

## For members: Your pension's key features

A summary of the main points you need to know about your pension.

### What is auto enrolment?

Your employer is investing in your future through a government initiative known as auto enrolment. This workplace pension reform is geared towards motivating the working population into saving towards retirement.

### How does this pension arrangement work?

Put simply, you contribute into your pension and your employer contributes with you. If you pay tax, you get tax relief too! From the age of 55, you can use the savings you have built up, including any investment growth, to help fund your retirement.

Auto enrolment minimum contribution levels set by the government are:

**From 6th April, 2019: 8% of qualifying earnings\*** (of which your employer must pay at least 3%)

\*The band of earnings used to calculate contributions. For the 2019/20 tax year this is between £6,136 and £50,000. This means that earnings below £6,136 and over £50,000 aren't included when calculating your pension contributions.

### How is your money invested?

When you join we will usually invest your contributions in our Diversified Growth Fund. This fund aims to grow your savings, whilst managing risks.

When you are 10 years from retirement, we will gradually begin to move your savings into our Retirement Countdown Fund – this ensures that the pension you have built up is protected so you have more certainty of the outcome when you retire.

### How much will your pension cost?

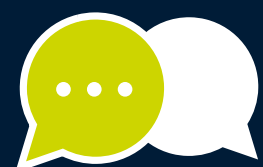
#### Member charges

Monthly administration charge	£1.50
+	
Annual investment charge	0.3% of fund

Remember that if you stop contributing, charges will continue to apply, so you might want to consider transferring your funds to another pension provider, if you only have a few hundred pounds saved. This may be a sensible thing to do, especially if you are leaving a very small pension pot. If you don't move your money, the charges could mean that you have nothing left in your fund by the time you retire. If you have pension savings elsewhere, you can transfer them to NOW: Pensions to take advantage of our low charges for slightly larger pots. Find out more about this [here](#).

### Want to find out more?

nowpensions.com  
+44 (0)330 100 3334 (9:00am–5:00pm, Monday–Friday. Calls may be recorded).  
membersupport@nowpensions.com



# Frequently asked questions...

55?

## When can I retire?

You can choose any retirement age, after 55, that fits with your own plans. Unless you tell us otherwise we will assume this will be State Pension Age. You can change this by calling us if your circumstances or plans change.



## What happens if I die?

The money that you have saved in your retirement pot will be payable to your beneficiaries. The Trustee will decide how to share it out but will be guided by your wishes. Find out more [here](#).



## How do I nominate my beneficiaries?

You can nominate beneficiaries by filling in the Expression of Wish Form, which is available on our website [here](#). If you do nominate beneficiaries, it's important to keep this up to date if your circumstances change.



## What happens if I stop working for my employer?

Normally, your pension pot would stay in the Scheme for your future benefit, unless you choose to transfer it to another pension provider which you can do free of charge.



## Can I transfer in money from other pension plans?

If you have pension savings elsewhere you can transfer them to the NOW: Pensions Trust as this might be more cost efficient. Consolidating your pensions in one place may also increase your purchasing power, helping you to make the most of your retirement savings.

Before transferring any pension savings, make sure you fully understand the implications or speak to a financial adviser.



## Will I get tax relief from the Government on my pension contributions?

All contributions to NOW: Pensions are made through your employer. They deduct the contribution from your pay and forward this to us, together with their contribution. NOW: Pensions operates a net pay arrangement. This means any contribution you make is deducted before income tax is calculated.

If you are a tax payer, this means that you automatically get income tax relief on your pension contributions at the highest applicable rate.

If you do not pay tax, you will not benefit from any income tax relief on your pension contributions. However, this doesn't affect the amount that is paid into your pension.

Members of pension schemes who don't pay income tax, are nonetheless permitted to basic rate tax relief (20%) on pension contributions up to £2,880 a year.

However, this tax relief is only available where the pension scheme operates on a relief at source basis. It is not available for schemes that operate a net pay arrangement like NOW: Pensions. To address this inequality, NOW: Pensions offers a tax top up for members of its Scheme who aren't taxpayers (typically those earning less than £12,500 in the 2019/20 tax year) and are currently missing out on the tax relief that they would receive in a relief at source scheme. More information can be found [here](#).



## Do I have to stay in the Scheme?

No, you can leave at any time. If you opt out within one calendar month after enrolment any contributions will be returned. If you opt out outside this period, your contribution will stop being taken. The contributions already invested will remain until you choose to take it or transfer to another pension provider. You can opt out by following the instructions in your member account, or by contacting us directly. We don't have any time constraint for leavers. If you choose to opt out, you can rejoin at any time.



## Is there a limit on how much I can invest?

There is an annual allowance of contributions that can be invested in each tax year. For most people the current limit is £40,000 for the tax year 2019/20.

It takes into account gross contributions paid by you and any contributions paid for by your employer. If total contributions for all of your pensions add up to more than your annual allowance, you may have to pay a tax charge on the amount above the annual allowance. For more info visit [www.pensionsadvisoryservice.org.uk](http://www.pensionsadvisoryservice.org.uk)



## How can I opt into the Scheme?

You can opt in whenever you want. Simply login to your member site and complete the required actions or call Member Support on 0330 100 3334, request an opt in form, complete and send it back to us. We will send you an opt in notice to confirm when your form has been processed.



## Where can I find out more?

This is only a summary of the key features of the Scheme. Further details are set out in the [Member booklet](#) which is available on our website. The NOW: Pensions Trust is governed by a Trust Deed and Rules. If there is anything in the information above that conflicts with the Trust Deed and Rules, the Trust Deed and Rules will prevail.

\* Values effective from April 2019