will tell you how much they will contribute on your behalf and how much you must pay. You can also pay Additional Voluntary Contributions (AVCs) to boost your pension. Please bear in mind that your employer may not be prepared to contribute to another pension arrangement if you do not take up this option.

Contributions are used to buy units in the Stewardship Fund, which is managed by F&C Managed Pension Funds. This fund invests in companies which make a positive contribution to society and avoids those which are seen to harm the world, its people or its wildlife. At retirement, the value of your fund may be used to purchase a pension through The Pensions Trust's Growth Plan or from another pension provider. You should bear in mind that the value of your fund can go down as well as up.

- **It will cost less than you think** – the part of your salary that you pay into the pension plan is not taxed. For example: If your earnings are £15,000 and you contribute 6% you will save £16.50 a month in tax.
- **You can plan when to retire** – unlike the State Pension, which cannot be taken early, with the Unitised Ethical Plan you have a great deal of choice when it comes to taking your pension. You may currently choose to start receiving your pension at any time from age 50. From 6 April 2010 onwards, your pension may only commence once you reach age 55. After reaching age 55, you may choose to start your pension, with no requirement to leave employment. In all cases you must start receiving your pension by age 75.

- **You can opt for a tax-free lump sum when you retire** – you can choose to receive a lump sum payment when you retire, which at present is tax-free. Should you choose this option your pension would be lower.
- **Your pension will grow** – you can choose a pension that increases each October in line with the rise in the Retail Prices Index (RPI) to a maximum of 2.5%. Alternatively, it is possible to select a pension which remains at the same fixed level for the rest of your life (but which will commence at a higher rate). You also have the option of selecting a pension from another provider (known as the 'Open Market Option'). With this option, details of how payments will be made, and any increases applicable, will be as agreed with the provider you have chosen.
- **You can provide security for your family** – you choose life cover of up to four times your salary. You can also provide for your survivor and up to four dependant children to receive a pension when you die.
- **Your money will be in safe hands** – the Unitised Ethical Plan is administered by The Pensions Trust (a mutual organisation, accountable to its members), which specialises in providing pensions to the charitable and not-for-profit sector. Over the years, The Pensions Trust has won numerous industry awards, and won Scheme Administrator of the Year in the UK Pensions Awards in both 2005 and 2006.
- **It's flexible if you change jobs** – if you leave your present employer you can leave your pension where it is. Alternatively, you can transfer the value to another pension scheme; this incurs no penalty and can be done at any time before your pension comes into payment.



Should you require further information about the Unitised Ethical Plan, please contact us on 0131 341 1265 or email us at enquiries@thepensionstrust.org.uk



The Pensions Trust

Verity House, 6 Canal Wharf, Leeds LS11 5BQ
tel: 0113 234 5500 fax: 0113 234 5599

Verity House, 19 Haymarket Yards, Edinburgh EH12 5BH
tel: 0131 341 1200 fax: 0131 341 1299

In Tuition House, 4th Floor, 210-212 Borough High Street, London SE1 1JX
tel: 020 7788 0100 fax: 020 7788 0129

email: enquiries@thepensiontrust.org.uk
or visit www.thepensiontrust.org.uk