

YOUR REWARD



The TSB Pension Scheme

Today's choices for your retirement



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TSB recognises the importance of saving for your future. The TSB Pension Scheme (“the Scheme”) forms part of your reward and gives you choices over how much you save and where contributions are invested.

In this document

Throughout this document you will see the following icons which signpost you to further information.



Signposts relevant websites
for you to source further information.



Points out **useful things to consider.**



Highlights **important actions**
that you can take.

Your benefits

You will be automatically enrolled in the TSB Pension Scheme on the day you join TSB (unless your employment contract states otherwise). Your benefits include:

- **Company contributions** – TSB makes valuable contributions to your account. Whatever core contributions you choose, the Company more than doubles them. The more you choose to contribute, the greater the benefit to you.
- **Increase your take-home pay** – You receive National Insurance savings through 'SmartSaver' – a cost-effective way to make contributions to the Scheme. Instead of you making contributions directly to your account, TSB makes contributions on your behalf. In exchange, your pay is reduced by the value of those contributions, resulting in National Insurance savings and increasing your take-home pay.
- **Control of your investment choices** – The investment options in the Scheme are designed to give you a wide range of choice and flexibility. You can make changes to your investment choices at any time.
- **Protection for those around you** – If you die while employed by TSB, we will pay out a core cash lump sum of four times your basic pay. This cover is free and payable whether you opt out of the Scheme or not. If you are a contributing member of the Scheme and have a qualifying dependant when you die, an additional cash lump sum of four times your basic pay may be payable plus the value of your account. If you need to leave work due to ill health, benefits from the Scheme may be increased.
- **Your account** – Your account is invested in the way you decide and used to provide an income when you retire that suits your lifestyle. For example, you could take a tax-free cash sum and an increasing income for you, and provide an income for your dependants following your death.

Auto-enrolment

To encourage UK workers to save more for retirement, the government has introduced auto-enrolment. It requires UK employers to enrol all eligible workers into a pension scheme which meets minimum requirements, i.e. a 'qualifying scheme'. The TSB Pension Scheme is a qualifying scheme that exceeds the government's standards for retirement provision. TSB will automatically enrol all employees in the Scheme on the day they commence employment. TSB will not end your membership of the Scheme without immediately enrolling you in another qualifying scheme.



You can find more detailed information about auto-enrolment at tsbpensionscheme.co.uk/auto-enrolment
For information about pensions and saving for retirement see www.gov.uk/workplace-pensions

Consider this

If you choose to opt out of the Scheme while you're still employed by TSB, due to legislative requirements, you may be automatically re-enrolled into the Scheme depending on your age and/or earnings.

How much should I save?

Core contributions

You choose a core contribution rate from a minimum of 3% up to 5% of your basic pay.

Company contributions

The Company also makes contributions to your account up to a maximum of 13%, depending on the core contribution rate you choose.

Core contribution	Company contribution	Total invested in your account
3%	8%	11%
4%	10%	14%
5%	13%	18%

(expressed as a percentage of basic pay)

Additional contributions

You can choose a contribution rate of more than 5%. Any contributions over 5% are classed as additional contributions and do not attract a matching company contribution.

Please note that the maximum company contribution is 13%.

Don't wait to start

Some mistaken beliefs about pensions:

"The government will provide for me."

Although the government provides the Basic State Pension, this may not be enough to cover your basic needs.

"I'm too young to think about retiring."

Putting off thinking about retirement is easy to do but it could cost you. Starting a pension earlier rather than later could make a big difference to the size of your account and therefore the retirement income you can buy.

If you decide to leave TSB and you've been a member of the Scheme for at least three months, you can transfer the full value of your account, including Company contributions, to another registered pension scheme.

Consider
this

"I'll use other savings such as ISAs."

Although there are other tax-efficient, flexible ways to save, such as ISAs, you should bear in mind that, as a member of the Scheme, your employer pays extra contributions into your account and you receive tax relief on core and any additional contributions paid.

A combination of ISAs and pension savings is often seen as a good approach when saving for the future.

Your next steps

1

The following documents are available to help you on the TSB Pension Scheme website at www.tsbpensionscheme.co.uk:

- **A Guide to the TSB Pension Scheme** – Explains in full detail how the Scheme works.
- **Investment choices for the TSB Pension Scheme** – Provides information on the funds and investment approaches you can choose from.

Action point

If you opt out of the Scheme, it's important to plan where your retirement income will come from. You are recommended to seek independent financial advice. Visit www.unbiased.co.uk to find an adviser in your local area.

Consider this

If you choose to opt out of the Scheme while you're still employed by TSB, you may be automatically re-enrolled into the Scheme depending on your age and/or earnings.

2

Complete and send back the enclosed form in the return envelope provided:

- **Nomination Form** – Tells us who you would like to receive the benefits payable if you die. The Trustee is not bound by your wishes, but will take them into account when paying any benefits.



Disclaimer

The full terms and conditions of the TSB Pension Scheme are contained in the Rules. The Rules are formal documents that are the legal basis of the TSB Pension Scheme and will prevail in the event of any disagreement. Nothing in this document confers any entitlement to benefits.

This document is also available in large print, Braille or audio format.

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