UNIVERSITY OF SALFORD
Pension Plan

About

The University of Salford Pension Plan (“the Plan”) is a Master Trust pension arrangement administered by Aviva. As a member of the Plan you will build up benefits on a Defined Contribution (“DC”) basis; that is, the Plan will provide you with a ‘pot’ of money at retirement.

Pension benefits

The size of your ‘pot’ will be determined by the following formula:

Timeframe
How long you are in the plan

Payments
The ammount going in from you/the University/taxman

Net investment return
Potential growth of investments less charges

Pot of money
What is the value of the pot/likely income levels

At retirement, you will usually be able to take 25% of your DC ‘pot’ as a tax-free lump sum; the remaining 75% can be taken as one, or a combination of the following (subject to tax):

- Guaranteed income for life (an ‘annuity’)
- Flexible withdrawals
- Cash lump sum

Contributions

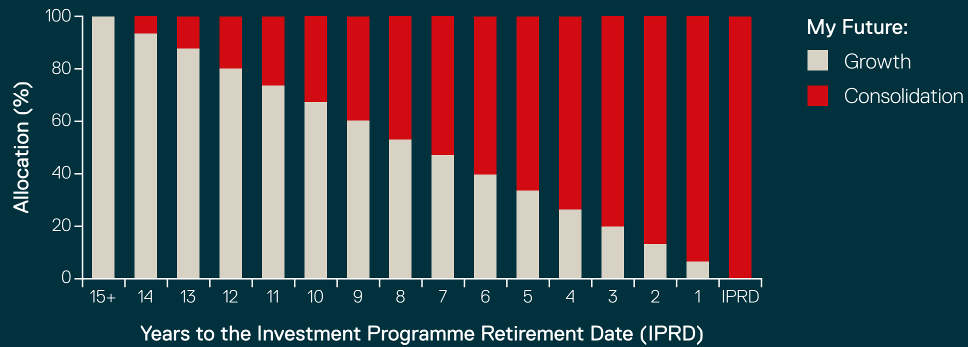
The Plan will be non-contributory; that means that if you choose to join, the University will contribute 9% of your basic salary, and you will not need to contribute. However, if you wish to do so, you can; any contribution you make will be matched by the University (up to an additional 4%) as outlined in the table below:

Employee contribution	University contribution	Total contribution
0%	9%	9%
1%	10%	11%
2%	11%	13%
3%	12%	15%
4% or more	13%	17% or more

Members of the Plan will also be able to make their contributions via Salary Sacrifice to help member save on National Insurance contributions and increase their take home pay.

Investments

The payments into your pot are invested by Aviva, to grow the amount available on retirement. There is a default investment strategy – My Future Lifetime - but you can choose to invest in different ways if you wish. The default strategy targets growth in the earlier years and then moves into a consolidation phase when you are within 15 years of retirement. This helps to protect the value of your retirement pot.



Death Benefits

In the event of your death, your fund in the Plan will be paid to your beneficiaries; this payment is usually tax free if death occurs before age 75. In addition to this return of fund value, you will also be covered by the University’s new Group Life Assurance arrangement. This arrangement will provide a multiple of 3 times salary to your beneficiaries in the event of your death.