



The Dow Services UK Pension Plan

# Your Pension Statement explained

**Former employees with Money Purchase benefits**



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## Former employees with Money Purchase benefits

1

The **Statement of Investment Principles (SIP)** details the policies which control how a pension scheme invests. Our SIP sets out the policy of the Dow Trustees on various matters governing decisions about the Plan's investments.

2

This section summarises your basic **personal details**. Let us know if you think any of the details we hold for you are wrong via the website [www.hartlinkonline.co.uk/mydowpension](http://www.hartlinkonline.co.uk/mydowpension)

3

This page gives you a breakdown of the funds your pension pot is invested in and the number, price, and value of the units of these funds as at the date shown. For the latest details on your investments go to [www.mydowpension.co.uk](http://www.mydowpension.co.uk)

4

The **Lifetime Allowance** is the limit on how much you can build up in pension benefits over your lifetime without incurring a tax charge. As of April 2023, this tax charge was removed and the Lifetime Allowance will be fully abolished by April 2024.

5

A **Target Retirement Fund** is an age-based retirement investment that automatically moves your savings across different funds as you approach retirement.

6

This shows how the funds you're invested in have affected your pension pot. This figure will change each year. If you'd like to make changes to your investment choices, you can find out how to do this in the '**Additional information**' section of your benefit statement.

(OPT/FOUR/SPLIT)

Private and Confidential

Dear

**Dow Services UK Pension Plan**  
**Pension Benefit Statement: 31 December 2021**  
**Welcome to Your 2021 Pension Benefit Statement.**

This is your personal estimated statement of benefits provided for you as a member of the Dow Services UK Pension Plan.

It provides a record of the contributions that have been paid into your personal account, the investment funds in which your account is currently invested and an estimate of your likely benefits based on a series of assumptions between now and the date you retire. This statement contains information important to you and your dependant(s). Please share it with them since many of the benefits shown are provided for their security.

You will find more information about your benefits on the [Plan's website www.mydowpension.co.uk](http://www.mydowpension.co.uk) where you can also find the Annual Chair's Statement and [Statement of Investment Principles](#) including information on investment charges and transaction costs.

**2 Personal Details**

Ni Number:	Membership Number:
Date of Birth:	Date Joined Company:
Date Service started:	Normal Retirement Date:
Date of Leaving:	

Every effort has been made to ensure the accuracy of this statement. However, it is not binding on the Trustees if there is an error. It is therefore essential that you check the details and inform Capita if you think that any of the information is incorrect.

Any personal information collected, processed or stored by the Plan is processed in compliance with all relevant data protection in force at the current time.

Please contact Capita if you believe any of these details may be incorrect.

Please ensure you contact Capita should any of your personal details change

**3 Money Purchase Investments**

The value of your Account is based on the number of units you hold in each of your chosen investment funds and the current price of those units. For the year to 31 December 2021, this is summarised in the table below. (Any changes made to your choice of investments since 1 January 2021 are not shown however you can view your latest fund value on the Plan's website).

Investment Fund	Number of units at 31 December 2021	Unit Price at 31 December 2021	Value of units at 31 December 2021
Balanced Index Fund			
Growth Index Fund			
Fidelity Cash Pension Fund			
Balanced Fund			
Fidelity Life Long Bond FCI			
Global Growth Fund			
Global Growth Fund (UK Focus)			
Target Retirement Fund*			
<b>Total Fund Value at 31 December 2021</b>			

This Fund Value represents 18.38% **4 Lifetime Allowance** or tax-privileged retirement savings.

\*For details of **5 Target Retirement Fund** holdings including unit prices, please visit the Plan's website.

**Money Purchase Account Balance**

Your Account Balance on 1 January 2021	
<b>6 Investment Gain/Loss</b>	
Your Account Balance on 31 December 2021	

Now, if you have a Fidelity AVC Fund, it is included in the above figures.

Please note that the above does not include any AVCs held with Ulster, Aviva or Friends Life.

7

This shows how much pension you could buy using your Money Purchase account at your Normal Retirement Age (NRA). Make sure you read the notes about the type of pension we've assumed you'll buy.

8

For the pension you have built up before 1 April 2014 there's a protected NRA of 65 (except for a small number of people with an earlier protected age of 60). For the pension you build up from 1 April 2014, your NRA is the same as your State Pension Age.

9

A **Pension Commencement Lump Sum** is a tax-free lump sum that you can receive when you start your retirement. It's normally 25% of the value of your pension.

10

When you come to retire there is a maximum amount that can be taken as a tax-free lump sum which is set by HMRC, it's currently 25% of the capital value of your pension.

## At Retirement

**Pension Commencement Lump Sum Option:** at retirement you will have the option of taking some of your Plan benefit as a Pension Commencement Lump Sum. You will be given more information about the amount of Lump Sum you can take before you retire but as a guide, the **Maximum Lump Sum** will be broadly 25% of the value of your benefits.

Note: if you take a Pension Commencement Lump Sum, your pension will be lower but it cannot be reduced below any Guaranteed Minimum Pension (GMP) if applicable – see notes page.

## Death Benefits

If you were to die before your benefits started to be paid, the Plan would provide benefits for your spouse and eligible dependants, paid as the Trustees decide. Please contact the Dow Pension team at Capita for further information.

## Transfer option

You have the option to transfer your benefits out of the Plan to another approved pension arrangement before retirement. You can request a current transfer value free of charge, once a year. Please contact the Dow Pension team at Capita for further information.

## Accessing your Details On-line

As a member of the Plan you are able to access your personal record via a secure website. The website address is [www.hartline.co.uk/mydowpension](http://www.hartline.co.uk/mydowpension)

You will have to register for access on-line, where you will be asked to choose a Username and password as well as answer various questions to verify your identity. Following the registration process, you will be issued with a password and pin.

## Making your Wishes Known

It is extremely important that you complete an Expression of Wish form and keep this form up to date if your circumstances change. This will ensure that the Trustees know whom you wish to receive the Death Benefits described within your statement. The Trustees must decide who receives the Lump Sum payment so that it can be paid tax free under current legislation. However they will be guided by your wishes. If you have not completed an Expression of Wish form, or would like to amend an existing form, please update via the Plan's website: [www.hartline.co.uk/mydowpension](http://www.hartline.co.uk/mydowpension). New forms are also available from the Dow Pensions Team at Capita.

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This section reminds you to fill out an Expression of Wish form, as well as keeping it up to date. It's important to do this as it will ensure that the Trustees know who should receive your death benefits if you were to die.

## 7 Money Purchase Benefit at your Normal Retirement Date

Illustration of your Pension at your <b>Normal Retirement Age</b>	8	per annum
Illustration of your Spouses Pension at your Normal Retirement Age (payable on your death)		per annum

The illustration assumes future increases, please refer to the notes page overleaf for further information

If your Pension Illustration is shown as 0.00 this may be due to the proximity of your Normal Retirement Age or the value of your fund.

At retirement, you will have the option to select retirement benefits that best suit your personal circumstances. One option available to you is to use part of your retirement account to provide a Pension Commencement Lump Sum.

Please read the illustration in conjunction with the Note page overleaf. This illustration assumes that you are no longer contributing to the Dow Services UK Pension Plan in line with your date of leaving.

### Lifetime Allowance\*\*

Details of the Lifetime Allowance used are available on request.

\*\*Please refer to the notes page overleaf for further information.

## Defined Benefit Pension

Your total Defined Benefit pension (if applicable) at date of leaving is per annum. This benefit will receive statutory revaluation increases between your date of leaving and date of retirement.

## 12 Dow Services UK Pension Plan Your Money Purchase Annual Benefit Statement

### Notes regarding your Money Purchase Illustrations

The statement overview covers details of your Plan contributions and investments for the year, along with details of your benefits built up in the Plan. Your projected benefits on the accompanying Statement are for illustrative purposes only. They are NOT a promise or guarantee of the pension that you will receive when you retire. The actual benefits you receive may be higher or lower than those shown in your Statement.

Amongst other things, your final pension will depend on the following:

- Performance of the funds you invest in
- Your age when you retire
- Cost of buying a pension when you retire
- Your choice of benefits when you retire

Your Statement, which these Notes accompany, has been calculated in accordance with The Occupational and Personal Pension Schemes (Disclosure of Information) Amendment Regulations 2002 (SI 2002/1383) and Statutory Money Purchase Illustrations (SMPIL) Technical Memorandum 1 and was calculated using the following key long term financial assumptions:

Investment Fund	Pre retirement investment growth rate (%)	Charges (%)
Balanced Index Fund	4.00	0.21
Global Growth Fund	5.10	0.72
Global Growth Fund (UK Focus)	5.10	0.56
Balanced Fund	4.10	0.51
Growth Index Fund	5.10	0.17
Fidelity Cash Pensions	-0.50	0.25
Fidelity Life Long Bond Class 1	0.10	0.25
Target Retirement Funds	Varying from 1.10 to 5.05 depending on term to retirement	0.306

Retail Prices Index (inflation) 13 2.5% pa

14 For the purposes of your Statement, it is assumed that:

- Your pension will increase in payment each year by 2.5%
- A pension will be payable to your spouse upon your death in retirement at the rate of 50% of that payable to you. For the purposes of this illustration it is assumed that females are three years younger than their male partner.
- Your choice of investment funds remains the same until Normal Retirement Date (NRD).

The projections give an indication of the size of your account and the pension that this may provide based on a standard set of assumptions using Statutory Money Purchase Illustration prescribed by Government which we are legally required to use in order to provide an illustration to you. The

illustrated pension figures are with a spouse's pension. For those members who joined the Plan before January 2003, a proportion of your fund will have to be used to buy spouse's benefits under contracting-out regulations.

In line with Government requirements, the SMPIL illustration assumes that 4% of your Account at retirement is first used to meet the expenses of buying a pension.

The cost of buying of a pension is dependent on your age and assumes that the pension bought will include Limited Price Inflation (LPI) increases, which means that, once in payment, the pension (in excess of any Guaranteed Minimum Pension (GMP)) will be increased each year in line with the Retail Prices Index (RPI) up to a maximum, which is currently 5%.

### 15 Notes regarding your Defined Benefit Pension

- Your deferred pension accrued before 6 April 2009 will increase in line with the Consumer Prices Index (CPI), subject to a maximum of 5% per annum. Your deferred pension accrued after 5 April 2009 will increase in line with CPI, subject to a maximum of 2.5% per annum.
- Once in payment, any Defined Benefit pension accrued will increase in line with the relevant rates as stipulated in the applicable Scheme Rules.
- Any Court Order imposed upon these benefits will be enforced where applicable, but may not be reflected in the benefits shown overview.

### Additional Information

- Remember to review your investment choices from time to time to ensure they reflect your circumstances. For guidance on your choices, see the pension website. If you wish to make a change to your investment choices, you can do this online through [www.hartfordonline.co.uk/mydowpension](http://www.hartfordonline.co.uk/mydowpension). Alternatively you can telephone the Dow Pension Team on 0114 289 3377.
- Her Majesty's Revenue and Customs (HMRC) imposes a limit on the value of the tax-privileged pension benefits you can receive. Your statement provides a valuation of your current fund value as a percentage of the Lifetime Allowance. There will be an additional tax charge on retirement if the member's benefits exceed the value of the Lifetime Allowance. The Lifetime allowance is currently £1,073,100.
- You should immediately notify the Dow Pension Team of any change in your marital status or your address, or if any of the details recorded on this statement are incorrect. You may change your address details online through [www.hartfordonline.co.uk/mydowpension](http://www.hartfordonline.co.uk/mydowpension).
- You may be able to take Pension Commencement Lump Sum at retirement, which will reduce your pension. Details of this option will be given to you shortly before you retire. You will not, however, be able to reduce your pension below the level of any GMP. The GMP is the minimum pension the Plan must provide for you (and your spouse on your death) for membership up to 5 April 1997 as part of the State Pension contracting out arrangements.
- Your benefits from the Plan will be paid in addition to any State Pension to which you may be entitled. For further information about your State Pension please visit the Pension Service website at <https://secure.thepensionerservice.gov.uk/statepensionforecast/default.aspx>.
- This statement does not include any Additional Voluntary Contributions (AVCs) invested with Equitable Life, AVIVA or Prudential.

12 This page provides additional details about how the figures in your statement are calculated.

13 This is a measure of the average change in prices for consumers across the country over the last 12 months.

14 This section outlines the assumptions we've made to produce your statement. It's important that you bear these in mind when looking at the illustration of what your Money Purchase account could get you at retirement. If you choose a different type of pension, you'll get a different monthly amount.

15 This page provides additional information, including the importance of updating your details, how to find out more about your State Pension, and a reminder to review your investment choices.