



DC Group Personal Pension

Working in partnership with:



Premier Foods DC Group Personal Pension

January 2018

The Premier Foods DC Group Personal Pension is arranged through Legal & General.

Your retirement fund builds up from your and the Company's contributions, plus any investment returns, less any charges.

On retirement, you have flexibility as to how you take benefits from your fund. You will find information about these options on the Legal & General website – see below. From the home page click on the tab called 'Accessing your pot'.

This is a summary of the terms of the Premier Foods DC Group Personal Pension.

The scheme documentation – including the Key Features, example illustrations and investment information – explains how the scheme works and is available from Legal & General:

Phone: 0345 070 8686

Website: www.legalandgeneral.com/premierfoods



Your options

There are three levels to the Premier Foods DC Group Personal Pension.

- 4% level
- 6% level
- Auto Enrolment (AE) level

If you do not join the 4% or 6% level, you will automatically be enrolled into the AE level when you meet the requirements (see page 3) on or after the date you are required to be enrolled.

4% level

If you join the 4% level, you will pay a contribution of 4% of your Pensionable Pay to the Scheme. You will benefit from a contribution of 5% of your Pensionable Pay from the Company. In addition you will benefit from life cover of four times your Pensionable Pay.

Your Pensionable Pay is your total earnings (excluding bonus and certain non-pensionable items) in each pay period (subject to the Earnings Cap, an annual amount of £154,200 for the 2017/2018 tax year and £160,800 for the 2018/2019 tax year).

6% level

You can increase your saving further by joining the 6% level. You will pay a contribution of 6% of your Pensionable Pay to the Scheme. You will benefit from a contribution of 7.5% of your Pensionable Pay from the Company. In addition you will benefit from life cover of four times your Pensionable Pay.

	Member Contribution % Pensionable Pay	Company Contribution % Pensionable Pay
4% level	4%	5%
6% level	6%	7.5%

You may switch up or down between levels at any time by completing a Change of Contribution Form. This is available in the Documents Library on the Legal & General website.

Joining the 4% or 6% level

If you wish to join the 4% or 6% level, get in touch with your site HR contact for the joining forms. Full details can be obtained from Legal & General (see front cover for contact details). Decide how much you want to pay in contributions, sign and return the joining forms to your site HR contact.

Please note: If you do not join the 4% or 6% level within 12 months of joining the Company you may be asked to provide evidence of good health before life cover can be provided.



AE level

This is the minimum level required by the Government for Auto enrolment for employees joining from 1 April 2013.

Under Government regulations, UK employers must automatically enrol many of their workers into a pension scheme that meets certain quality criteria, and pay minimum levels of contributions in respect of those workers.

The Government sets the contribution rates required for the AE level, which are subject to change. The table below shows the current level of contribution rates and how they are intended to increase.

Please note that the Auto enrolment regime may be subject to change from time to time. This document has been provided to you for information only and does not form part of your employment contract.

You will be **enrolled automatically** into the AE level approximately three months after your employment with Premier Foods starts (your Deferral Date) if:

- You are not a member of the 4% or 6% level of the Premier Foods DC Group Personal Pension on the date you are required to be automatically enrolled; and
- You earn over a certain earnings threshold (for 2017/2018 and 2018/2019 this is £833 per month or £192 per week); and
- You are aged 22 or over; and
- You are under your State Pension Age.

You may join the AE level earlier than your Deferral Date (see 'Opting into the AE level' below).

Having been auto enrolled, you can leave the pension scheme (see 'Opting out of the AE level').

AE level	Member Contribution % Qualifying Earnings	Company Contribution % Qualifying Earnings
Until 5 April 2018:	1%	1%
From 6 April 2018:	3%	2%
From 6 April 2019:	5%	3%

Your Qualifying Earnings is your total earnings between £490 per month (£113 per week) and £3,750 per month (£866 per week) in the 2017/2018 tax year, and between £503 per month (£116 per week) and £3,863 per month (£892 per week) in the 2018/2019 tax year. This band of earnings is reviewed by the Government each year and is subject to change in future.

Opting into the AE level

You may **Opt-In** to this level if:

- You meet the criteria above; and
- You wish to join before your Deferral Date.

You may also **Opt-In** to this level if you don't meet the criteria above, if:

- You are not a member of the 4% or 6% level of the pension scheme on the date you wish to join; and
- You earn over a certain earnings threshold (for 2017/2018 this is £490 per month or £113 per week and for 2018/2019 it is £503 per month or £116 per week); and
- You are at least 16 years old; and
- You are under 75 years old.

To **Opt-In** to the AE level, get in touch with your site HR contact by:

- sending a letter signed by you; or
- sending an email with your request containing the phrase "I confirm I personally submitted this notice to join a workplace pension scheme".

As long as you provide a valid Opt-In notice as stated (and have not previously submitted an Opt-In notice within the last 12 months), you will be enrolled into the Premier Foods DC Group Personal Pension (AE level). If your Opt-In notice is invalid, your site HR contact will contact you to advise you what you need to do.

Opting out of the AE level

If you decide that you don't want to stay in the pension scheme, you will be able to opt out within one month of your date of joining by submitting a valid Opt-Out notice.

If you do opt out by this date, any contributions that have already been taken from your pay will be returned to you and you'll be treated as if you had never joined the pension scheme.

If you don't opt out by this date you can stop contributing at any time and, if you do this, both your contributions and the Company's up to that point will remain invested in your pension pot until you take your benefits.

Details of how to opt out of the scheme will be provided to you by Legal & General after you have joined.

Maximum contributions for tax relief

The amount that you may pay tax effectively to the Premier Foods DC Group personal pension is governed by the Annual Allowance – a limit set by the Government.

In total, you can pay up to 100% of your PAYE earnings in any tax year. The Company will pay only the contributions stated. If the total contributions paid to all your pension arrangements exceed your Annual Allowance in a tax year, you may be liable for a tax charge. For most employees the Annual Allowance will be £40,000 (2017/2018 and 2018/2019) but for employees with high earnings this may be 'limited' to a lower amount. You should contact the Premier Foods Pension Department if you think you may be impacted.

Payment of contributions

Contributions are normally paid through a method called **Pension Contribution Salary Exchange**. A leaflet giving details of how this works is available from your site HR contact.

Under this method, your pay will be reduced by the pension contribution you have decided to pay to the scheme. The company will pay an amount to the scheme equal to the reduction in your pay. Because your pay is reduced, you will pay lower National Insurance contributions than you would have otherwise. Your notional pay before the 'exchange' will continue to be used for pay-related benefits like life assurance and pay reviews, and for income-related references such as mortgages or rentals.

If you do not wish to take advantage of Pension Contribution Salary Exchange, you can indicate this by ticking the relevant box on the application form or by completing a Non Participation form (available from your site HR contact).

A small number of employees will be excluded from Pension Contribution Salary Exchange by the Company because their pay is below a certain minimum threshold (currently £490 per month, or £113 per week, increasing to £503 per month or £116 per week in 2018/2019).

If, for either of these reasons, you do not participate, your contributions will then be deducted directly from your pay and you will not make the saving in National Insurance.



Tax relief

If you participate in Pension Contribution Salary Exchange, the total contribution is paid gross by the Company and tax relief is gained at source.

If you do not participate in Pension Contribution Salary Exchange, contributions are deducted from your pay and this is done net of Basic Rate Tax. Legal & General will reclaim Basic Rate tax relief on your contributions from HMRC and this will be added to your fund. If you are a Higher Rate tax payer, you will need to reclaim any additional tax relief through your tax return.

Investment choices

Selecting how your pension fund is invested is an important decision. The scheme offers a range of carefully selected choices from which you can choose:

Your first contributions will be invested in Lifestyle Path TWO Wealth Preservation – one of a range of ‘lifestyle’ strategies available to you. Initially your funds will invest in more risky, but potentially higher performing investments (such as shares). As you move towards retirement, your pension pot will move gradually to funds suited for ‘Wealth Preservation’, one of four ‘protection’ strategies which aim to protect and prepare your pension pot for retirement. The Wealth Preservation strategy may be most suitable for members who aren’t sure how they want to take their benefits at retirement.

Once your first contribution has been received, you can decide to change your investment funds on-line or by contacting the Legal & General helpline.

There are two alternative growth strategies (Lifestyle Path ONE and Lifestyle Path THREE) available for you to consider which offer a choice of levels of risk and reward which may better suit your needs.

If you wish to target something other than Wealth Preservation at retirement, you will be given the option five years from retirement to choose to move to either an Annuity, Drawdown or Cash option.

A small number of carefully selected funds are also available as part of the Core Fund Range, as well as a wide range of other funds which are available on request.

Your retirement age will be assumed to be age 65, unless you notify Legal & General otherwise.

The investment funds and Lifestyle Profile may be subject to change in future.

Life cover benefit

The retirement fund value you have built up with Legal & General will be payable to your beneficiaries in the event that you die before retirement. To help us decide who should receive this benefit, please fill in and return a Nomination of Beneficiary Form.

If you are a member of the 4% or 6% level, there is also life cover of four times your uncapped Pensionable Pay at the date of your death payable in the event that you die while contributing to the Scheme as a Company employee. **(Please note: this life cover does not apply to the AE level.)** To help us decide who should receive this benefit, please fill in and return an Expression of Wish Form.

If you do not join the 4% or 6% level within 12 months of joining the Company, or you switch to the AE level then switch back again, you may be asked to provide evidence of good health before life cover is confirmed.

If you need another Nomination of Beneficiary Form or Expression of Wish Form, these are available from the Documents Library on the Legal & General website.

State pension

A new single flat-rate State pension replaced the Basic and Additional State Pensions from April 2016. In 2017/2018, the full amount of the new State Pension is £159.55 a week increasing to £164.35 a week in 2018/2019. You need 35 years of National Insurance Contributions or Credits to qualify for the full amount, although this could be longer if you have historically contracted out of the State Second Pension (typical in final salary schemes prior to April 2016). If you had previously built up benefits entitling you to more than the new system, you will be entitled to the higher amount.

Normal retirement age

Your normal retirement age under the scheme is your 65th birthday unless you notify Legal & General otherwise.

Any questions?

For information about the Scheme in general contact the Legal & General Helpline on 0345 070 8686 or speak to your site HR contact.

Further information, or answers to your queries on Auto enrolment, can be found by phoning the AE helpline: 0345 026 7558.

For general information about pensions you can go to the Government website: www.gov.uk/workplacepensions.



This document has been provided to you for information only and does not form part of your employment contract. The Company reserves the right at its absolute discretion to amend or withdraw its pension arrangements at any time, in the future.

This document provides a guide that has been designed to help you understand your choice of pension. It may not cover every aspect of the Company's pension arrangements. The full details are contained only in the governing documentation, which is the legal basis of the scheme. You should note that nothing in this document can override the governing documentation, and in the event of any unintentional difference, the governing documentation will prevail.

Premier Foods HR

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