

[Letter on company letterhead]

[Insert recipient's name & address]

[Date]

Dear [Insert name]

The Plumbing & Mechanical Services (UK) Industry Pension Scheme (the “Scheme”)

This letter is about proposed changes to your future retirement benefits.

The Trustee of the Scheme is considering whether to close the Scheme to future accrual. If the proposal goes ahead, this means that from a future date to be agreed, no sooner than 30 June 2019, you will no longer build up new pension credits in the Scheme.

The Trustee of the Scheme has sent you a leaflet to help you understand why they are considering closing the Scheme. You can find answers to frequently asked questions by reading the Trustee's leaflet or on the Scheme's website:

www.plumbingpensions.co.uk/members/closure-consultation

You should contact the Scheme administrators if you have any questions about your Scheme benefits:

By phone: 03457 65 65 65

By email: info@plumbingpensions.co.uk

Please note: Pension benefits earned by members in the Scheme up to the closure date will be protected by law and by the Scheme's rules. Pension credits built up by members who have not yet retired will be preserved and revalued each year until an individual retires, dies or chooses to transfer their benefits to a different pension arrangement. Benefits already being paid to retired members are not affected by this decision.

Once the Trustee of the Scheme has received and considered all feedback, they will write to all contributing employees in Spring 2019 to provide further information about the Scheme closure proposal.

Proposed changes to your future retirement benefits

[insert firm name] supports the Trustee's proposal to close the Scheme to future accrual because the level of future pension contributions required to keep the Scheme open would be unaffordable. If the Scheme closes, you will be auto-enrolled into [name of new pension arrangement].

[Explain new pension arrangement, including:

- Type of Scheme (defined benefit, defined contribution)
- Level of employer contributions
- Level of employee contributions
- Investment options
- Expected benefits on ill health, retirement and death (including death in service)
- Any other relevant details]

[enclose information from new pension provider if available]

We are consulting with all employees affected by the proposed change to seek their feedback. The consultation will run from [insert start date] to [insert closure date - must be at least 60 days after start date]. You can get further information about the proposed new pension arrangement and respond to the consultation using these contact details:

[insert name and contact details for individual dealing with your consultation]

Please use **Form 1** to respond to the Scheme closure proposal.

Please complete **Form 2** to confirm you have understood the information provided to you about the pension change proposal and how your future retirement benefits would change if the Scheme closure goes ahead. You should give your form to [insert name] by no later than [insert date].

Yours sincerely

[Name]

[Position]

Enclosed:

1. Form 1 – Scheme closure feedback form
2. Form 2 – New pension arrangement agreement (2 copies, both require signing)
3. New pension arrangement provider's information (if available)

Form 1: Feedback in response to the proposal to close the Plumbing & Mechanical Services (UK) Industry Pension Scheme

I have read and considered the information given to me about the Scheme closure proposal and my feedback is:

- I agree with the proposal to close the Scheme to future benefit accrual
- I do not agree with the proposal to close the Scheme to future benefit accrual

Please tick the statements below that you agree with:

- I would not want to pay the higher contribution rates.
- I am willing to increase my pension contributions and would prefer that the Scheme remained open.
- I am willing to increase my pension contributions to cover all the increase for me and my employer.
- I am willing to increase my pension contributions and would be willing to move to a 1:1 contribution share (instead of 2:1) with my employer.

Other feedback

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<i>Employee name</i>	
<i>Employee signature</i>	
<i>Date</i>	

Form 2: Employees wishing to move to new pension provision if the Plumbing & Mechanical Services (UK) Industry Pension Scheme closes

[Issue 2 copies: 1 to be signed & returned and 1 to be kept by employee]

- ✓ I have received the letter *[insert date when you issued the above letter]* advising that the firm would provide alternative pension provision and death-in-service for me if the Scheme closes in 2019.
- ✓ I have carefully read, understood and considered the information provided by the Plumbing & Mechanical Services (UK) Industry Pension Scheme about the proposed closure of the Scheme.
- ✓ I have also carefully read, understood and considered the information leaflet you have given me regarding the replacement pension with *[insert name of new pension provider]*, which you are proposing to move employees into if the Scheme closes.

[Employers should tailor next two points for own circumstances]

- ✓ I note that you will continue to pay the same employer pension contributions and I will pay the same employee pension contributions into *[insert name of new provider]*.
- ✓ I note that you will continue to provide me with equivalent death-in-service *[and spouse's pension on death in service where applicable].*

I am instructing you as my employer to move me to *[insert name of new pension provider]* if the Plumbing & Mechanical Services (UK) Industry Pension Scheme closes.

I state that I wish to receive at least one month's notice of the pension move date (the move date will be no earlier than the Scheme closure date).

<i>Employee name</i>	
<i>Employee signature</i>	
<i>Date</i>	