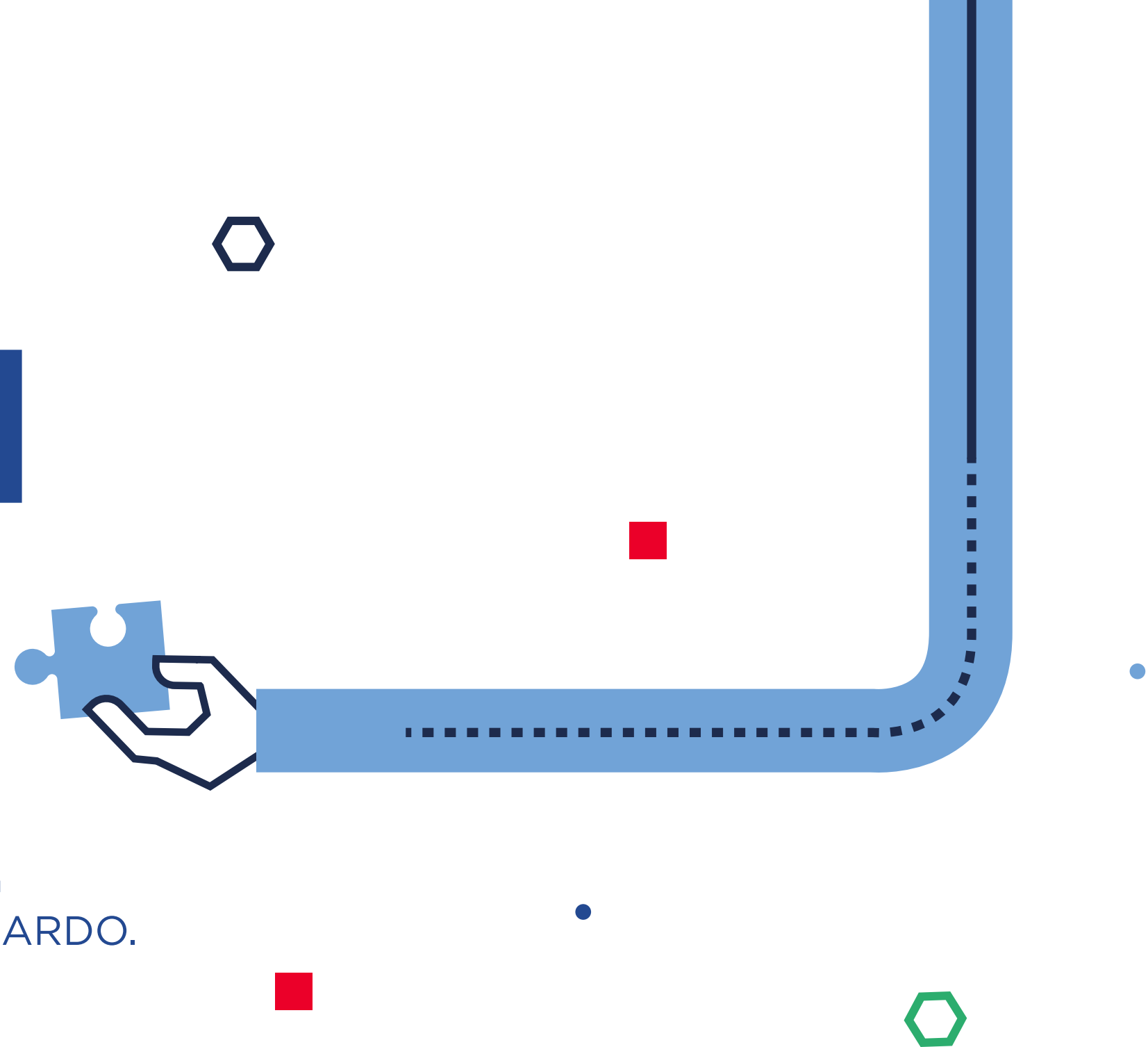


INFORM

WELCOME

TO THE LATEST ONLINE UPDATE FROM
FUTUREPLANNER – THE AWARD-WINNING
PENSION PLAN FOR EMPLOYEES OF LEONARDO.



We certainly are award-winning...

Last year FuturePlanner was named ‘best DC pension scheme’ in the Portfolio Institutional Awards 2016. That’s another one to add to our trophy cabinet. Find out more **here**.

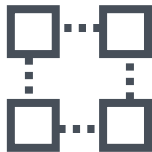
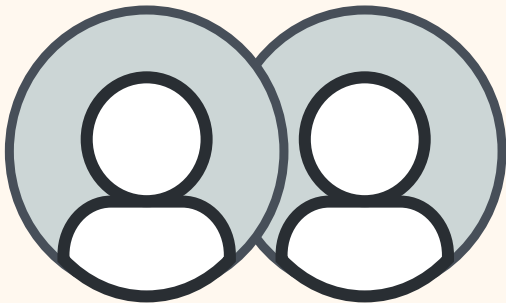


WHAT'S INSIDE?

IT'S BEEN A BUSY TIME FOR FUTUREPLANNER...

We've got a **new name**, a **new look** and plans are in place for a change to our administrator. We've also had to make sure the Plan meets the increasingly complex rules that govern pension plans like ours. Check out all the stories in our [Pensions News section](#).

Finally, there are **two vacancies** on the Trustee board for **Member Trustees**. Could it be you? Would you enjoy the opportunity to get involved in running FuturePlanner? See [page 5](#) for the full article.



GONG-HO

FUTUREPLANNER HAS WON QUITE A FEW AWARDS OVER THE YEARS.

Our competitive Two-for-One contribution structure has something to do with it, but it also helps that the Company is committed to ‘do pensions well’ and that your Trustees are engaged in doing the very best they can for you, the members.

The latest accolade was winning **‘best DC pension scheme’** in the Portfolio Institutional Awards 2016. To win the award, we had to show what we’re doing well for our members. That includes the Two-for-One contributions, supported by our innovative fiduciary investment management we’ve had in place with P-Solve since October 2011.

FuturePlanner was one of the first defined contribution pension schemes to use a fiduciary manager. This means that the Trustees have delegated authority to P-Solve to make the key investment decisions such as how to allocate the money into the different types of investment, which fund managers to choose and how much risk to take. These decisions all take place within our ‘blend’ funds which seek to generate real returns above inflation. By appointing a fiduciary manager, the Trustees are ensuring that FuturePlanner members are supported by investment experts, leaving the Trustees time to concentrate on the ‘big picture’ across all of the services that FuturePlanner provides.



COULD YOU HELP RUN FUTUREPLANNER?

FUTUREPLANNER IS RUN BY A TRUSTEE BOARD MADE UP OF FIVE TRUSTEES.

The Trustees are ordinary people like you, not necessarily with any particular expertise in pensions or investments but with a desire to help our members achieve the best retirement they can.

Two of our Trustees are appointed by the active members of FuturePlanner. These Member Trustees are coming to the end of their latest terms of office, so we're looking for nominations for the next term.

While the existing Member Trustees are allowed to stand for re-selection, one of them has recently left the business so we need at least one new Member Trustee. So, would you like to take on the challenge of running a multi-million-pound pension plan?

KEY INFORMATION

Role: Member Trustee for four years.

Who can apply: 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.



HERE'S WHAT YOU NEED TO KNOW

ABOUT BEING A TRUSTEE

THE ROLE OF A MEMBER TRUSTEE

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

- acting in accordance with the Rules of Leonardo 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

You don't have to be an expert in investments or pensions law to be a trustee, but you will need to complete the Pensions Regulator's **online Trustee Toolkit**, and then make a commitment to undertake at least two days of training each year while you're in office.

You will get lots of help from our in-house Pensions Team and also the external advisers we use.

TRAVEL & EXPENSES

If you're appointed a Trustee, you should be willing to travel to Trustee (and other relevant) meetings. Expenses are paid by the Company, and you'll get time off work to attend meetings, but Trustees do not receive any additional payments to carry out their role as a Trustee.

THE NOMINATION & SELECTION PROCESS

ANY ACTIVE MEMBER OF THE PLAN CAN PUT THEMSELVES FORWARD FOR THE ROLE. YOU CAN NOMINATE YOURSELF OR ANOTHER PERSON WITH THEIR AGREEMENT.

Candidates will be asked to submit a personal profile and a declaration that they have not been disqualified from acting as a trustee. There is an Application Form available **here** that you can use to put forward your name.

A selection panel will review all the nominations and interview each candidate, to decide who should become the new Member Trustees.

In the event that there is one candidate for a vacancy, then provided no additional candidates come forward, the candidate will have an interview with the selection panel and the candidate will then be appointed.

If there are not enough nominations, the process will be repeated annually (or more frequently if the Trustees determine it appropriate to do so) until the vacancy is filled.

The selection panel consists of four members: one Company Nominated Trustee; two employee representatives; and the Secretary to the Trustees. They 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;
- the member's availability for meetings and willingness to attend trustee training courses; and
- the need to reflect the different divisions and sites of Leonardo in the UK.

HOW TO APPLY

IF YOU WISH TO NOMINATE YOURSELF TO BECOME A TRUSTEE, PLEASE DOWNLOAD AN **APPLICATION FORM** OR REQUEST A COPY BY EMAILING **MIKE.NIXON@LEONARDOCOMPANY.COM**

Return your Application Form to the Trustees at the address set out on the form by 11 September 2017.

If you have any questions, please contact Mike Nixon, Secretary to the Trustees, by **email** or by telephone on 01935 703854.



Important 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 – Leonardo 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.

PENSIONS NEWS

FUTUREPLANNER OFFERS MORE RETIREMENT FLEXIBILITIES

In our last newsletter, we introduced the new retirement flexibilities associated with the Government's 'freedom and choice' initiative. We are pleased to confirm that FuturePlanner is now offering a taxable cash option (known by the technical term 'Uncrystallised Funds Pension Lump Sum, or UFPLS').

This option enables you to take your Retirement Account fully as a lump sum at retirement. Under current tax laws, the first 25% of your pension pot would be paid tax free and the remainder would be taxed under PAYE at your marginal rate of income tax.

RISK WARNINGS

Before you decide to take a UFPLS, there are some important things you should bear in mind:



AGE: You must be at least age 55 before you can draw your pension.

TAX: It's important to check whether the payment would push you into a higher tax bracket for that year, as you could end up paying more in tax to the Exchequer than you wanted!

DEBTS: If you have any debts (such as credit cards or loans), you should be aware that your UFPLS will be available to your creditors if you don't keep up with your repayments.

STATE BENEFITS: Also, if you or your partner receive any means-tested State benefits, your benefits may be reduced or stopped if you have assets or income above a certain level. You should check how this might affect you before you take money from your Retirement Account.

PENSION CONTRIBUTIONS: If you take a UFPLS, the amount you can pay into a defined contribution pension will be reduced. The standard annual allowance is £40,000 but this would reduce to £4,000 per year under current Government plans. If more than this is paid in, you'll have to pay tax on the excess.

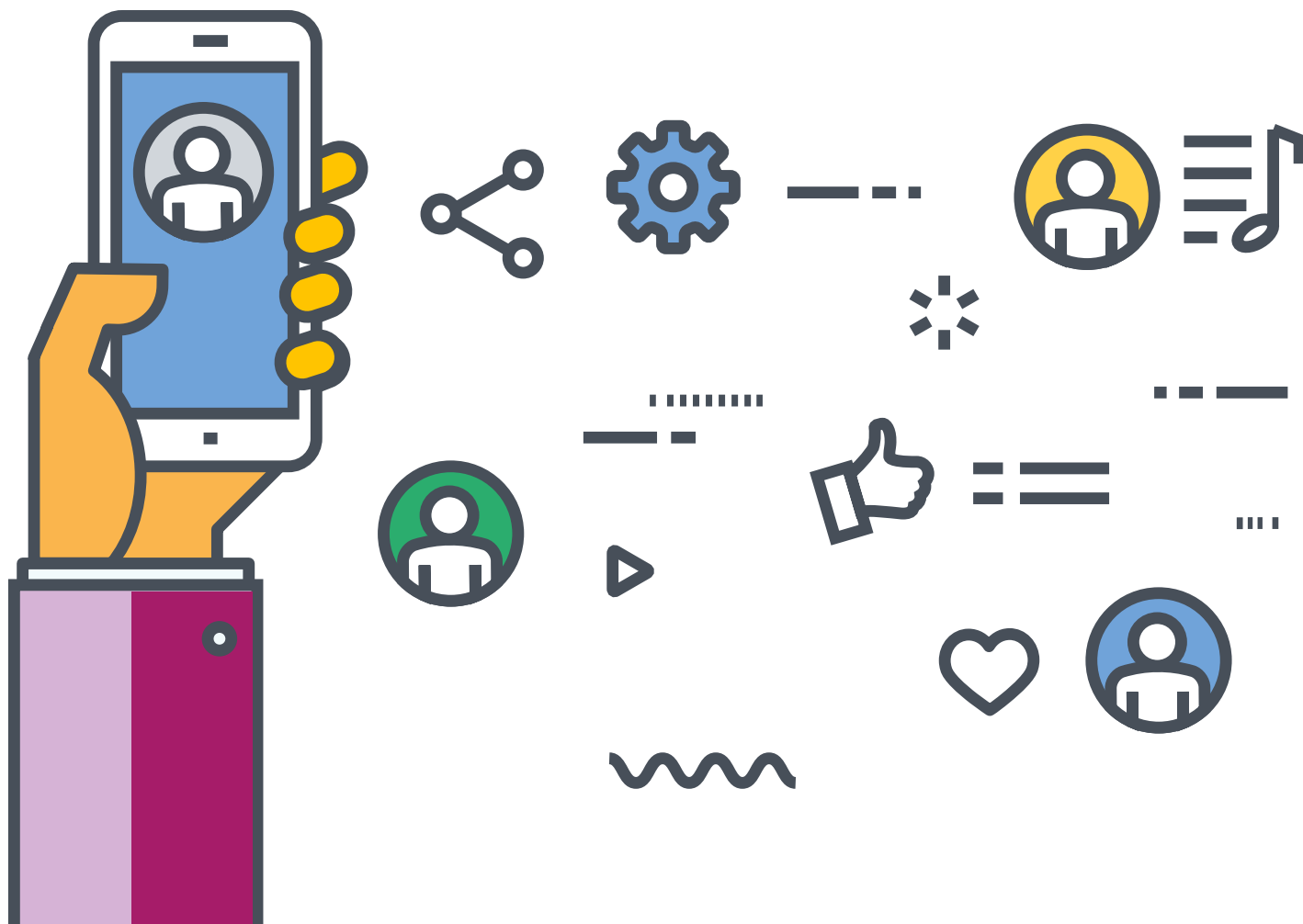
OTHER OPTIONS: There are other retirement options - including annuities and income drawdown. You can use **Fidelity's retirement service** to help you find your way through the options.

PENSIONS NEWS

WANT TO KNOW MORE?

Pension Wise is a free government service that provides guidance to people with defined contribution pension savings. They can help you understand all the implications of the various options you have available to you.

www.pensionwise.gov.uk



DC GOVERNANCE AND VALUE FOR MEMBERS

There is now a requirement for any trustee board running a defined contribution pension plan to include an annual statement signed by the Chairman in their formal Report and Accounts, confirming how they meet the governance standards set by the Pensions Regulator.

The statement has to include four key areas explaining how the Trustees are meeting the Regulator's good practice guidelines:

- Financial transactions – are contribution and benefit payments made accurately and on time?
- Value for members – are the Plan's defined contribution arrangements good value for members?
- The 'default' option – in which fund/investment strategy do the majority of the Plan members invest and what does the Plan have in place for members who don't make a clear investment choice?
- Trustee knowledge – how do we keep on top of the latest pension and investment issues?

You can read our statement on pages 15-17 of the 2016 Report and Accounts, which is available **here**.

FUTUREPLANNER IS GROWING

FUTUREPLANNER'S 2016 REPORT AND ACCOUNTS, AVAILABLE IN FULL [HERE](#), SHOWS THAT MEMBERSHIP OF THE PLAN CONTINUES TO GROW.

Over the last financial year (to 5 April 2016), we welcomed 431 new members to the Plan.

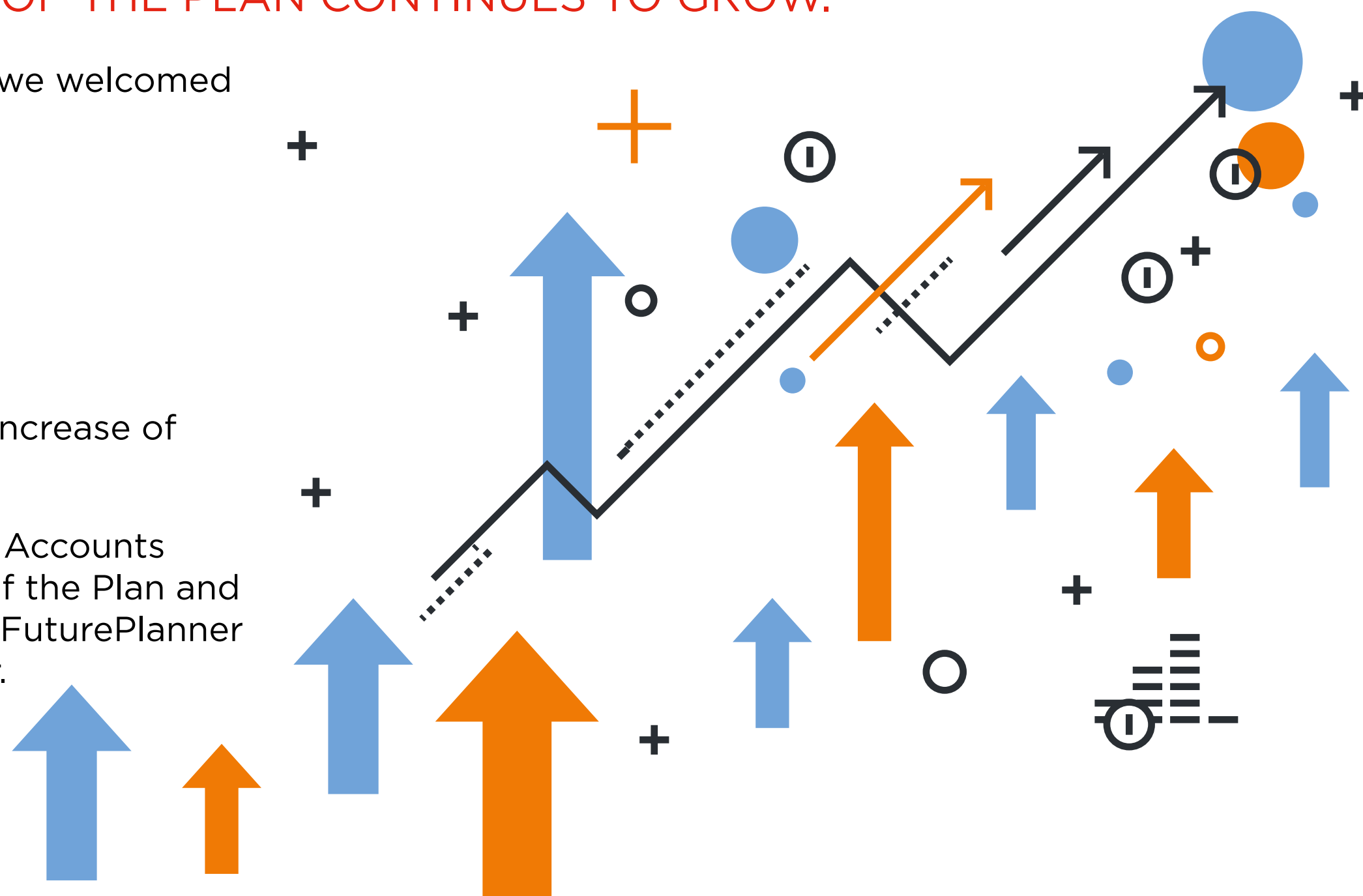
FuturePlanner now has...

→ 3,390 members

AND

→ assets worth over £77 million... that's an increase of over £10 million in a year

We are now working on the 2017 Report and Accounts which will show another 497 new members of the Plan and an increase in assets of over £20 million – so FuturePlanner will soon be breaking the £100 million barrier. Please remember to come back if you would like to see the 2017 Report in full.



DON'T LOSE TRACK OF YOUR PENSION SAVINGS

A RECENT STUDY SUGGESTED THAT MORE THAN 6.6 MILLION PEOPLE MAY HAVE MISPLACED SOME OR ALL OF THEIR RETIREMENT SAVINGS. WITH PEOPLE HAVING ON AVERAGE 11 JOBS IN A LIFETIME – A FIGURE THAT IS RISING – THIS SITUATION IS LIKELY TO GET WORSE.

The Government is currently working with pensions firms and regulators to create a new online 'pensions dashboard'. The aim is to make it easier for you to keep track of all your pensions because all your details would be saved in one place – rather than having you login to different providers' websites. Starting with defined contribution schemes, the launch of the first stage is planned for 2019 and we'll keep you updated on progress.

If you've lost track of any retirement savings from a previous employment, you can use the Department for Work and Pensions' new **tracing service**, launched in May last year. While it can't tell you what benefits you may have, it should be able to tell you where you can find more information.

In the meantime, you can check your FuturePlanner savings online through Aon Hewitt's secure member website, **Pensionline**. Remember to let Aon Hewitt know if you move house or if anything else changes.



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Download and read offline

