

DCL Section of the Dow UK Pension Plan

Divorce

If you are party to divorce proceedings, you may be required to provide information in respect of your finances. Included as part of this will be information in respect of the pension benefits you have accrued as a member of the DCL Section of the Dow UK Pension Plan and any other pension arrangements you have.

It is expected that the value of your pension benefits would be taken into account as part of divorce proceedings.

Your pension benefits will be valued at the divorce date as if you had asked for a transfer value of the benefits at that time (or if you are still in service, it will be assumed that you had left service and asked for a transfer value.)

There are three main ways in which the Courts may take account of your pension benefits:

1. “Offsetting”

The courts could simply offset the value of your pension benefits against other assets, leaving your pension benefits with the DCL Section of the Dow UK Pension Plan intact.

2. “Attachment” (or “Earmarking”)

For proceedings that start on or after 1 July 1996, the Courts can make an “earmark” order against your pension benefits. Broadly speaking, the order is to direct the Trustees to pay part of your pension benefits to your former spouse, once they come into payment.

3. “Pension Sharing”

For proceedings that start on or after 1 December 2000, the Courts have the power to order the sharing of your pension rights with your former spouse. “Pension sharing” enables the Courts to direct part of the value of your pension rights to be paid, at the time of the divorce, to your former spouse, this being used to provide a pension for your former spouse in their own right when they retire. **Please note that any funds allocated in this way by the Courts cannot be retained within the DCL Section of the Dow UK Pension Plan. Instead they must be transferred to a separate pension arrangement.**

Initial Provision of Information

The initial part of divorce proceedings will include providing your solicitor or the Court with information in respect of the Scheme and your pension benefits accrued.

If you become party to a divorce and require such information, the Trustees of the DCL Section of the Dow UK Pension Plan are permitted to make charges for work undertaken in respect of divorce proceedings. If you require the Trustees to undertake such work on your behalf, you will be issued in the first instance with a ‘Schedule of Charges’. This schedule details what would be charged for and the scale of charges that would be levied to you and/or your spouse and is based on the standard scale of charges set out by the Pensions & Lifetime Savings Association.