

# Section 32A Trustee Transfer Plan

## Key Features



# Key Features of the BlackRock Section 32A Trustee Transfer Plan

**keyfacts**®

The Financial Services Authority is the independent financial services regulator. It requires us, BlackRock Pensions Limited, to give you this important information to help you to decide whether the Section 32A Trustee Transfer Plan is right for you. You should read this document carefully so that you understand what you are buying, and then keep it safe for future reference. This document contains important information for members of the Kingfisher Retirement Trust ('the Trust').

## The aims of the Plan

- ▶ To enable Kingfisher Pension Trustee Limited ('the Trustee') to wind-up the Trust by transferring the value of all remaining members' pension rights, including Protected Rights, into individual pension policies
- ▶ To provide you with a new policy in your own name, with choice and control over how your funds are invested and the type of benefits provided.
- ▶ This Plan is known as a 'Section 32A Trustee Transfer Plan' (Section 32A refers to S32A of the Pension Schemes Act 1993 the part of the pensions legislation that permitted this type of arrangement).

## Can I choose to transfer my benefits elsewhere?

- ▶ You have the option to transfer your benefits under the Trust to an alternative pension arrangement (rather than this Plan). The Trustee must give you at least three months' notice in which to make alternative arrangements, if you so wish.

If you decide to transfer your benefits under the Trust to an alternative pension scheme you must provide details of your chosen arrangement to the Trustee within three months' of receiving notice of the Trustee's intention to wind up the Trust.

## Risk factors?

- ▶ The future value of your policy is not guaranteed and may go down as well as up.
- ▶ The terms for converting the value of your policy at retirement into a pension are not guaranteed.

## How does the Trustee Transfer Plan work?

- ▶ The Trustee agrees to transfer the values of the rights of all members of the Trust other than those who choose to transfer elsewhere.
- ▶ Once the transfer has been completed the Trust is wound up and you will have a policy in your own name and no further rights under the Trust.

- ▶ Your transfer payment will be invested in one or more funds selected at the outset by the Trustee. **You should read the leaflet entitled 'Introduction to BlackRock and your Fund Options' for more details on how your transfer payment will be invested.**
- ▶ When your benefits are taken the value of your policy at that time will be used to provide benefits based on your selection from the options available.

## Can I pay further contributions into the Plan?

- ▶ No, the Plan is principally designed to receive a transfer on the winding up of a registered pension scheme, but it may be possible in the future for further contributions to be paid into your policy, by you or on your behalf, subject to the agreement of BlackRock Pensions Limited.
- ▶ The limits on contributions are set out in HM Revenue & Customs guidance.

## How much pension will I receive?

- ▶ The amount of your pension will depend partly on the value of your policy and partly on the cost of converting that value into an annuity (pension) at that time.
- ▶ The value of your policy will be dependent upon the size of your transfer payment, any future contributions that may be paid into your policy, how long your policy has had to grow and the investment growth (net of investment charges) which has been achieved.

## What investment funds are available?

- ▶ DC Target Return Fund
- ▶ DC 50/50 Global Growth Fund
- ▶ DC Balanced Growth Fund
- ▶ UK Equity Index Tracker
- ▶ DC Long Gilt Fund
- ▶ DC Cash Fund
- ▶ AEGON Ethical Fund

- ▶ A description of each of the funds is shown in the separate leaflet 'Introduction to BlackRock and your Fund options', which you should read carefully.
- ▶ Once your initial transfer payment has been invested you can switch investment funds in the future.
- ▶ The value of investments in the funds is directly related to the value of the underlying assets.
- ▶ Each year we will send you a statement giving the current value of your fund.

## What benefit options are there?

### When you retire, either:

- ▶ All of your fund can be taken as a pension, which is payable for life, or
- ▶ 25% of the value of your fund, including Protected Rights, may normally be taken as a tax-free lump sum. Any lump sum taken will reduce the value of your starting pension.

### Your pension can;

- ▶ Increase each year during retirement in return for a lower starting pension;
- ▶ Be guaranteed for five or ten years and life thereafter in return for a lower starting pension;
- ▶ Make allowance for part of your pension to continue to your spouse in exchange for a lower starting pension should you die in retirement.
- ▶ If you retire and have a spouse, civil partner or qualifying dependant, the pension you buy using the value of your Protected Rights must include a pension payable to your spouse, civil partner or dependant after your death.

## What rights and options will be available to me to assign or surrender benefits under my policy?

- ▶ You will not be able to assign any benefit payable under your policy to another person, or surrender your policy, except in the specific circumstances provided under regulation 3 of the Occupational Pension Schemes (Discharge of Liability) Regulations 1997.

## What happens if I die before taking benefits?

- ▶ If you made provision for your spouse, civil partner or qualifying dependant when buying your pension this would be payable. If your pension was guaranteed and the guarantee period has not expired the remaining pension would be payable.

- ▶ A pension secured by your Protected Rights fund may have included a pension payable to a spouse, civil partner or dependant, payable on your death, if you were married at retirement.

## When can benefits be paid?

- ▶ Your policy will be set up with the same normal retirement date ("NRD") as you had under the Trust. However, you can normally take your benefits at any age between 50 and 75 (55 and 75 from 2010).
- ▶ It is possible for you to transfer to another registered pension scheme before NRD.
- ▶ If you decide to take your pension before your NRD, the pension is likely to be smaller than if it is taken at NRD.

## Charges

- ▶ 100% of your transfer payment will be allocated to units, so there is no initial charge under your policy.
- ▶ BlackRock Pensions Limited takes a charge of 1.4% per annum from the value of the investment fund to which your policy is linked. This charge is accrued and deducted daily and is included within the dealing price of units.
- ▶ We may deduct administrative expenses that are incurred in the purchase or provision of an annuity.

## Tax

This document is based on our understanding of the current tax rules. However, tax rules may change in the future, which could affect the way in which your benefits may be taken and/or the way in which they may be taxed.

## Taking advice

If you would like advice regarding your options under this Plan, you should talk to an Independent Financial Adviser. If you do not have an adviser, you can phone IFA Promotion on 0800 085 3250, who will give you a list of advisers in your area.

## The Plan provider

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BlackRock Pensions Limited is authorised and regulated by the Financial Services Authority. Its registration number is 114047 and its main business is the provision of investment and administration services to defined contribution pension schemes.

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BlackRock serves clients in North and South America, Europe, Asia, Australia, Africa, and the Middle East. Headquartered in New York, the firm maintains offices in 22 countries around the world.

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[blackrock.co.uk/pensions/kingfisher](http://blackrock.co.uk/pensions/kingfisher)

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