

# THE BAPTIST PENSION SCHEME.

A WorkSave Pension Trust  
presentation from Legal & General.

October and November 2011



# AGENDA.

The Baptist Pension Scheme

Your investment choices

Your options at retirement

Questions ?

How can you keep track of your pension?

Who can you contact for more information?

Questions ?

# THE BAPTIST PENSION SCHEME.

## The Baptist Pension Scheme

- Provides an income when you decide to take your benefits.
- Gives you the option to take part of your pension fund as a cash lump sum when you take your benefits.
- Allows your contributions to be taken straight from your pay before Income Tax is calculated and deducted.
- Allows one-off contributions at any time.

**The value of your DC pension fund may fall as well as rise and could be less than the amount you've paid in.  
Any money you invest in the DC plan will be tied up until you take your benefits.**

# PENSION ACCOUNT.

## How your pension pot grows

- You pay a minimum of 8% of your pensionable income
- Your employer pays 6% of your pensionable income into your pension account
- You have the option to pay a regular additional contribution (AVCs)
- Potential investment growth in tax sheltered funds\*.

**The value of tax relief depends on your individual circumstances and favourable tax treatment may not continue in the future.**

**Any money you invest in the DC plan is tied up until you take your benefits.**

**The value of your DC pension fund may fall as well as rise and is not guaranteed.**

**\* We are unable to reclaim tax deducted from UK company dividends.**

# WHAT ARE THE CHARGES ?

Rate of Annual Management Charge (to members)

**0.00%**

Plus

Rate of Fund Management Charge (to members)

**Ranging from 0.08% to 0.97%\* a year depending on fund chosen**

\*These are the highest and lowest Fund Management Charges as at September 2011.

# INVESTMENT CHOICES.

- Default Lifestyle Option
- Ethical 1 Lifestyle Option
- Ethical 2 Lifestyle Option
- Freestyle Option

The value of your DC pension fund may fall as well as rise. Any money you invest in the DC plan is tied up until you take benefits. Our charges can change but we will always let you know.

# HOW DO LIFESTYLE OPTIONS WORK ?

- Aim to reduce volatility near retirement
- Automatic switching
- Can reduce risk
- Changing asset allocation

The value of your DC pension fund may fall as well as rise. Any money you invest in the DC plan is tied up until you take benefits. Our charges can change but we will always let you know.

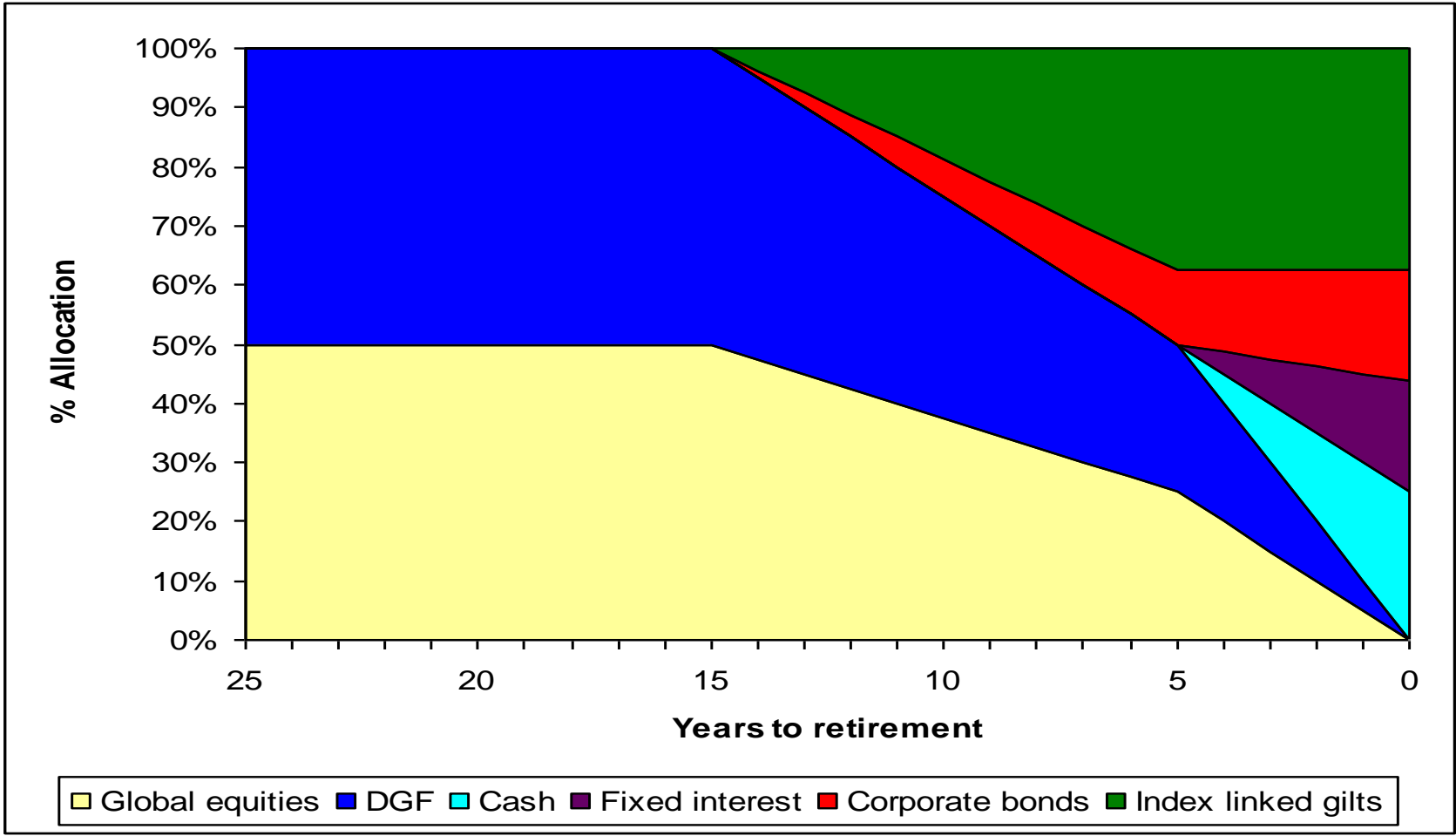
## DEFAULT LIFESTYLE OPTION.

- Combination of 6 funds
- Investment in the early years to maximise potential for growth is split between two Diversified Growth Funds and Global Equities
- Gradual fund consolidation in the 15 years leading up to retirement into lower risk funds.

**Lifestyle switches may be made at a time that is not to your advantage. Moving to lower risk funds does not guarantee that the volume of your fund will not fall.**



# DEFAULT LIFESTYLE OPTION.



# ETHICAL LIFESTYLE OPTIONS.

- Ethical Lifestyle Profile 1
  - Similar to default fund
  - However, Global Equity Fund is replaced with ethical version
- Ethical Lifestyle Profile 2
  - More closely matches the Baptist Union's ethical investment policy

The value of your DC pension fund may fall as well as rise. Any money you invest in the plan is tied up until you take benefits. Our charges can change but we will always let you know.

# FREESTYLE OPTION.

The 10 funds available are:

- Legal & General (PMC) Global Equity Fixed Weights 50:50 Index Fund 3
- Legal & General Standard Life Global Absolute Return Strategies Fund 3
- Legal & General Newton Real Return Fund 3
- Legal & General (PMC) Over 5 Year Index-Linked Gilts Index Fund 3
- Legal & General (PMC) AAA-AA-A Corporate Bond All Stocks Index Fund 3
- Legal & General (PMC) All Stocks Gilts Index Fund 3
- Legal & General Cash Fund 3
- Legal & General (PMC) Ethical Global Equity Index Fund 3
- Legal & General F&C Stewardship Income Fund 3
- Legal & General F&C Stewardship International Income Fund 3

The range of funds available will be reviewed by the Trustees from time to time and may change as a result

**The value of your DC pension fund may fall as well as rise. Any money you invest in the DC plan is tied up until you take benefits. Our charges can change but we will always let you know.**

# YOUR OPTIONS AT RETIREMENT.

## The choice is yours

- From age 55
- A tax-free cash lump sum from part of your pension fund.\*
- Income for your lifetime.
- Level or increasing income.
- Guaranteed (or not) for up to 10 years.
- Income after your death for your spouse/dependants.

\* Subject to main scheme rules

2/137

# ANY QUESTIONS?

## HAVE YOU THOUGHT ABOUT....

- When you plan to stop work?
- How much income you want?
- How much income you need?
- How much income you expect to have?
- How much state pension you will receive ?
- How much your dependants may need ?

# ONLINE TOOLS TO KEEP THINGS SIMPLE.

Available now:

- Retirement Planner
- Attitude to Risk tool

Available in February 2012

- Manage Your Account

Find all you need in one place

Workplace Benefits website

[www.legalandgeneral.com/  
workplacebenefits/employees](http://www.legalandgeneral.com/workplacebenefits/employees)

The screenshot shows the 'Legal & General' logo with a tagline 'Not an employee?' and the heading 'WORKPLACE BENEFITS FOR EMPLOYEES'. A navigation menu includes 'Home', 'Plan for your future', 'Learning Zone', 'News', and 'Contact us'. A search bar is present with the text 'Enter search terms here' and a 'SEARCH' button. Below the navigation, there are buttons for 'Help and support' and 'Manage Your Account'. The main content area features a large green arrow graphic with the text 'MANAGE YOUR ACCOUNT.' and a sub-headline: 'It's important to stay connected with your finances. Check how your pension or savings are doing by logging on or registering today.' A 'LOGIN OR REGISTER' button is located below this text. To the right, a sidebar titled 'WHAT DO YOU WANT TO DO TODAY?' lists options: 'Set up or manage your account', 'Tools to help you plan for your future', 'Explore the Learning Zone', and 'Your scheme website'. Below this, three featured articles are displayed: 'YOUR OPINION MATTERS' with a photo of a child and a dog, 'UNDERSTAND YOUR FINANCES' with a photo of a woman, and 'GET REWARDED THROUGH MANAGE YOUR ACCOUNT' with a photo of a cupcake. Each article includes a brief description and a link to learn more. At the bottom, a breadcrumb trail reads 'You are here: Home > Employees'.

# RETIREMENT PLANNER

## Retirement planner - Plan contributions

The forecast shows how much retirement income you may receive for the contributions you are making.

Your forecast
Results in  today's terms  money terms ?

**Mr A Male, Male, 37, Moderate Risk**

Fine-tune your forecast ?

Retirement age ?  ▲▼

Personal contribution ?  % ▲▼

Employer contribution ?  % ▲▼

Other income ? £  ▲▼

Tax free cash ?  % ▲▼

Pension Options >

Contribution Options >

RECALCULATE

Our [budget tool](#) can help if you are unsure what income you need in retirement.

You can switch to [target a retirement income](#) if you prefer

Calculation:	Original	Revised
<b>Annual income <span style="font-size: 0.8em;">?</span></b>		
	£ 6,372	£ 9,809
<b>Range of possible income <span style="font-size: 0.8em;">?</span></b>		
There is a 1 in 5 likelihood of an income of at least	£ 11,501	£ 18,199
There is a 1 in 2 likelihood of an income of at least	£ 6,372	£ 9,809
There is a 1 in 5 likelihood of an income of less than	£ 3,707	£ 5,417



# ATTITUDE TO RISK TOOL.

## Attitude to Risk Tool Your result

Introduction

Questions

Results

Your progress

Your answers have shown that, within our four categories, your attitude to risk is **MODERATE**. This is based on Legal & General's view of risk and how we classify it.



You can see in the image above where your attitude to risk sits within our investment risk scale. To see descriptions of the other attitude to risk categories, choose the relevant square on the image above.

### What does your attitude to risk category mean?

#### Moderate Risk

If you've got a moderate attitude to risk, it's likely that you already have an interest in investing and are comfortable with the ups and downs of the stock market.

Other people with this attitude to risk often share a number of common traits.

- You're happy to put a significant proportion of your money in shares or other unpredictable investment types.
- You accept that there's a real risk of losing your money, but this is balanced with the prospect of greater growth.
- You're likely to not mind investing outside the UK.
- You might have an interest in and knowledge of the stock market.
- You understand the general risks involved with investing.

Moderate risk funds take risks to provide greater returns. They tend to

EXIT

PRINT YOUR RESULT

CONTINUE ▶

## HOW DO YOU KEEP TRACK OF YOUR PENSION?

Manage your pension online when it suits you:

- see the value of your pension
- view fund fact sheets
- change investment funds
- request a benefit statement
- update your personal details

Simply visit:

[www.legalandgeneral.com/workplacebenefits/employees](http://www.legalandgeneral.com/workplacebenefits/employees)

- click on 'Register here' to set up your secure, password protected account
- access your pension details any time you want



# Manage Your Account

« LOGOFF

[Manage your details](#)

## Request items

- Your pension
- Your contributions
- Your investments
- Make changes
- Request items

### Please choose the statement you want:

Please choose which statement you need and then request this from us.

- Benefit statement [?](#)
- Unit statement [?](#)

**Request »**

### Account information

Mr A N Other  
 Arrangement number : 2868350031  
 Group name: ABC EMPLOYER PLC GSIPP  
 Group number: GF26406000  
 Information correct at: 30/06/2009

### Need help?

**Web support:** 0845 073 0785  
 Monday to Friday 8am to 6pm  
 This team will provide you with assistance regarding any enquiries that you may have in relation to the Manage Your Account application.

**Pension support:** 0845 674 0766  
 Monday to Friday 9am to 5pm  
 This team will provide you with assistance regarding any enquiries that you may have in relation to your pension.

We may record and monitor calls. Call charges will vary.

- [Contact us](#)
- [Website feedback](#)

### Useful information

- [Frequently asked questions](#)
- [All available funds](#)
- [Retirement Planner](#)

[Legal and security](#) [Who regulates us?](#) [Accessibility](#)

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# WHO CAN YOU CONTACT FOR MORE INFORMATION?

## DC Questions ?

- There is a dedicated Legal & General helpdesk giving you the support you need.

Simply call 0845 0708686\* pin number 97

## DB Questions ?

### The BUGB Pensions Office

- 01235 517748
- [pensions@baptist.org.uk](mailto:pensions@baptist.org.uk)

\*Call charges will vary. Calls may be monitored and recorded.

2/137

# ANY QUESTIONS?

Legal & General Assurance Society Limited  
Registered in England No. 166055  
Registered Office: One Coleman Street, London EC2R 5AA  
Authorised and regulated by the Financial Services Authority  
[www.legalandgeneral.com/workplacebenefits](http://www.legalandgeneral.com/workplacebenefits)

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# APPENDICES

# A STRONG COMPANY.

## Legal & General

- is responsible for investing over £370 billion\* on behalf of investors, policyholders and shareholders.
- has over seven million\* customers in the UK for life assurance, pensions, investments and general insurance plans.
- is one of the biggest providers of index-tracking investments in the UK, managing £232 billion.\*

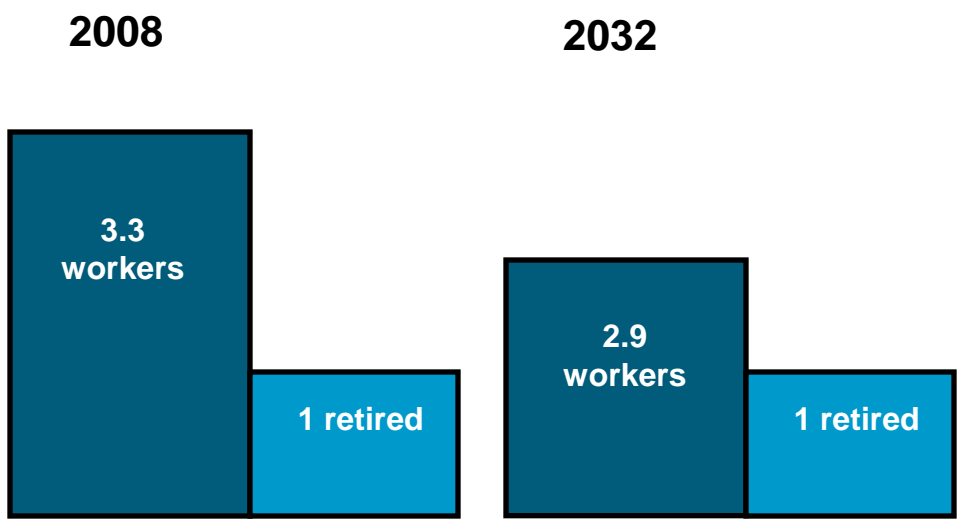
\*Legal & General Group as at 30 June 2011.

# DO YOU NEED YOUR OWN PENSION?

The UK National Statistics website shows

- People are living longer
- The population is getting older

The ratio of pensioners to people of working age



Source: National Statistics office as at December 2008



# WILL THE BASIC STATE PENSION BE ENOUGH?

For the tax year 2011/2012

## What does the State provide?

- Basic State Pension
- State Second Pension
- Pension Credit (means tested)

## The full basic State Pension

**£102.15**

a week for a single person  
£163.35 for a married couple

£ 25,948  
median  
yearly  
earnings\*

£5,311.80  
yearly  
basic  
State  
Pension

\*2010 Annual Survey of Hours and Earnings showing median earnings for an employee working full time.

(Source: Office for National Statistics)

You should be aware that joining a pension scheme may not be suitable for you, particularly if small amounts of savings may affect your entitlement to any means tested State benefits.