

May 2012

# Pension Contribution Ready Reckoner

Important information for members of the  
Alstom Grid Group Personal Pension Plan

## Decision time

You should by now have received a pack of information about the new ALSTOM Ltd Group Personal Pension Plan (the 'Alstom GPP') that the Company is launching on 1 July 2012.

As explained in the covering letter from the UK Benefits Director, Bryan Radford, you now have decisions to make about the basis on which you want to join the Alstom GPP.

To help you consider your contribution options, we have prepared a Ready Reckoner that illustrates:

- a) The percentage rate of member contributions you would need to select in the Alstom GPP if you want to maintain the same net pay deduction that applies in respect of your current contributions to the Alstom Grid Group Personal Pension Plan
- b) The percentage rate of member contributions you would need to select in the Alstom GPP if you want to maintain the same amount (£) of total contributions that you and the Company are currently making to the Alstom Grid Group Personal Pension Plan

[To access the Ready Reckoner, click here.](#)

### Remember!

Unless you give alternative instructions on the form that was enclosed in your pension information pack, the Company will automatically enrol you into the Alstom GPP from 1 July 2012 on the default basis.

This means you will join under the new contribution structure (which includes the new definition of Pensionable Earnings) and your contribution rate will be 4%. If you are eligible to take part in Salary sacrifice for pension contributions, the Company will automatically include you in this arrangement.

If you want to join the Alstom GPP on a different basis (for example under the Grid transitional arrangements), you must make sure you complete the relevant section(s) of your form.

If you have any questions about the process of joining the Alstom GPP, please contact Aon Hewitt, the professional advisers the Company has appointed to help us with this exercise. (Aon Hewitt Limited is authorised and regulated by the Financial Services Authority.) E-mail: [alstom.helpline@aonhewitt.com](mailto:alstom.helpline@aonhewitt.com) or phone 0845 6062841.

## Using the Ready Reckoner

When you launch the Ready Reckoner, you will need to confirm four pieces of information in rows 4 to 7.

- **Row 4:** Current annual Pensionable Salary
- **Row 5:** New annual Pensionable Earnings
- **Row 6:** Taxation/ NICO (National Insurance Contributions) position (You will need to click in the red box and, using the drop down menu, select the tax and NI rates that apply to you. Please note that the Ready Reckoner does not take account of employees whose tax and NI rates straddle two bands.)
- **Row 7:** Date of Birth. (This is needed to illustrate the 'death in service' benefit, which appears in row 30.)

[continue overleaf](#)

## Current contributions

The Ready Reckoner uses the current Pensionable Salary figure that you enter in row 4 to calculate the total amount of annual contributions being paid into your individual account in the Alstom Grid Group Personal Pension Plan. This includes your contributions and the Company's contributions.

The Ready Reckoner will also calculate the actual amount deducted from your pay in respect of your contributions. You can see these illustrations in line 14.

## Future contributions

Using the drop-down menu in **row 10**, you can ask the Ready Reckoner to show the rate of future member contributions you would need to select in the Alstom GPP in order to maintain either a) your existing net pay deduction or b) the existing total contribution amount (£) paid by you and the Company.

Please note that there may not be an exact answer, as you can only select whole percentages for your member contributions in the Alstom GPP (and the corresponding contributions that the Company would pay). In this case, the Ready Reckoner will show you the two example contribution rates that would get you closest to your current position. You will only see a figure in column C ('AVC') if the required member contribution rate exceeds 8%.

- **Rows 18 and 19** illustrate the position if you take part in Salary Sacrifice for pension contributions.
- **Rows 23 and 24** illustrate the position if you do not take part in this arrangement.

If the figures in column G are black, this means your account in the Alstom GPP would receive at least the same level of total contributions as is the case in the Alstom Grid Group Personal Pension Plan. If the figure is in red, this means that the level of total contributions would be lower.

If the figures in column I are black, this means your net pay would be higher than it is at present. If the figure is in red, this means that your net pay would be lower.

## Important

The Ready Reckoner is designed to help you consider your pension options in the Alstom GPP, but the examples that it provides are only illustrations. For example, the illustrations depend on the information you enter on the spreadsheet, and do not take account of employees whose tax/NI straddles two bands. As a result, you should not make any decisions about your contribution options in the Alstom GPP solely on the illustrations that the Ready Reckoner provides.