



The newsletter for members of **FUTUREPLANNER**

## **FUTUREPLANNER** Achieves PQM Plus Award

See page 3



### **Inside we also cover:**

- Member Trustee elections and the Trustee structure
- Coming soon - Automatic enrolment
- An investment update



**FINMECCANICA**

# Welcome...

...to **INFORM**, the newsletter for members of FuturePlanner. This edition focuses on the upcoming elections for Member Trustees and tells you how you can get involved.

**INBRIEF** the headlines for this edition are:

## Mark of Quality

FuturePlanner is delighted to have achieved the Pension Quality Mark PLUS award – the standard of excellence awarded by the National Association of Pension Funds.

See opposite for the full article.

## Choose your Trustees!

FuturePlanner has two Member Trustees. Their term of office comes to an end in late September 2012, so a new selection process is needed.

### Key information

- Role: Member Trustee for four years.
- Eligible applicants: Any active member of FuturePlanner (including the current Member Trustees).
- Number of vacancies: Two.
- To apply: Complete the form that can be downloaded from the website.

See page 4 for the full article.

## Trustee to become a company

The individuals who act as Trustees voluntarily give a large amount of time and effort to look after your pension.

In order to ensure the maximum protection possible to those individuals, plans are in place to create a company to be FuturePlanner's Trustee. The individuals who serve as Trustees would serve as directors of the Trustee company. They would perform the same valuable service that they currently provide but would be known as "Trustee Directors".

More information is on page 4.

## Coming soon – Automatic Enrolment

A major new Government initiative will see millions of people being enrolled into workplace pensions for the first time.

See how it affects you and find out how FuturePlanner is getting ready on page 7.

## Successful investment transition

The last edition of **INFORM** explained the new investment strategy that has been introduced for FuturePlanner.

Find out how the transition went on page 7.

**Front Cover: Mike Nixon Head of Pensions for Finmeccanica FuturePlanner, receives the PQM Plus award on behalf of the Plan from Steve Webb, Pensions Minister**

# Pension Quality Mark Plus



**The Pension Quality Mark (PQM) is a standard of pension excellence awarded by the National Association of Pension Funds (NAPF). The PQM PLUS is given to those employers who provide an outstanding defined contribution pension to their staff.**

The PQM was launched by the NAPF in September 2009. To achieve the award, FuturePlanner had to ensure it meets the PQM standards for the level of contributions, how it is governed and how members are communicated with.

There are two standards, the PQM and PQM PLUS. There are currently around 65 schemes that have achieved the PQM PLUS, which is the superior standard that recognises defined contribution schemes whose total contributions are of at least 15%, with a minimum employer contribution of 10%.

FuturePlanner received its award from Pensions Minister, Steve Webb in a ceremony at the NAPF annual conference in Manchester alongside two other schemes. The Minister said, "It is really good to see schemes like these setting the example and offering a good quality standard of pension for their employees, especially in these quite difficult times."

**Joanne Segars, Chief Executive of the NAPF, said:**

'We are living at a time of deep economic uncertainty and many businesses are under great financial pressure. But these schemes receiving the PQM show that employers understand the importance of providing good quality pensions to their staff.'

'We encourage more employers to offer pensions like these, with this level of contribution, to help people build a decent income for retirement.'

'The Pension Quality Mark is our way of encouraging employers to go beyond the statutory minimum of 3% required by auto-enrolment. We hope that it will continue to help drive standards of pensions provision higher. With household names like these coming on board, we have every confidence it will.'



**Above: Three schemes receiving PQM Plus awards from Joanne Segars Chief Executive NAPF Board and Steve Webb Pensions Minister**

'...It is really good to see schemes like these setting the example and offering a good quality standard of pension for their employees, especially in these quite difficult times..'

# Member Nominated Trustees

The Trustees of Finmeccanica FuturePlanner perform an important role in looking after the money in Retirement Accounts and making sure the right benefits are paid in accordance with the Rules. Every four years, FuturePlanner offers members the opportunity to nominate some of the Trustees from among the membership.

As the term of office for the current Member Trustees is coming to an end, this article explains how the Member Trustee process works and, should you wish to stand for the role, details of how to put your name forward.

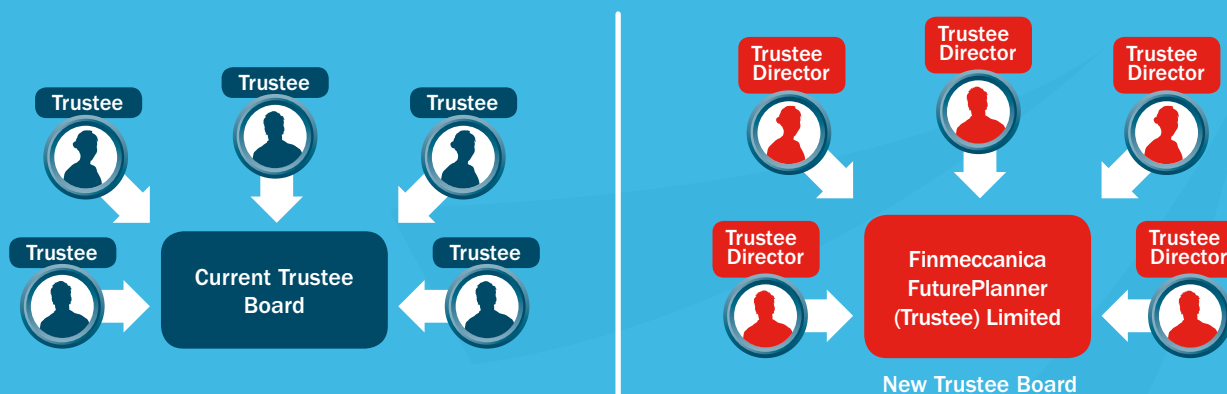
## Background

The law requires all pension schemes to have at least one third of their trustee boards nominated by the members. FuturePlanner allows members to nominate two of the five Trustees.

The current Member Trustees were appointed with effect from 24 September 2009 for a three year term. Their term of office will end on 23 September 2012. There are, therefore, two vacancies for Member Trustees.

## Change to Trustee board

Currently, the Trustee board is made up of five individuals who act as Trustees. For the future, plans are in place to create a company (Finmeccanica FuturePlanner (Trustee) Limited) to act as the Trustee of FuturePlanner. The individuals who act as Trustees would become "Trustee Directors" of that company. **The role of individual trustees and trustee directors of a pension scheme is exactly the same.**



The reason for the change is to provide greater protection for the individuals carrying out the Trustee role. They give a huge amount of time and effort to this voluntary role and it is important that they are not exposed to personal liability (except where they have deliberately acted in a dishonest or fraudulent manner). In addition, this change will make it easier and cheaper to administer various aspects of FuturePlanner. We will confirm to members that the new trustee company is in place when and if it is decided to proceed with these plans.

## More about the Trustees

The FuturePlanner Rules will provide for there to be five Trustee Directors of Finmeccanica FuturePlanner, three of whom are nominated by the Principal Employer ("Company Trustees") and two of whom are nominated by members ("Member Trustees").

Currently, the Trustees are:

Company Trustees:	Member Trustees:
Martin Flavell (Finmeccanica UK)	Mark Thistlethwaite (AgustaWestland)
John Ponsonby (AgustaWestland)	Colin Fletcher (SELEX)
John Archbold (SELEX)	

## Vacancies

There are two vacancies for Member Trustees to serve for a period of four years. To enable the different parts of the business to be represented, there is one vacancy for a Member Trustee from the AgustaWestland companies and one vacancy from the SELEX companies.

**Who can stand?**

Any active member of FuturePlanner can stand. This includes the current Member Trustees if they wish to serve for another term. The Trustees have decided that deferred members of FuturePlanner will not be able to participate and there are no pensioner members.

**For the AgustaWestland vacancy, you must be employed by AgustaWestland Limited or Aviation Training International Limited.**



**For the SELEX vacancy, you must be employed by SELEX Galileo Limited, SELEX Elsag Limited, SELEX Systems Integration Limited, Finmeccanica UK Limited, Vega Consulting Services Limited or Telespazio Vega Limited.**

**Who can make a nomination?**

You can nominate yourself or another person with their agreement.

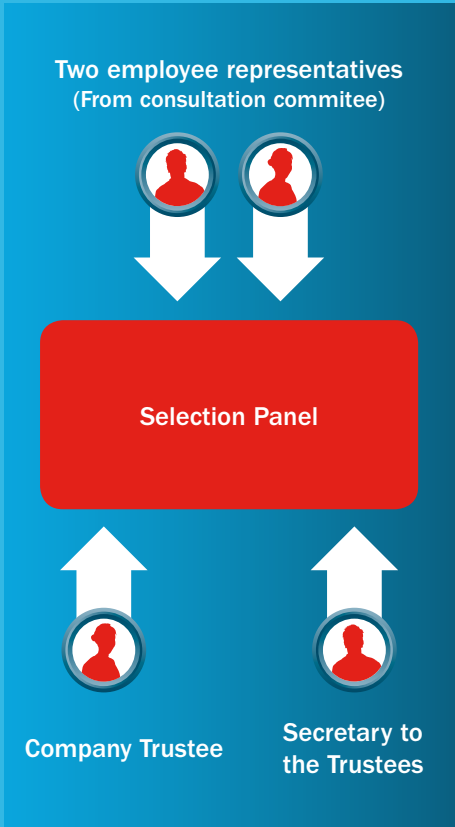
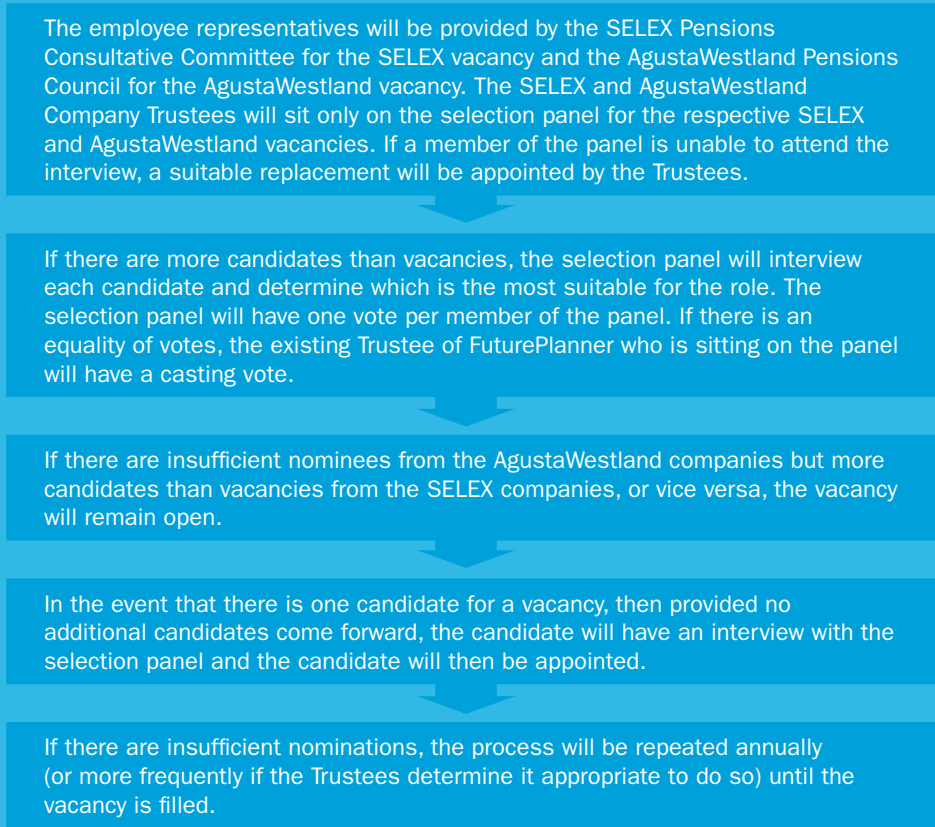
**Nomination process**

Candidates will be asked to submit a personal profile and a declaration that they have not been disqualified from acting as a trustee. See 'How to apply' on page 6.

**Selection process**

Two selection panels, each consisting of four members, will be formed for the purpose of selecting the two Member Trustees from the nominees, one for the AgustaWestland vacancy and one for the SELEX vacancy.

The panel structure will be as follows:



**In carrying out the interview and making their decision, the selection panel will take into account a range of criteria, including the following:**

- The reasons why the candidate wishes to stand as a Member Trustee;
- The member's personal attributes which would make him/her suitable for the position;
- Any qualifications, prior pensions knowledge or trusteeship experience which would assist with the role of Member Trustee; and
- The member's availability for meetings and willingness to attend trustee training courses.

## The role of a Member Trustee

A Member Trustee will have exactly the same functions and responsibilities as other Trustees, which include:

- Acting in accordance with the Rules of Finmeccanica FuturePlanner and the law;
- Acting prudently, conscientiously and honestly and with the utmost good faith;
- Acting in the best interests of all classes of beneficiary;
- Taking advice on technical and other matters which are not understood; and
- Selecting investments for the funds of FuturePlanner.

Training is available for the Trustees to help them carry out their duties. Training is provided by the Pensions Regulator and takes the form of a number of free, online training modules which are available at [www.trusteetoolkit.com](http://www.trusteetoolkit.com). In addition, the Pensions Management team and external advisers provide training. Trustees must be willing to undertake courses and, where appropriate, examinations, to ensure they comply with the 'trustee knowledge and understanding' requirements set out in law.

Candidates should be willing to travel to Trustee (and other relevant) meetings. Expenses are paid by the Company but Trustees do not receive any additional remuneration to carry out their role as a Trustee.

## Review of the Member Trustee process

The Trustees will review the nomination and selection process for Member Trustees at least every four years but may make amendments to the arrangements at any time.

## How to apply

If you wish to nominate yourself to become a Trustee, please download an Application Form from the FuturePlanner website, [www.futureplanner.co.uk](http://www.futureplanner.co.uk), or request a copy by emailing [pensions@agustawestland.com](mailto:pensions@agustawestland.com).

**Return your Application Form to the Trustees at the address set out on the form by 14 September 2012.**

If you have any questions, please contact Mike Nixon, Secretary to the Trustees, by emailing [mike.nixon@agustawestland.com](mailto:mike.nixon@agustawestland.com) or telephoning 01935 703854.



**‘Return your Application Form to the Trustees by 14 September 2012.’**

## Automatic enrolment

**From this year, new reforms will see people automatically enrolled into a pension scheme. These changes are set to make 5-9 million people save into a pension for the first time.**

Finmeccanica UK is getting ready for these changes and FuturePlanner is the main pension arrangement that will be used to ensure we comply.

We are pleased to confirm that FuturePlanner is already in good shape for these changes. It has used automatic enrolment from when it was set up nearly five years ago. This means that we already have over 85% of eligible employees enrolled and who are saving for their retirement. We automatically enrol employees into FuturePlanner at the contribution level of 3%, matched by the Company at 6%. This very comfortably satisfies the standards for qualifying schemes set by the Pensions Regulator.

However, there is still some work to do to get FuturePlanner ready. Employers have been asked by the Government to introduce automatic enrolment on a phased basis and so the timescale for Finmeccanica UK employers is likely to be the summer of 2013.

Most of this work affects those who are not currently enrolled in FuturePlanner or have opted out previously. This group of employees will be automatically enrolled next year.

In addition, current members who may be affected are those who have chosen to contribute at the 1% or 2% contribution level (matched by the employer at 2% and 4% respectively). They will be automatically moved up to the 3% contribution level as part of the exercise. These members can, of course, opt to move back down or, indeed, opt out altogether if they wish to.

The new regulations require automatic enrolment to happen at least every three years. So if you are currently contributing at the 3% level or higher and are questioning the affordability of pensions, you should be aware that you would be automatically enrolled back into the 3% level in the future.



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If you would like more information on pension contributions, you can find a video on the FuturePlanner website, [www.futureplanner.co.uk](http://www.futureplanner.co.uk), under 'How much to save?'

## Investment transition

**The last edition of INFORM was an investment special covering the introduction of a new investment strategy for FuturePlanner.**

You may recall that FuturePlanner now has its own "blend" funds in which our advisers, P-Solve, adjust the components over time between different asset classes to achieve "inflation plus" targets, based on their views of the opportunities and risks within investment markets. The intention is that growth will be smoother than the previous approach of investing only in equities.

The blend funds are used in our default investment strategy and are also available alongside some passive funds in the "pick and mix" range for those who want to manage their Retirement Accounts personally.

**After careful planning, the transition took place over nine business days up to 4 November 2011, during which a total of £22.1 million was moved to the replacement funds. The new funds are now fully in operation and members can review their investments and make changes in the normal way.**

The Trustees have received a detailed report on the exercise and are satisfied with the steps taken to control risk and cost. The Trustees have also now reviewed a first set of reporting materials that will be available to them to keep track of how the funds and our advisers are performing.



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If you would like more information on investment, you can find videos on the FuturePlanner website, [www.futureplanner.co.uk](http://www.futureplanner.co.uk), under 'How to invest?'

## CONTACT DETAILS

You can contact the FuturePlanner administration team at Aon Hewitt by:

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