

The General Motors Retirees Pension Plan Member Booklet



These factsheets will help you learn more about the General Motors Retirees Pension Plan ('the Plan'):

Factsheets

- 1. Deferred Pension Benefits**
- 2. Benefits on Death**
- 3. Miscellaneous**
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Visit www.thepensiondepartment.co.uk to download Plan forms and documents.

This booklet highlights the main provisions of the Plan without setting out every detail of its operation. Please read Factsheet 3 (Miscellaneous) carefully.

Deferred Pension Benefits

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Deferred pension benefits

A deferred pension is payable from the first day of the month after you have become:

- age 65, or if you have 10 years' Pensionable Service, age 62, or
- age 65 if you are an Old Scheme Female Member or age 57 if you have 10 years' Pensionable Service.

It is payable at any time after age 55 if you have at least 10 years' Pensionable Service (or earlier, with Trustee and Principal Company consent, in cases of ill health) at an appropriately reduced rate. The reduced pension must not be any less than your Guaranteed Minimum Pension (GMP) at State Pension Age.

The Guaranteed Minimum Pension (GMP) is that part of your pension which relates to contracting out of the State Second Pension (S2P) from 6 April 2002 or the State Earnings Related Pension Scheme (SERPS) before 6 April 1997. Any pension that is reduced due to early retirement must not be less than your GMP at GMP Age (60 for a woman and 65 for a man). If the GMP exceeds your pension, you may not be able to draw your pension early.

If eligible, your Special Additional Pension is payable from the month you attain 65 (for men and women) for the rest of your life.

Revaluation

That part of the deferred pension which represents the GMP is increased annually in the period to age 65 (60 for a woman) before it comes into payment by a rate set by the Government.

If you left Pensionable Service on or after 1 January 1986, that part of the deferred pension in excess of the GMP relating to your Pensionable Service falling on or after 1 January 1985 is increased by the lower of the increase in the Retail Prices Index (RPI) over the number of complete years of deferment and 5% a year compound over the same period.

For post-1985 leavers with post-1984 service, that part of the deferred pension in excess of the GMP is increased by the lower of the increase in RPI over the number of complete years of deferment and 5% a year compound over the same period.

Commutation

At the date of your retirement you may choose to take part of your pension in the form of a lump sum, currently tax free. Further details of this option are available from the Pensions Department.

Dependant's pension option

There may be an option to exchange part of your pension for a dependant's additional pension. Further details of this option are available from the Pensions Department.

Deferred Pension Benefits



Pension increases

After you start receiving your pension, it may increase on 1 April each year, after the end of the Increase Qualifying Period, to help offset the effects of inflation if the Principal Company, in its discretion, determines. If the Principal Company decides to award a discretionary pension increase, the increase is limited to one-half of the increase in the Retail Price Index (RPI) up to a maximum of 3% a year [guaranteed until 2010 (payable April 2011). Increases falling after April 2011 may only be made with the agreement of the Principal Company and are subject to such terms and conditions as the Principal Company may impose.]

The pension increase described above is not provided on any Top-up Pension or on that part of your pension which represents your GMP after you have reached GMP Age (age 60 for women and 65 for men). The GMP is the part of your pension which relates to pre-6 April 1997 contracted-out employment.

Your GMP will increase in line with increases in RPI. Most of these increases are paid by the State along with your Basic State Pension. However, the Plan is responsible for paying the first 3% increase (or increase in RPI if lower) on the part of your GMP earned from 6 April 1988.

At the Principal Company's absolute discretion, additional increases may also be provided on top of the increases detailed above. Where a discretionary increase is granted, the Principal Company does not intend that the increase should in any way impart any legal obligation to grant other discretionary increases. This applies to all discretionary increases referred to in this booklet.

Transfers

As an alternative to a deferred pension, you can transfer your accrued benefits, including your Additional Voluntary Contributions (AVCs), to another tax-approved or tax-qualified pension scheme – such as your new employer's scheme or a personal or stakeholder pension plan – so long as that scheme agrees to and can accept the transfer. The Trustee calculates the cash equivalent of the benefits taking into account your age, Pensionable Service and investment market conditions at the time. Transfers do not take into account any possibility of discretionary benefit improvements and may be reduced by the Trustee.

You may ask the Pensions Department for an estimate of the transfer value. The written statement of entitlement that is provided to you is guaranteed for three months from the date that it was calculated. You are only entitled to a statement once a year unless it is required for divorce proceedings.

If you die before retirement with a deferred pension

A Spouse's GMP is payable. All rights to a Spouse's pension on death after retirement apply to the deferred pension.

The provisions relating to Civil Partners in Factsheet 2 apply to the deferred pension.

If no Spouse's pension is payable, your own contributions to the Plan with interest are also payable as a lump sum. The value of your AVC Fund can also be paid as a lump sum.

Benefits on Death



If you die when you are already in receipt of your pension from the Plan, your Spouse will receive:

- half of the Basic Pension to which you were entitled when you retired (before any exchange of pension for a cash sum or reduction on early retirement);
- half of the increases already awarded to your pension; and
- half of your Special Additional Pension (SAP) starting in the month you would have reached age 65, if you die before then, or if later, from the first day of the month after the month in which you die.

Where no Spouse's pension is payable, a lump sum is payable equal to:

- your own contributions to the Plan with interest; less
- the total of pension instalments already paid to you and any cash sum taken in exchange for pension.

Death benefit nomination form

Lump sum death benefits are payable to one or more of your dependants, relatives, personal representatives or nominated beneficiaries, as the Trustee may, in its discretion, decide. It is important that you complete a nomination form to guide the Trustee about who you wish to be considered and keep it up to date.

Contact the Pensions Department to request a nomination form.

Civil Partners

A surviving Civil Partner is entitled to the same benefits as a widow or widower – but based only on “contracted-out” benefits you built up after 5 April 1988 and before 5 December 2005.

General conditions relating to payment of a Spouse's pension on death in retirement

Any Spouse's pension may be reduced by such amount as the Trustee decides for each year your Spouse is more than 10 years younger than you.

Your Spouse would only qualify for a pension if you have been married for longer than 6 months and you were not separated from your Spouse at the date of your death, with two exceptions. The first exception is where the Trustee, with the consent of the Principal Company if you have been married for less than six months, decides to pay the pension. The second exception is where a Spouse's pension must be paid to comply with the contracting-out requirements. In that situation the pension will be the minimum required to comply with the contracting-out requirements.

Your Spouse is the person to whom you are married at the date of your death. If you were lawfully married to two or more spouses at the date of your death, no Spouse's pension is payable while there are two or more surviving spouses.

Miscellaneous



This booklet highlights the main provisions of the Plan without setting out every detail of its operation. The Plan is run in accordance with a formal legal document known as the Trust Deed and Rules, which is amended from time to time and will prevail in the event of any discrepancy. Rights to benefits are conferred only by the formal document.

Principal Company consent

Where reference is made to the Principal Company's consent being required, the giving of consent by the Principal Company on any occasion does not in any way commit the Principal Company to give its consent, whether in the same circumstances or different circumstances, on any other subsequent occasion. The Principal Company is entitled in giving or withholding its consent to act in its own exclusive interest. References in this booklet to consent include any exercise of discretion by the Principal Company.

Whilst the Principal Company intends to maintain the Plan indefinitely, it may amend or terminate the Plan at any time. In the event of termination, the benefits payable will be determined in accordance with the Trust Deed and Rules.

Subject to certain exceptions, for additional benefits required to be granted by law, the Principal Company has agreed in the Trust Deed and Rules to make good any deficit on termination of the Plan. If, on termination of the Plan, the Plan's resources, after taking account of that part of any deficit which the Principal Company has agreed in the Trust Deed and Rules to make good, are insufficient to meet the benefits promised then any remaining deficit may, by law, be required to be made good by the Principal Company or, as applicable, the Participating Employers, to the extent provided by the Pensions Act 1995 and related regulations.

Tax relief

The Plan is a tax-approved (or registered) pension scheme under the Finance Act 2004. This means that it enjoys certain tax privileges.

The pension you have built up in the Plan counts towards your Lifetime Allowance under the Finance Act 2004. If you go over it, you pay a special pensions tax charge on the excess. However, this allowance should affect very few people.

Lifetime Allowance

The Lifetime Allowance (LTA) is the total value of retirement benefits you can build up during your working life before you must pay a special tax charge on them.

This applies to benefits from all UK tax-approved (or registered) pension arrangements, including benefits due from tax-approved or registered company schemes you were in before you joined the Company, or any personal pension plan, stakeholder plan or retirement annuity contract.

When you come to draw your pension, the Trustee will aim to arrange for the value of your pension to be calculated and checked against the LTA.

The Trustee will need to ask for details of benefits you have in other tax-registered schemes (and may postpone payment of your benefits or deduct additional tax if you do not supply this information).

Miscellaneous



The LTA should only affect a small number of people. From 6 April 2014, the LTA is £1.25 million

Please note that it is your responsibility to keep track of your benefits against the LTA. If you are over the LTA when you take your benefits, you will pay a special tax charge on the excess (at the date of this booklet, an effective rate of 55%).

Unauthorised payments

There are certain benefits which were permitted by Her Majesty's Revenue & Customs (HMRC) before 6 April 2006, but which if paid now could be classed as 'unauthorised payments'. Even if you had accrued a right to these benefits before 6 April 2006, they can now only be paid if both the Principal Company and the Trustee agree. If any benefit, through oversight, is paid by the Trustee which is classed as unauthorised by HMRC, then that benefit will be treated as paid by mistake and you will have to repay it.

The descriptions of benefits contained in this booklet must be read subject to that caveat. However, in normal circumstances, it is not expected that the benefits in this booklet would fall into this category.

Relationship with the pre-6 April 2006 tax regime

The limits imposed on the Plan by the tax regime which existed before 6 April 2006 will continue to apply to benefits payable after 5 April 2006 from the Plan, other than where the Principal Company and the Trustee expressly agree otherwise.

Your benefits may be reduced if they would otherwise exceed these limits as provided for in the Trust Deed and Rules. Furthermore, adverse tax consequences can arise if the new HMRC rules are not complied with or allowances are exceeded – see previous paragraphs for further details.

Forfeiture

It is illegal to attempt to use any benefit under the Plan as security for a loan. Any attempt to do so could lead to a forfeiture of benefits.

Contracted-out employment

If you have service in the Plan before 6 April 1997, or you were a member of another pension scheme and were contracted-out of the State Second Pension (S2P) from 6 April 2012 or the State Earnings Related Pension Scheme (SERPS) before 6 April 1997 and you transferred those rights into the Plan, then you have a Guaranteed Minimum Pension (GMP) in respect of those contracted-out rights in the Plan. Legislation requires the GMP to be treated differently from the rest of your pension.

Note that if you left service before 6 April 1978, you do not have a GMP.

Help



Questions about the Plan

If you have any questions about the Plan or your benefit entitlement, you can contact the Pensions Manager:

Phone: 01582 427016

Email: team@thepensiondepartment.co.uk

In writing: The Pensions Department
Griffin House
Osborne Road
LUTON
LU1 3YT

Website: www.thepensiondepartment.co.uk

You can download various items from the website including:

- Forms (Expression of Wish, Change of Address, etc.)
- Annual Report
- The Trust Deed and Rules

A copy of the Annual Report and further information about the Plan is also available by contacting the Pensions Department at the address above.

Dispute resolution procedure

The Trustee tries to run the Plan so that members do not have cause for complaint. If a problem does occur, you should raise it first informally with the staff of the Pensions Department (contact details above). You may also, at any stage, use the services of The Pensions Advisory Service (see opposite for details).

If any disagreement cannot be resolved informally, you may use the Pensions Department's formal dispute resolution procedure. A member, beneficiary or prospective beneficiary can initiate the following procedure:

- 1) Request a copy of the procedure from the Pensions Department (see above for contact details).
- 2) Complete and return the application form (included in the copy of the procedure) to the Pensions Manager.
- 3) You will receive a decision from the Pensions Manager.
If you are unhappy with the decision, you can send the Manager's decision to the Trustee along with your reasons for your dissatisfaction. If you are unhappy with the Trustee's decision you may take your case to the Pensions Ombudsman (details opposite).

The Pensions Advisory Service (TPAS)

TPAS is available to assist members and beneficiaries with pension queries and any difficulties they have failed to resolve with the trustees or administrators. Normally, you should try to contact a local TPAS adviser through your nearest Citizens Advice Bureau but, if necessary, TPAS can be contacted at:

In writing: 11 Belgrave Road
LONDON
SW1V 1RB

Phone: 0845 601 2923

Pensions Ombudsman

In cases where a complaint or a dispute cannot be resolved, normally after the intervention of TPAS, an application for adjudication can be made to the Pensions Ombudsman. The Pensions Ombudsman can investigate and determine any complaint of maladministration or dispute of fact or law involving occupational pension schemes made or referred to him in accordance with the Pension Schemes Act 1993. The services of the Pensions Ombudsman are available to members, beneficiaries and prospective members of pension schemes.

The Pensions Ombudsman can be contacted at:

In writing: 11 Belgrave Road
LONDON
SW1V 1RB

Phone: 020 7630 2200

The Pensions Regulator

The Pensions Regulator is able to intervene in the running of schemes where trustees, employers or professional advisers have failed in their duties. The address is:

In writing: Napier House
Trafalgar Place
BRIGHTON
BN1 4DW

Phone: 0870 606 3636

Data Protection



The Trustee will hold personal data provided by you (and, where appropriate, by third parties such as your employer or medical advisers or any pension scheme or arrangement from which benefits are transferred to the Plan) for the purpose of calculating and providing your benefits and your survivors' benefits under the Plan.

They may also make that information available to others (within the United Kingdom or in any other country) where the Trustee thinks it is necessary or desirable to do so in connection with the Plan or with its administration or the payment of benefits under it. In particular, the Trustee may make the information available to its professional advisers, the administrators responsible for providing benefits and any other persons who may become involved in or responsible for providing benefits.

In addition, they may make that information available to your employer and other companies in your employer's group, or with whom your employer is dealing (within the United Kingdom or in any other country) where required for the preparation of accounts or other financial information, for the calculation of remuneration packages or the development of remuneration policy or otherwise in connection with the business of your employer's group.

In particular, they may make that information available to companies which are considering or have acquired your employer or the whole or part of your employer's business, or to the trustees, administrators or professional advisers of any pension scheme to or from which your rights under the Plan may be, are being or have been transferred, or to any company participating in such a scheme.

Some data processing is or may be done outside the European Economic Area (EEA). For example, data may be transferred to databases held by other companies in your employer's group worldwide outside the EEA and access to this data may be provided to authorised persons in those companies. In territories outside the EEA, laws and practices relating to the protection of personal data may be weaker than those within the EEA.

It should be noted that the Trustee may require to hold or otherwise process data for legitimate purposes other than those described above.

The reference in this statement to the Trustee includes any person within the employer's group who processes personal data on its behalf.

Where any personal data is transferred to a third party in the circumstances provided above and that third party becomes a data controller in relation to that data, the paragraphs above will apply as if references to the Trustee were references to that data controller.

It is a condition of membership of the Plan that you consent to the holding, processing and transfer of the information needed to calculate and pay your own benefits and your survivor's benefits in the ways described above.

If you want to know more about the information held by the Trustee or the purposes for which it is held, please contact the Pensions Manager.

Glossary of Terms



Guaranteed Minimum Pension (GMP)

The part of your pension which relates to contracting out of the State Earnings Related Pension Scheme (SERPS) before 6 April 1997.

Increase Qualifying Period

The period ending on the 31 March which is 15 months after the end of the calendar year in which the first day of the month in which the pension becomes payable falls.

Old Scheme Female Member

A female member who was a member of the Old Scheme on 31 July 1988 and who became a member of the Plan immediately after ceasing to be a member of the Old Scheme. However, a female member who ceased to be in Pensionable Service in the Plan and then subsequently rejoined the Plan is not an Old Scheme Female Member.

Old Scheme

The Vauxhall and Associated Companies Pension Fund.

Pensionable Service

Your service as a member of the Plan. This is normally continuous Company service in respect of which you have contributed to the Plan, but some members are granted extra Pensionable Service in exchange for a transfer payment from another scheme.

Principal Company

General Motors UK Limited.

Spouse

Includes where a member is not survived by a Spouse but by a Civil Partner, the member's Civil Partner.

The Plan

The General Motors Retirees Pension Plan.

Trustee

GM Retirees Pension Trustees Limited.