

Glossary

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| Active Trading | The action of switching into and out of the same fund within 30 days of the initial trade. |
| A-Day | 6 th April 2006, when the tax regime of the Finance Act 2004 took effect. |
| Annual Allowance | <p>The limit set by HMRC on the total Employer and member contributions that can be paid into a registered pension arrangement in the Pension Input Period on which tax relief can be obtained. The Annual Allowance is currently:</p> <p>2024/2025: £60,000</p> <p>Within the Annual Allowance, tax relief on contributions made by a member is limited to 100% of earnings.</p> <p>The member is responsible for monitoring their contributions against their Annual Allowance and they should account for any excess in their tax return.</p> |
| Annual Allowance Charge | Charged at the members' marginal rate of tax, levied on all contributions made in the Pension Input Period over and above the Annual Allowance (or lower Money Purchase Annual Allowance or Tapered Annual Allowance if applicable) for that year. The charge should account for any unused Annual Allowance in the previous 3 tax years (carry forward) unless the Money Purchase Annual Allowance applies. |
| Authorised Practitioner | <p>Someone acting on behalf of the Scheme Administrator. An Authorised Practitioner is the person (or organization, e.g., Fidelity) that the Scheme Administrator has authorised HMRC to deal with on their behalf in relation to the scheme. This means:</p> <ul style="list-style-type: none">• they have the right to view information on HMRC's Pension Schemes Service Online;• they can submit certain regulatory returns for the scheme;• they will receive information from HMRC; <p>HMRC will correspond with them relating to a particular registered pension scheme in the first instance, rather than the Scheme Administrator.</p> |
| Benefit Crystallisation Event | Events stipulated in the Finance Act 2004 that trigger a test of the value of benefits against the Lifetime Allowance. From 6 th April 2024 these are no longer used. |
| Crystallised Funds | Funds which have been designated by the member or a beneficiary for drawdown |
| Eligible Jobholder | Employee between the ages of 22 and State Pension Age with qualifying earnings payable by the Employer in the relevant pay reference period that are above the Earnings Trigger for Automatic Enrolment - must be automatically enrolled into the Plan with effect from their first day of employment or the end of their waiting period. |
| Earnings Trigger for Automatic Enrolment | Tax Year 2024/2025: £10,000 |
| Enhanced Protection | One of the Lifetime Allowance protections provided by HMRC for members. These are the benefits that a member was building up in the pension arrangement before the change to the tax provisions that came into effect on 6 th April 2006. |

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| Entitled Worker | Any Employee aged between 16 and 74 with earnings below the Lower Earnings Level will have the right to join the plan at any time. However, there is no obligation on the Employer to pay contributions in respect of their Plan membership. |
| Fixed Protection 2012 | Member has Lifetime Allowance of £1.8m. Must have been applied for by 5 th April 2012. From 06/04/24 this will give the member a maximum LSDBA of 1.8 million and a maximum LSA of £450,000 as the lifetime allowance has been abolished. |
| Fixed Protection 2014 | Member has Lifetime Allowance of £1.5m. Must have been applied for by 5 th April 2014. From 06/04/24 this will give the member a maximum LSDBA of 1.5 million and a maximum LSA of £375,000 as the lifetime allowance has been abolished. |
| Fixed Protection 2016 | Member has Lifetime Allowance of £1.25m. From 6 th April 2024 this will give the member a maximum LSDBA of 1.25 million and a maximum LSA of £312,500 as the lifetime allowance has been abolished. The application deadline is 5 th April 2025. |
| Flexibly Accessed | Member or beneficiary has taken a payment from drawdown funds or an UFPLuS payment, or certain other specified payments. |
| FutureWise | A range of Target date funds (TDF), each fund spanning a 5 year period (vintage). A members selected retirement age, or if no age is selected the Normal Retirement Age for the Plan, will determine which 5 year vintage fund that the members contributions will be invested into. TDFs mix several different types of stocks, bonds and other investments to help the member take more risks when they are young, and gradually get more conservative in the investment strategy over time. |
| Individual Protection 2014 | Member has personal lifetime allowance of between £1.25m and £1.5m, depending on total value of all pension benefits as at 5 th April 2014. Contributions can continue to be paid after this date. Application deadline was 5 th April 2017. From 6 th April 2024 this will give the member a maximum LSDBA of between £1.25 and £1.5 million and a maximum LSA of between £312,500 and £375,000 as the lifetime allowance has been abolished. |
| Individual Protection 2016 | Member has personal lifetime allowance of between £1.0m and £1.25m, depending on total value of all pension benefits as at 5 th April 2016. Contributions can continue to be paid after this date. From 6 th April 2024 this will give the member a maximum LSDBA of between 1 million and 1.25 million and a maximum LSA of between £250,000 and £312,500 as the lifetime allowance has been abolished. The application deadline is 5 th April 2025. |
| Lifestyle | An investment strategy where member contributions are invested in selected investment funds in proportions which reflect the term to the member's Selected Retirement Age. If no age is selected, then the strategy defaults to the Normal Retirement Age for the Plan. The usual pattern is for assets to be invested initially in equity investment funds. As the member approaches their selected retirement date, in accordance with the member's proximity to their Selected Retirement Age, the proportions of both accumulated value and of incoming contributions are gradually moved from higher risk investments such as equities to non-equities, which are generally considered to be less risky. By doing this, the member is seeking to protect the value of his account as he approaches retirement. |

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| Lifetime Allowance (LTA) | The LTA is a limit on the total value of your pension benefits (excluding State Pension) that will enjoy full tax benefits. This has been replaced by LSDBA, LSA and OTA from 6 th April 2024 |
| Lower Earnings Level for Qualifying Earnings | Tax Year 2024/2025: £6,240 |
| Lump sum allowance (LSA) | The (LSA) is a cap on the amount of tax-free cash you can take from your pension savings |
| Lump sum and death benefit allowance (LSDBA) | The lump sum and death benefit allowance (LSDBA) limits the value of the pension savings you can leave your beneficiaries tax free if you die before you're 75. |
| Marginal Rate of Tax | The rate of tax applied to an additional slice of taxable income. |
| Money Purchase Annual Allowance | The limit for tax relief set by HMRC on the total Employer and member contributions that can be paid into a defined contribution pension arrangement in the Pension Input Period where the member has flexibly accessed pension benefits. The Money Purchase Annual Allowance is currently: 2024/2025: £10,000 |
| Non-Eligible Jobholder | A jobholder who: <ul style="list-style-type: none"> • is aged between 16 and 21 or state pension age and 74 • has qualifying earnings above the earnings trigger for automatic enrolment or is aged between 16 and 74 • has qualifying earnings equal to or below the earnings trigger for automatic enrolment. |
| Normal Minimum pension age (NMPA) | Is the minimum age at which most pension savers can access their pensions without incurring an unauthorised payments tax charge |
| Normal Retirement Age (NRA) | For the purposes of this Plan, this is outlined in the Investment Summary section. |
| Normal Retirement Date (NRD) | The date on which the member attains their Normal Retirement Age . |
| The overseas transfer allowance (OTA) | The overseas transfer allowance (OTA) is a limit on the value of the pension savings you can transfer abroad without having to pay a tax charge. |
| Pension Commencement Excess Lump Sum (PCELS) | From 6 th April 2024, a new category of authorised lump sum is being created for payments exceeding the permitted maximum, referred to as a "pension commencement excess lump sum" (PCELS). It is available where an individual has used up all of their LSA or LSDBA. A PCELS will be subject to marginal-rate income tax. For Fidelity workplace pension schemes, a PCELS is only available if the member is |

taking a serious ill-health lump sum.

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| Pension Date | Used in relation to any arrangement (or part of an arrangement from 6 th April 2006), this is the date benefits can typically be taken from the Plan. |
| Pension Input Amount | The amounts in a Pension Input Period are arrived at in accordance with sections 230 to 237 of Finance Act 2004, which for a money purchase plan broadly means that any contributions paid by or on behalf of the individual under the arrangement during the Pension Input Period, but excludes any amounts transferred into the plan from previous pensions. |
| Pension Input Period (PIP) | The period over which the Pension Input Amount is measured. This period is fixed as the tax year, from 6 th April 2016. |
| Primary Protection | One of the Lifetime Allowance protections provided by HMRC for members with total benefits in their pension arrangements on 5 th April 2006 of at least £1.5m. These are the benefits that a member was building up in the pension arrangement before the change to the tax provisions that came into effect on 6 th April 2006. |
| Pension Scheme Tax Reference (PSTR) Number | The unique number assigned to each plan by HMRC for the purposes of payment of tax. |
| Record Keeper | This is the term that Fidelity uses to refer to its role in relation to pension schemes where it performs a clerical function but is not the Authorised Practitioner. It is someone the Scheme Administrator may use to act for them in relation to a particular scheme, but whom they have not given HMRC authority to deal with. On these schemes, HMRC will correspond with the Scheme Administrator. |
| Relevant Benefit Crystallisation Event (RBCE) | The RBCE replaces BCEs from 06/04/24 and is the tax free element of a withdrawal measured against the LSA and LSDBA. |
| Scheme Administrator | This is the person or organization appointed in accordance with the rules of the pension scheme - that is an occupational or personal pension scheme (including a stakeholder arrangement) - to be responsible for discharging specified functions. They have a legal responsibility to carry out the functions required by the Finance Act 2004 and subsequent legislation. They must be resident in the United Kingdom, or an EU member or EEA state, and have made the required declaration to HMRC, confirming they understand and will carry out their duties. The Scheme Administrator is not to be confused with administration/ clerical functions of the scheme. Typically, the Scheme Administrator will be the Trustees of an occupational / Trust based pension plan. The Scheme Administrator for contract-based arrangements (SIPP, stakeholder, group personal pensions) will be the product provider. |
| Scheme Specific Earnings Cap (SSEC) | From 6 th April 2006 the 'earnings cap' was removed for contribution and benefit accrual. Schemes may have introduced their own scheme specific cap in order to control increasing contribution costs. Employee contributions will not be restricted by the earnings-cap, however, will be subject to the Annual Allowance. |
| Statutory Money | Required since 6 th April 2003, SMPs are projections of the pension that may be |

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| Purchase Illustration (SMPI) | payable to the member from NRD. The calculations are governed by a set of assumptions on growth rates issued by the Financial Reporting Council. SMPIs must be issued within one year of the renewal date. |
| Survivor | Widow, widower, civil partner, or dependant of a member who has died. |
| Tapered Annual Allowance | Currently the threshold income figure is £200,000, the adjusted income figure is £260,000 and the lowest amount of Tapered Allowance is £10,000 for adjusted incomes of £360,000 or more. |
| Uncrystallised Funds Pension Lump Sum (UFPLuS) | Payment of a lump sum to a member, 25% of which is tax-free and 75% is taxable at the member's marginal rate of tax. |
| Upper Level of Qualifying Earnings | Tax Year 2024/2025: £50,270 |
| UK Taxable Earnings | UK taxable earnings can include the following: <ul style="list-style-type: none"> • Payments in the form of money (basic earnings, overtime, commission, bonuses etc) • The value of taxable benefits in kind (company car, private medical insurance etc) • Sickness payments • Any excess over £30,000 in a redundancy payment • Certain share payments taxed as income |