

JAGUAR PENSION PLAN

PLAN YOUR FUTURE - FEBRUARY 2016



Welcome to the latest issue of Plan Your Future, the Newsletter of the Jaguar Pension Plan. We would like to send our best wishes to you for 2016.

Our Newsletter aims to keep you up to date with your Pension and inform you of any changes to the Plan or government legislation. In this issue we will give you a brief summary of our Report and Accounts, which shows the Plan's financial position, membership figures and investment performance for the year ending 5th April 2015. We will also provide you with information regarding changes to the State Pension, which will come into force in April 2016 and explain how the end of "contracting-out" may affect you.

If you have any questions about the Jaguar Pension Plan, please call the administrators. Contact details can be found on the back page of this newsletter.

We look forward to being of assistance.

Rob Lummis

Chair of the Trustee Board



JAGUAR PENSION PLAN WEBSITE

Our website is regularly updated and provides an overview of the various benefits available in your pension arrangements. You can access information; previous newsletters; forms; frequently asked questions and also contact us by visiting our website at jaguarlandroverpensions.com

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A full valuation of the Plan is in progress so we will let you know the results when they are available.



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Report and Accounts

A brief summary of the Plan's financial position, membership figures and investment performance.



SUMMARY FUNDING STATEMENT

We regularly provide you with a Summary Funding Statement in our Newsletter, which keeps you up to date on the latest financial position of the Plan.

In years when a full valuation is in progress we are not required to issue a statement and this is the case for 2015. Valuations are the regular 'health checks' on the Plan's funding and normally take place every three years. The actuary (the financial expert who carries out the valuation) uses certain assumptions to estimate how the Plan's finances may change in future years. Examples include how salaries or inflation will rise or how member life expectancies might change. The Trustee Board has responsibility for making these assumptions with advice from the actuary, then agreeing them with the Company. Valuations are very complex and involve a large number of different estimates and calculations, which must comply with a wide range of rules and regulations.

With this in mind, trustees are given 15 months to carry out a valuation. We will let you know the results of the current valuation as soon as they are available.



WE WELCOME YOUR FEEDBACK

As Chair of the Trustee Governance Committee, I am always interested to hear your views on the services that we offer. If you have suggestions or ideas on how we can improve our customer service, helpline, newsletter or any other aspect of our offering, please contact me, care of the administrators.

Our contact details can be found on the back page of this newsletter.

**Chris Sturgeon,
Chair of the Trustee Governance Committee**



KEEP US UP TO DATE

HAVE YOU MOVED?

Some of our newsletters are returned to us marked 'Not known at this address'. In the event that a pensioner's newsletter is returned, we are obliged to carry out an investigation to ensure that the pension is being paid to the correct recipient. If we are unable to contact you, we may need to suspend payments for security reasons. To ensure that your pension payments are not interrupted, please inform us as soon as possible of any changes to your address. Our contact details can be found on the back page of this newsletter.

EXPRESSION OF WISH FORM

In the event of your death whilst you are still a member of the Plan, your Expression of Wish form (EOW) will guide the Trustees in the distribution of the benefits payable to your dependants. To ensure that your wishes are taken into account it is important that you complete an EOW. The date we received your last EOW form will be shown on your most recent benefit statement. Forms are available to download from our website at jaguarlandroverpensions.com

Please return your completed form to the administrator (see back page for contact details). If you are receiving a dependant's or child's pension, there is no need for you to complete an EOW form.

REFORM OF THE STATE PENSION SYSTEM

We would like to remind all members currently employed by JLR that the reform of the State Pension system, which introduces a new Single Tier-State Pension and the end of contracting-out, will come into force in April 2016.

As an employee of JLR and a member of the Jaguar Pension Plan you are making a contribution towards your Company pension and you are also paying National Insurance Contributions (NIC) towards the Basic State Pension (BSP), which will be payable from your State Pension Age. Members of some other types of Pension Plans also contribute to an earnings related pension by paying higher NIC. This additional pension is known as S2P. Whilst you have been a member of the Jaguar Pension Plan you have been contracted-out of the earnings related part of S2P and, consequently, paying lower NIC. During periods of contracted-out employment, you have not built up any rights to the additional pension.

What happens when contracting-out ends?

The end of contracting-out means that active members of the Jaguar Pension Plan will no longer be in “contracted-out employment” and will see an increase in their level of National Insurance Contributions, paid from 6 April 2016 onwards. The increase to National Insurance Contributions will be about 1.4% of earnings within specified bands (based on rates currently set by the government).

At the same time, changes are being made to the State Pension scheme. Members reaching state pension age on or after 6th April 2016 will receive a single State Pension ranging from £119.30 per week up to a potential of £155.65 per week, depending upon their National Insurance Contributions record. Only National Insurance Contributions paid from 6 April 2016 onwards will count towards the **new** level of maximum State Pension.

If you reach state pension age on or after 6 April 2016 but before you have paid sufficient NIC you will not receive the full potential of £155.65 per week as this will be discounted as a result of your periods of contracted-out employment. Periods of pensionable service whilst a member of the Jaguar Pension Plan will have been contracted-out.

AN INTRODUCTION TO YOUR JLT EMPLOYEE BENEFIT SOLUTIONS TEAM

JLT have administered the Land Rover Pension Scheme since 2007 and the Jaguar Pension Plans since 2014. The team are dedicated to delivering the service to all members and can assist with any questions relating to your benefits within either the Scheme or Plan.

The longest serving member of the team is Antony King, who has worked with the Trustee since 2008. He enjoys the variety of work and the interaction he has with both Trustee and members to ensure the service provided is as expected in the ever changing world of pensions. The newest member of the team, Sally Bloor, joined in the summer of 2015 and she enjoys helping people understand the benefits of being members of the Scheme or Plan.



TAX HELP FOR THE OVER 60'S?



If you would like help on dealing with your tax matters, there are a number of charitable organisations that provide free, professional help for people over 60 with an income of £20,000 a year or less and are unable to pay for professional advice. One such organisation is Tax Help for Older People (T.O.P.).

For help and advice please contact: Tax Help for Older People, Unit 10, Pineapple Business Park, Salway Ash, Bridport, Dorset, DT6 5DB



01308 488066 or 0845 6013321



taxvol@taxvol.org.uk

www.taxvol.org.uk



The following Government link explains the calculations and the transitional arrangements in more detail www.gov.uk/government/uploads/system/uploads/attachment_data/file/447195/new-state-pension--effect-of-being-contracted-out.pdf

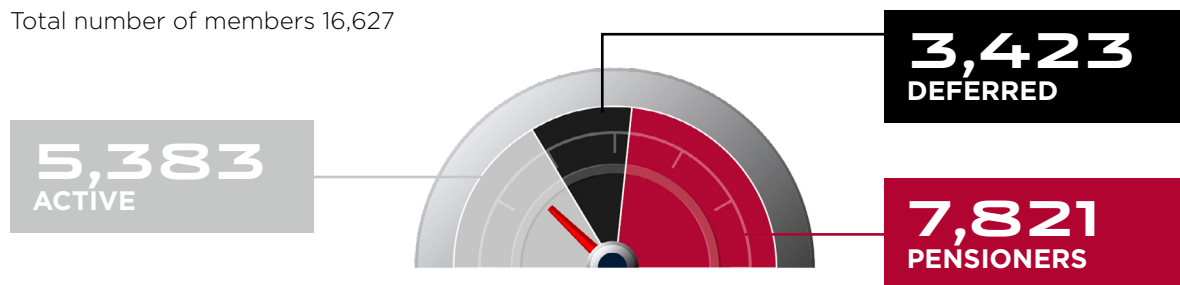
As everyone's NIC history is different, it will not be possible for the Trustee to provide an individual projection of State Pension after April 2016. If you would like more information about how the reform will affect you, visit www.gov.uk/state-pension-statement where you can request an individual State Pension statement or estimate.

REPORT AND ACCOUNTS FOR THE YEAR ENDED 5 APRIL 2015

Below are the headline figures from the Plan's latest annual Report and Accounts, which covers the financial year to 5 April 2015. If you would like to know more, you can request a copy of the full report from the Jaguar Pensions Administration Team.

Membership

Total number of members 16,627



FINANCIALS

| | £000 |
|--|------------------|
| NET ASSETS AS AT 6 APRIL 2014 | 2,608,690 |
| MONEY INTO THE PLAN | |
| Contributions | 112,153 |
| Return on investments | 686,526 |
| Total money in | 798,679 |
| MONEY OUT OF THE PLAN | |
| Investment management expenses | 5,169 |
| Pension Plan benefits paid to members | 82,740 |
| Payments made for leavers | 4,498 |
| Other payments | 1,129 |
| Administrative expenses | 2,130 |
| Total money out | 95,666 |
| Therefore in total we have a net increase of | 703,013 |
| NET ASSETS AS AT 5 APRIL 2015 | 3,311,703 |

Getting in touch

If you need more information about your Pension or want to download any of the forms, you will find detailed information on our website at jaguarlandroverpensions.com. Or you can contact us:



In writing:

Jaguar Pension Plan
JLT Benefit Solutions
St James House
7 Charlotte Street
Manchester
M1 4DZ



By phone:

0845 078 2052
0044 129 889 0252 (if calling from outside the UK)



By email:

jaguar@jltgroup.com

Happy to go paperless?

If you are receiving a printed newsletter but would rather switch to an email version, please email jaguar@jltgroup.com and let us know. Receiving your copy by email will not only help to reduce our print and postage costs, but will also help to reduce our carbon footprint.