The guide was produced in May 2019.
Contents

Introduction page 4

How the scheme works page 5

Eligibility and how to join page 6
Who can join the scheme?
How do I join?
What documents will I receive?
What if I do not want to join?
What if I join but later wish to opt out?
What if I want to rejoin?

Contributions page 8
How much do I have to contribute?
How much will my employer contribute?
Relief workers
Payment of contributions

How the contributions are invested page 10

The costs of running your personal fund page 11

Benefits under the scheme page 12
Benefits at retirement
Guidance
Tax implications
Option for lump-sum benefits
Buying an annuity
Flexi-access drawdown
What happens if I die before taking retirement benefits?
What benefits are paid if I die after taking retirement benefits?
Life Assurance
What happens if I stop contributions to the scheme?
Pension scams

State benefits page 22
What state benefits will I receive?
What is my State Pension Age?

Frequently asked questions page 23
Can I contribute to another pension arrangement?
Can I transfer existing pension benefits into the scheme?
What happens if I am absent from work?
What happens to my pension if I get divorced, or my civil partnership is dissolved?
Can the scheme be changed?

Complaints page 25
The complaints process
The Pensions Advisory Service
The Pensions Ombudsman

Tax benefits and limits page 27
Tax benefits
Contribution limits
The annual allowance and annual allowance charge
The lifetime allowance and lifetime allowance charge
Tax-free lump sum

Help and information page 31
Useful contacts
The Consumer Financial Education Body
The Pensions Regulator
Pension Tracing Service
Terms and conditions
Compensation
Main business & FCA Register details
Law and language
Introduction

You may want to stop working at some point in your life, and when you do so, the earnings you have relied upon for so long will also stop. Retirement may seem a long way off, but we all need to plan for the future.

The Salvation Army Employees Defined Contribution Scheme is a valuable employee benefit. It gives you the opportunity to build up a personal fund, which can be used at your retirement to provide you with a pension income for the rest of your life as well as the option for a tax-free lump sum. In addition to retirement benefits, if you die in service, a lump-sum benefit may be paid.

We, the Trustees of the scheme, have chosen Aviva Life & Pensions UK Limited (Aviva) to provide this scheme.

This Member Booklet has been issued by Aviva group on behalf of the Trustees.

This Member Booklet details the points we, the Trustees, feel you need to understand when deciding whether or not to join or remain a member of the scheme. You should read this guide along with all the other documentation provided. The scheme is governed by its Trust Deed and Rules (a copy of which is available on request from us) and overriding legislation.

This Member Booklet and all other literature in your membership pack do not contain advice regarding whether this scheme is suitable for you. However, we hope that we have given enough information for you to decide if the scheme meets your needs. If you need advice we strongly suggest that you contact your financial adviser. If you do not have one, you can obtain details of financial advisers by visiting www.unbiased.co.uk. Remember, if you use a financial adviser they may charge you for their services.

The Trustees produce an annual report on the scheme which is available on request.
The scheme is a defined contribution pension arrangement under which you and your employer, The Salvation Army and its associated employers, make contributions to your personal fund. The size of your personal fund at retirement will depend on:

- how much has been contributed;
- how your selected investment fund(s) have performed; and
- the effect of charges
- how long the personal fund has been invested.

The funds you can invest in are selected by us from the Aviva range of pension investment funds and are detailed in The Salvation Army Employees Defined Contribution Scheme Fund Brochure. The Fund Brochure will help you decide how to invest the contributions paid by you and your employer.

At retirement, you can use your personal fund to buy your pension. You will usually be able to take a part of your personal fund, subject to Revenue limits, as a tax-free lump sum. However, this will reduce the size of the fund with which to buy your annuity (pension income), which in turn results in a smaller annuity being paid. You can also take your whole personal fund as a cash lump sum payment (subject to tax). You cannot use your personal fund to drawdown pension income from the scheme but you can arrange drawdown by transferring your fund out of the scheme.

In addition to retirement benefits, the scheme also provides benefits payable following your death (death benefits).

When deciding where to invest, you should bear in mind that the value of funds can go down as well as up and is not guaranteed. You may not receive back the full value of contributions invested.

For further details of the benefits available under the scheme, please refer to page 12 of this Member Booklet, ‘Benefits under the scheme’.

**Defined contribution**

A defined contribution pension scheme is one where the benefits payable depend on the contributions paid and the investment returns obtained on those contributions.

**Personal fund**

Your personal fund is the value of the investments purchased with contributions paid to the scheme by you, or on your behalf, that are earmarked by us to provide your benefits.

**Revenue**

HM Revenue & Customs, formerly known as the Inland Revenue.
Eligibility and how to join

Who can join the scheme?
You can join the scheme if:

- you are directly employed by the Salvation Army or its associated employers in the UK;
- you are aged 16 or over and under 75 years of age.

How do I join?
Certain employees are required by legislation to be automatically enrolled into the scheme. This follows a government initiative to help you build up pension through your workplace. These are employees who:

- are aged between 22 and State Pension Age;
- have qualifying earnings above an earnings trigger.

Qualifying earnings include your basic salary or wages, commission, bonuses and overtime. The earnings trigger is £10,000 p.a. for 2019/20, and will be reviewed each year.

If you meet this criteria to be automatically enrolled into the scheme, you do not have to do anything, it will happen automatically.

We will write to you to inform you when you will be automatically enrolled. If you meet the criteria this will be from the 1st day of the third month after you are employed, or from when you meet the criteria if this is later.

The legislation applies to different employers at different dates. Your employer will inform you when the legislation applies to them.

You can choose to opt out of the scheme if you want to, however, you will then lose all the benefits of scheme membership discussed in this Booklet. If you do not meet the criteria to be automatically enrolled into the scheme, you can choose to join it if you are eligible.

If you are eligible to join voluntarily and decide that you wish to join the scheme, you should complete an Opt In Form and Expression of Wish Form.

Please send these forms to the Pension Funds Officer at:

The Salvation Army
Territorial Headquarters
101 Newington Causeway
London
SE1 6BN

Email: pensions@salvationarmy.org.uk
What documents will I receive?
After you have become automatically enrolled into the scheme or have voluntarily joined the scheme, you will receive:

- Membership Certificate – this confirms your details and your membership of the scheme.
- Annual Statement – each year, we will send you a fund statement, a summary of contributions made and a projected pension statement.

What if I do not want to join?
You do not have to join the scheme or you can opt out if you have been automatically enrolled. If you opt out of the scheme, you will be automatically re-enrolled again on your employer’s triennial re-enrolment date.

What if I join but later wish to opt out?
If you remain in the scheme or voluntarily join the scheme and later decide to leave the scheme without leaving your employment, you need to give us a minimum of one month’s notice of your intent. For more information on what will happen to your personal fund if you opt out please contact the Pensions Unit.

What if I want to rejoin?
You will be able to voluntarily rejoin the scheme at a later date, subject to the eligibility conditions being met. If you wish to rejoin the scheme, you will need to complete a new Opt In Form and return it to the address shown in ‘How do I join?’.

As stated above, if you meet the criteria to be automatically enrolled into the scheme and opt out, you will be automatically re-enrolled on your employer’s triennial re-enrolment date. At that time you will again have the opportunity to opt out of the scheme.
Contributions

How much do I have to contribute?
In order to join the scheme, you must make a contribution of at least 3% of your pensionable salary.
If you are automatically enrolled into the scheme, contributions will be deducted from your pensionable salary at these minimum rates.
However, you have the option to increase the contribution you pay, and hence benefit from increased employer contributions.

<table>
<thead>
<tr>
<th>Option</th>
<th>Employee Contribution</th>
<th>Employer Contribution</th>
<th>Total Contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>3%</td>
<td>6%</td>
<td>9%</td>
</tr>
<tr>
<td>2</td>
<td>4%</td>
<td>8%</td>
<td>12%</td>
</tr>
<tr>
<td>3</td>
<td>5%</td>
<td>10%</td>
<td>15%</td>
</tr>
<tr>
<td>4</td>
<td>6%+</td>
<td>12%</td>
<td>18%+</td>
</tr>
</tbody>
</table>

In addition, you are able to contribute in excess of 6% but the maximum employer contribution rate remains at 12%.

Relief workers
If you are a relief worker who is automatically enrolled into the scheme or who voluntarily joins the scheme, contributions will be paid on your qualifying earnings.

Qualifying earnings are salary, wages, commission, bonuses, overtime, statutory sick pay and maternity, paternity and adoption pay.

Pensionable salary
Basic pay (excluding bonus, overtime, etc.).

How much will my employer contribute?
As well as the tax relief you could receive, your pension plan also benefits from your employer’s contributions.

Your employer will pay a percentage of your basic salary into your pension. Please see the table alongside for further details.
Payment of contributions

Your contributions must qualify for income tax relief. Your tax relief is automatically given through the Pay As You Earn (PAYE) system and you do not need to take any action. Your employer will deduct contributions from your salary before income tax is calculated on the balance. Your employer then passes your contributions to Aviva every month, where they are invested in your personal fund.

If you are a basic rate taxpayer, you will benefit from basic rate tax relief (20% in the tax year 2019/20). If you are a higher rate taxpayer you will benefit from higher rate tax relief on some, or all, of your contributions.

Tax relief on your contributions to one or more registered pension schemes is available up to the greater of:

- the basic amount of £3,600 (£2,880 net for the 2019/20 tax year);
- 100% of your relevant UK income for the tax year (but up to the annual allowance limit mentioned below).

If you and your employer’s contributions to all your registered pension schemes exceed the annual allowance, you may be liable to an annual allowance charge. Currently the annual allowance limit is £40,000 for 2019/20. This may change over time and you should check the current limit with HMRC. Please read ‘The annual allowance and annual allowance charge’ information on page 28 of this Member Booklet, ‘Tax benefits and limits’.

The tax details are subject to interpretation, change and individual circumstances.

Registered pension scheme

This is a pension scheme that has either been registered by the Revenue or has acquired registered status by virtue of being an approved pension scheme on 5 April 2006, in accordance with the Finance Act 2004.

Tax year

This runs from 6 April to 5 April.
How the contributions are invested

The money that you and your employer pay into your personal fund is invested in one or more pension investment funds that put money into different areas such as stock markets and property. An investment fund is simply a way of pooling together the investments of a large number of smaller investors. Your contributions are used to buy units in the investment fund(s) that you choose. Each fund is run by a professional fund manager who aims to make your money grow.

We have selected a range of funds from which you can choose where to invest your contributions.

When deciding where to invest, you should bear in mind that the value of funds can go down as well as up and is not guaranteed. Furthermore, the value of a fund may fall as well as rise purely on account of exchange rate fluctuations. You may not receive back the full value of contributions invested.

The charges you pay may vary depending on the funds you choose. For further information on the funds available under the scheme, their charges and the specific risks associated with each available fund, please refer to the Fund Brochure.
The costs of running your personal fund

As with all pension schemes of this type, there are costs to be met from running your personal fund. The costs vary according to the investment funds you choose. This is because the investment funds attract varying levels of charges depending on their objectives and the way they are managed.

The Annual Management Charge (AMC) is expressed as a percentage of the investment fund value. It is calculated from the value of the investments on a daily basis and deducted monthly.

This charge is taken to pay for the cost of setting up the policy, the fund management and policy administration.

Please see the Fund Brochure for details of the AMC for each fund.
Benefits under the scheme

Benefits at retirement
Your benefits will depend on several factors including the amount of contributions paid and the performance of investments. From April 2015, the Government introduced new flexibilities for defined contribution pension savings, such as the savings you have built up in the Scheme. The new flexibilities allow you to draw your benefits in a variety of ways. The following options are available:

- **Cash withdrawal**: You are able to take your whole personal fund as a cash lump sum. 25% can be taken tax-free but the remainder will be taxed.

- **Purchase an annuity**: You will be able to use your personal fund to buy an annuity from Aviva or a provider of your choice. You can either use the whole of your personal fund in this way or take up to 25% of the fund as tax free cash, with the remainder used to purchase an annuity.

- **Flexi-access drawdown**: You will be able to transfer your personal fund to a flexi-access drawdown product either with Aviva or a provider of your choice, if you wish to take advantage of the new flexibilities, which allow you to drawdown on the funds as and when you wish. With such a transfer, you will be able to take up to 25% of the amount transferred as tax free cash, with additional withdrawals taxed as pension income.

You will be able to choose one or more of the above options.

You should be aware that, at your retirement, different providers will offer different options in relation to what you can do with your personal fund, including the option to select an annuity. Different options will have different features, different rates of payment, different charges and different tax implications.
Benefits will usually be payable at the Normal Retirement Date under the scheme. However, with our agreement, you may take your benefits at any time between the ages of 55 and 75. If you wish to postpone taking your retirement benefits after your 75th birthday, you will need to transfer your benefits to another provider who can offer you this. You should seek financial advice before making any decision.

In certain cases of ill health, it may be possible for your benefits to be paid earlier if we and your employer agree.

If you take your benefits early, the benefits that you can provide from your personal fund may be lower than expected.

Under current legislation, when you take your benefits, if the combined value of all your pension funds is more than the lifetime allowance, there may be tax implications for you. For further details on the lifetime allowance, please refer to page 29 of this Member Booklet, ‘Tax benefits and limits’

Guidance

At the point of making your retirement choices, at any age from age 55, you will have access to a new government service called Pension Wise. This is a free, impartial service to help you understand your retirement choices for your personal fund. The service will be available online, over the telephone or face to face.

The tailored guidance will explain what options you have and help you think about how to make the best use of your pension savings. It will provide information about the tax implications of different options and other important things you should think about. It will give you tips on getting the best deal, including how to shop around.

You can access Pension Wise and find out more about it at www.pensionwise.gov.uk or by phoning 0800 138 3944. At retirement, you should access this pensions guidance and should also consider obtaining independent advice to help you decide, at that time, which option is most suitable for you in relation to your benefits.
Tax implications
You should be aware that there may be tax implications associated with accessing flexible benefits, that income from a pension is taxable and that the rate at which income from a pension is taxable depends on the amount of income that you receive from your pension and other sources.

Neither the Trustees nor the Scheme’s administrators can give you advice about options or tax advice and you are strongly encouraged to access the Pension Wise guidance and to take independent advice when you retire so that you fully understand the implications of any decision you make.

Option for lump sum benefits
You can normally take up to 25% of your personal fund as a tax-free lump sum at retirement. If you do so, your personal fund will be reduced accordingly, resulting in a lower amount being available to provide a regular income.

Alternatively, you are able to take the whole of your personal fund as a cash lump sum in one go. You should think about how to use the money to provide an income throughout retirement. There will be tax implications if your entire personal fund is taken as cash in one go.

You do not have to take a tax-free lump sum at retirement. You can use all of your personal fund to provide a retirement income. Once you have purchased an annuity you will not be able to take any tax-free lump sum.

Normal Retirement Date
If you have not selected a retirement age, you will be enrolled into the scheme using the default retirement age of 65.
Benefits under the scheme
(continued)

Buying an annuity

When you take your benefits you have the option to use your personal fund to buy an annuity for the rest of your life, either from Aviva or from another provider of your choice, using the ‘open market option’ (see below for further details on this option). The amount of the annuity will depend upon the cost of converting your personal fund into an annuity.

There are different types of annuity. The type of annuity that is best for you will depend on your circumstances and needs. The following options are available from Aviva:

- A level annuity – this pays the same level of income year after year for the rest of your life.
- An increasing annuity – to help offset the effects of inflation over time, you can choose an annuity that increases each year. Selecting this type of annuity means that a lower initial pension income will be received as a consequence.

As well as choosing if you want your annuity to increase, you will need to decide whether you wish your annuity to provide benefits on your death. The following options are available from Aviva:

- A single life annuity – this pays an income only during your lifetime.
- A joint life annuity – this pays an income during your lifetime and, when you die, to your husband, wife, or civil partner and/or dependant(s). If you choose this option, you will receive a lower initial pension income as a consequence.

Your annuity can also have a guarantee period. This guarantees to continue to pay an income for at least five or ten years, even if you die within this period. If you do not choose a guarantee period, your pension income will stop on your death, unless the joint life annuity option is selected.

The type of annuity you choose will affect the amount of pension income you receive, as will annuity rates at the time you retire.

At retirement, you will have the right to an ‘open market option’ under which you, or we (the Trustees) on your behalf, can buy your annuity from an insurer other than Aviva who may offer better rates. Exercising this option may result in a higher pension being payable. However, another provider may apply a minimum fund size for taking such business.
It is important to shop around. You should remember that an annuity purchase is a lifetime commitment so you should not rush to make a final decision.

Subject to the trust deed and rules, you may also be able to transfer your personal fund to another registered pension scheme. This may give you a wider choice of retirement options.

These are important decisions and we strongly suggest you speak to a financial adviser. Please remember that financial advisers may charge you for their services. The Money Advice Service (MAS) publishes a consumer guide, ‘Your pension – it’s time to choose’ which is available on its website, www.moneyadviseservice.org.uk.

Your pension income will be subject to income tax depending on your personal circumstances. Tax details are subject to interpretation and change, and the amount of benefits available to you will depend upon your individual circumstances.

**Flexi-access drawdown**

A flexi-access drawdown product allows you to keep your pension invested while you draw an income from it. You have the freedom to take as much income as you like each year and can choose where your remaining funds are invested. You can increase or decrease your level of income each year in line with any changes to your lifestyle.

This facility is not available through the scheme but you can access a drawdown product either from Aviva or from a provider of your choice, by transferring your personal fund to such a product.

As with every investment, there is the risk that your pension funds can go down as well as up. You should think about how much you withdraw each year from the product and how long your money needs to last. You could run out of money in later life if your investments perform badly or you withdraw too much money too quickly.

Charges can reduce the money you receive. You should check whether there are any charges or other reductions to your pension funds when a lump sum is withdrawn. Providers may also make ongoing charges on any withdrawn money so it is important to consider the impact of these charges.

Different providers offer different types of flexible retirement income. You should check what kind of drawdown is being offered. You should consider shopping around and an independent financial adviser will be able to help with this. We strongly suggest you speak to a financial adviser.
Benefits under the scheme
(continued)

The income from the drawdown product will be taxed as pension income. There may be tax implications of drawing down certain amounts of income and you should consult an independent financial adviser.

What happens if I die before taking retirement benefits?

If you die before taking benefits, the value of your personal fund will normally be payable as a lump sum.

Any lump-sum death benefits will be paid to beneficiaries chosen at our discretion in accordance with the trust deed and rules. When deciding who should receive the benefits, we will take into account the details on the most recent nomination you have made. This is why you should keep your Expression of Wish form up to date and consider whether you need to complete a new Expression of Wish form if your circumstances change.

If the value of the lump-sum death benefits payable from all registered pension schemes exceeds the lifetime allowance limit, a tax charge may be payable. At our discretion, we may use any part of your personal fund that is in excess of the lifetime allowance limit to purchase pension benefits for your dependants. For further details on the lifetime allowance limit, please refer to page 29 of this Member Booklet, ‘Tax benefits and limits’.

Active Member

An active member is any person who is making regular contributions into the pension scheme and is currently employed by the company.
Benefits under the scheme
(continued)

**Life Assurance**
As an active member of the scheme, you will be eligible for life cover unless you are a relief worker where no cover is provided.

<table>
<thead>
<tr>
<th>Member contribution rate</th>
<th>Life cover</th>
</tr>
</thead>
<tbody>
<tr>
<td>3% or more</td>
<td>3 x basic salary</td>
</tr>
</tbody>
</table>

This will be payable to your nominated beneficiary(ies) in the event of your death in service.

Life Assurance cover is provided on joining the pension scheme. You will need to be actively at work i.e. not off sick or on holiday, on that date for cover to be provided. Cover is limited to £250,000, subject to change without prior notification, until the insurance company have approved any additional cover. Life assurance benefit is currently provided by an insurance company (not provided by Aviva) and is subject to the insurer’s policy terms and conditions. All premiums are paid for by the Salvation Army. Where individual medical information is requested from a member by the insurer as part of their policy underwriting, it is the member’s responsibility to provide all information requested by the insurer that may be pertinent to the insurer’s assessment. A failure by the member to provide the requested medical information may result in your benefit being restricted to a lower amount or declined. The Salvation Army is not liable for the benefit in the event that a member fails to provide the insurance company with the requested medical information. For more information, please contact The Pension Unit.

What benefits are paid if I die after taking retirement benefits?
If you die during retirement after having purchased an annuity, the benefits payable to your dependants will depend on the type of annuity you have selected. If you die during retirement after having purchased a flexi-access product, the remaining funds would be available to provide benefits for your dependants.
What happens if I stop contributions to the scheme?

The options available will depend on when you joined the scheme and how long you have been a member.

If you joined the scheme before 1 October 2015 and leave before completing 3 months’ service, you will receive a refund of your own contributions only. The refund will not include your employer contributions. Your contributions will have a deduction in respect of tax, currently at 20% for the 2019/20 tax year on the first £20,000. If you are a higher rate taxpayer, you will be responsible for the payment of any additional tax due via your self-assessment tax return.

If you joined the scheme before 1 October 2015 and leave after completing 3 months’ service but before completing two years’ service, you will have the choice of a refund of your own contributions (as above) or a transfer of your personal fund (including the value of your employer’s contributions) to another registered pension scheme of your choice that the Revenue considers suitable for this purpose. Aviva does not charge for a transfer out.

If you joined the scheme on or after 1 October 2015, following a change in legislation, the option to receive a refund of your contributions will only be available if you leave with less than 30 days’ qualifying service.

If you joined the scheme before 1 October 2015 and have completed at least two years’ service or if you joined from 1 October 2015 onwards and have completed at least 30 days’ service, you are able to have your personal fund paid up. This means it will remain invested in the fund(s) of your choice and will then be available to provide your pension benefits on your retirement or death before taking retirement benefits. Although your personal fund continues to stay invested if contributions stop, charges will continue to be taken and these could significantly reduce the value of your personal fund. There is a possibility that the value will reduce to zero. You also have the option of a transfer of your personal fund, as explained above. Further information is available on request.

Pension scams

You should be aware that pension scams are on the increase in the UK and fraudsters are after individual’s pension funds. There are different types of pension scams but they can all lead to you losing a lifetime’s worth of pension savings and receiving a hefty tax bill. Scammers may try to lure you with promises of one-off investments, pension loans or up-front cash. Some of the most common tactics used by scammers to trick you out of your savings are a cold call, text message, website pop up or someone coming to your door offering you a free pensions review. Please be aware of these pension scams.
State benefits

What state benefits will I receive?
If you have paid enough National Insurance contributions, under current legislation you will receive the basic State Pension when you reach State Pension Age (SPA). You may also be entitled to additional state pension benefits.

What is my State Pension Age?
This is the age on which you become entitled to receive your State Pension. Your State Pension Age will depend on your gender and date of birth. You can obtain your State Pension Age by visiting the Pension Service website on www.pensions.direct.gov.uk.
Can I contribute to another pension arrangement?
Yes – you can contribute to any other pension arrangement. In order to get tax relief, contributions will need to be made to a registered pension scheme and within the limits detailed in page 28 of this Member Booklet, ‘Tax benefits and limits’.

Can I transfer existing pension benefits into the scheme?
Yes – if you have a pension from a previous employment (employed or self-employed), then, subject to our agreement, you may be able to transfer benefits from that registered pension scheme to this scheme. As this scheme does not hold a contracting-out certificate, we will not accept any transfers that include contracting-out benefits.

Please note:
• Your previous arrangement may offer valuable guarantees which this scheme cannot match.
• The benefits you receive could be less than those you would have got under your previous arrangement. In particular, you may be too close to retirement to achieve sufficient growth for the new arrangement to provide greater benefits.
• You need to be aware of the impact that lack of exposure to potential market growth while the transfer is taking place, market fluctuations and charges may have on the transfer value.
• We may be unable to accept a transfer in from a defined benefit scheme, unless you have received financial advice.
• If you decide to cancel your transfer it may not be possible for your current arrangement to accept the transfer value back.

If you are thinking of transferring any pension benefits you should always speak to a financial adviser.
What happens if I am absent from work?

Normally, any absences from work are for a relatively short period and do not affect the contributions into the scheme. However, if you are absent for a long time (for example due to maternity, paternity, adoption or family leave or due to sickness) this may affect the contributions being paid in. For example, if your employer stops paying you, both your employer’s and your contributions into the scheme may cease. Please contact the Pensions Unit for further details.

What happens to my pension if I get divorced, or my civil partnership is dissolved?

The courts must take any pension rights into account when deciding settlements and do this either by earmarking part of a member’s benefit for the former legal partner at retirement, through a pension sharing order which splits the pension rights, or by offsetting a member’s benefits against other assets. If your personal circumstances change, please ensure you keep your Expression of Wish form updated.

Can the scheme be changed?

With the Trustees consent and subject to the trust deed and rules and legal requirements, the employer may amend the scheme at any time (including amending the employer’s contribution or varying the amount you have to pay).

Please note:

- If employer contributions stop, then your contributions must stop also.
- We may also make limited amendments to the terms of the scheme from time to time, for example if UK legislation changes.
- The employer reserves the right to terminate the scheme at any time by giving one month’s notice in writing to us.
Complaints

The complaints process
You should put your case in writing to the Pensions Unit at the following address:

The Salvation Army
Territorial Headquarters
101 Newington Causeway
London
SE1 6BN

You should include enough information about your complaint to enable a decision to be made. In addition, you must state your full name, address, date of birth and your National Insurance number.

If you are not the scheme member, you should provide your own details, including your relationship to the member and provide the member’s details as stated above.

You may decide to use a representative to act on your behalf. If so, you should include the name and address of this representative and state whether correspondence should be addressed to them.

Any complaint must be signed by the complainant.

A response to the complaint will be given within two months of receipt of the written notification.

The Pensions Advisory Service
The Pensions Advisory Service (TPAS) is available to assist members and beneficiaries of pension schemes in connection with difficulties which they have failed to resolve with Trustees. TPAS can be contacted at:

TPAS
11 Belgrave Road
London
SW1V 1RB

Pensions Helpline Tel: 0345 601 2923
Fax: 020 7233 8016
Email:
enquiries@pensionsadvisoryservice.org.uk

The Pensions Ombudsman
The Pensions Ombudsman can investigate and deal with any complaints. The Ombudsman can be contacted at:

Pensions Ombudsman Service
10 South Colonnade
Canary Wharf
London
E14 4PU

Tel: 0800 917 4487
Email:
enquiries@pensions-ombudsman.org.uk
Tax benefits and limits

Tax benefits
As the scheme has been set up as a registered pension scheme, it normally receives the following tax reliefs and exemptions:

- You receive income tax relief on the contributions that you make to the scheme.
- Your employer receives corporation tax relief on the contributions it pays into the scheme.
- You are not subject to any benefit-in-kind tax charge in respect of contributions paid by your employer.
- Investment returns received on contributions are largely exempt from tax. Whilst you do not incur a personal tax liability on any fund growth as long as it remains invested, the fund cannot reclaim tax credits on dividends from UK shares or any withholding tax paid in respect of non-UK equity held. Any investments the fund holds in overseas assets will be subject to the tax rules applicable in that country.
- On retirement you can normally choose to take up to 25% of your personal fund as a tax free lump sum and use the remainder to provide a pension income, or take the remaining funds as a taxed lump sum.

- Payments from the scheme are generally exempt from inheritance tax.
- Your pension income will be taxed through Pay As You Earn (PAYE) as pension income. The tax you pay on pension income will depend on your income tax rate at the time.

As the scheme receives tax benefits from the Revenue, controls have been placed on the amount you can hold in registered pension schemes. These controls are aimed mainly at high earners and people who are accruing large pension benefits. The controls restrict tax relief on high contributions and apply tax charges in certain situations. Please refer to the next sections for details on these controls.
Contribution limits
In any tax year, the tax relief on your contributions to all registered pension schemes is restricted by the Revenue to the greater of the basic amount of £3,600 or 100% of your relevant UK income for the tax year (but up to the annual allowance limit mentioned in the following section).

The annual allowance and annual allowance charge
The annual allowance is a monetary limit set by HMRC. It is an annual limit against which contributions paid by you and/or your employer to the scheme will be assessed and includes pension savings in other registered pension schemes.

HMRC has set the amount for the annual allowance at £40,000 for 2019/20. This limit will change over time.

The annual allowance charge is a tax charge at the rate of 40%. It applies to the value of new pension savings in registered pension schemes over a pension input period that exceeds the annual allowance.

The pension input period will normally be a period of 12 months commencing from the start of the scheme year on 1st April. For this purpose, the end date of the pension input period will determine which tax year’s annual allowance the excess value will be tested against.
The lifetime allowance and lifetime allowance charge

The lifetime allowance charge is a tax charge that may apply on the value of your benefits which exceeds your lifetime allowance when benefits are taken from registered pension schemes.

HMRC set the amount for the lifetime allowance, this is £1,055,000 for the 2019/20 tax year.

If the value of the benefits you have taken is greater than the lifetime allowance, HMRC may impose a tax charge on the excess amount. This is called the lifetime allowance charge. If you take the excess as an annuity, the tax charge will be 25% of the excess amount. This is in addition to any other tax you have to pay on the annuity income. If you take the excess as a lump sum, the tax charge will be 55% of the excess amount.

On death, the lifetime allowance charge will only apply if the lump sum death benefits exceed your lifetime allowance. This will be taxed at 55%. There will be no tax charge on excess amounts that are used to provide pension income to dependants.

You may have applied to HMRC for enhanced or primary protection. If so, your personal lifetime allowance may differ from the standard lifetime allowance.

If you require further information on protection against the lifetime allowance charge, you should seek financial advice.
Tax benefits and limits
(continued)

Tax free lump sum
The maximum tax free lump sum payable from the scheme will normally be restricted to 25% of your personal fund (subject to a maximum of 25% of the lifetime allowance). However, in certain situations, it will be possible for a higher amount to be paid. One such example is where you had a tax free cash entitlement under the pre 6 April 2006 pension legislation that exceeded 25% and this has been protected in the new scheme in accordance with the Revenue’s rules. Another example is where you had a tax free lump sum entitlement that has been protected in accordance with the Revenue rules on enhanced or primary protection.

This information is based on our understanding of current law, which may change. The tax details are subject to interpretation and change, and the amount of benefits available to you will depend upon your individual circumstances.

These are complex areas and we recommend that you seek advice from a financial adviser. Remember that advisers may charge you for any advice given.
Help and information

Useful contacts

If, after reading this guide and the Fund Brochure, you are still unsure about whether to join the scheme and would like further assistance before making your decision, you can contact your employer, the Trustees of the scheme, or Aviva who provide the scheme. Contact details are listed below:

1. Pension Funds Officer
   The Salvation Army
   Territorial Headquarters
   101 Newington Causeway
   London
   SE1 6BN
   Email: pensions@salvationarmy.org.uk

2. Aviva,
   PO Box 1550,
   Salisbury, SP1 2TW
   Helpline: 0345 602 9221
   Email: GM-SCHENQ1@aviva.com

Your employer, the Trustees and Aviva cannot give financial advice.

If you need advice we strongly suggest that you contact your financial adviser. If you do not have one, you can obtain details of financial advisers by visiting www.unbiased.co.uk. Remember, if you use a financial adviser they may charge you for their services.

You may also be able to obtain further pensions information from the following organisations.

The Money Advice Service

The Money Advice Service (MAS) produces a range of factsheets on pensions and retirement. You can view or download these from the following website: www.moneyadvice-service.org.uk.
Help and information
(continued)

The Pensions Regulator
The Pensions Regulator can take action on certain reported breaches of pension legislation. It aims to get problems put right and make sure schemes comply with the law. If things are not put right quickly it can impose civil penalties on those responsible. It has the power to take criminal breaches of pension law to court.

The Pensions Regulator
Napier House
Trafalgar Place
Brighton
BN1 4DW

Tel: 0345 600 0707
Email: customersupport@tpr.gov.uk
Website: www.thepensionsregulator.gov.uk

Pension Tracing Service
A register of occupational and personal pension schemes has been set up as part of the Pensions Tracing Service, to help individuals who have lost touch with their previous employer’s pension arrangements to trace their pension rights. This scheme has been registered with the Pension Tracing Service. Individuals wishing to contact the Registrar should apply in writing to:

Pension Tracing Service
The Pension Service
Tyneview Park
Whitley Road
Newcastle upon Tyne
NE98 1BA

Tel: 0345 600 2537
Website: www.thepensionservice.gov.uk
Terms and conditions

Your membership of the scheme will be subject to the trust deed and rules, and the information summarised in your membership pack. If there is any conflict between the provisions of this guide or your membership pack and the provisions of the trust deed and rules, the provisions of the trust deed and rules will override.

You can request a copy of the trust deed and rules by contacting us at the address detailed earlier in this section.

The information contained in this document is based on our understanding of current law and Revenue practice.

The tax details are subject to interpretation, change and individual circumstances.

Compensation

Aviva is covered by the Financial Services Compensation Scheme (FSCS). The Trustees of your scheme may be entitled to compensation if Aviva becomes insolvent and is unable to meet its liabilities.

For further information please contact the FSCS.

Financial Services Compensation Scheme
10th Floor
Beaufort House
15 St Botolph Street
London EC3A 7QU

Tel: 0800 678 1100
Website: www.fscs.org.uk
Help and information
(continued)

Main business & FCA Register details
Aviva Life & Pensions UK Limited
Registered Office: Aviva, Wellington Row, York, YO90 1WR.
Registered in England No. 3253947.
Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Firm Reference Number 185896.

Law and language
This policy is governed by the law of England and Wales. Your contract will be in English and we will always write and speak to you in English.