

COMMUNICATIONS SURVEY

During recent years, considerable time and effort has gone into improving the Scheme communication that you receive, including the recent introduction of the Scheme website: www.awpensions.co.uk.

However, it's your Scheme and we want to hear from you to ensure that we continue to communicate in the best way for our members and that you get the most from your pension savings.

Please spare a few minutes to complete the enclosed short survey to give us your views. If you would prefer to complete the questionnaire online, you can do so by visiting www.awpensions.co.uk.

Please return your completed survey in the enclosed envelope by 31 May 2013.



Survey:
 Excellent:
 Good:
 Fair:
 Poor:

RETIREMENT COURSE

Are you planning to retire within the next year? If so, you may wish to attend our retirement course. The 2 day course covers topics such as financial planning, legal advice, your AgustaWestland pension and information on State benefits.

Please contact the Pensions Department to enrol on the next course (01935 705353).



WEBSITE MODELLERS

(ACTIVE MEMBERS ONLY)

Have you used our interactive website yet? We are continuing to improve the functions that we offer and are pleased to be able to provide two more modellers.

Turn to pages 2 & 3 to find out more.

PENSION INCREASES AND REVALUATION RATES

See page 4 for this year's rates.

NEW WEBSITE MODELLERS

(ACTIVE MEMBERS ONLY)

Have you used our interactive website called Pensionline yet? We are continuing to improve the functions that we offer and are pleased to now provide five modellers

PENSIONLINE NOW OFFERS...

EARLY RETIREMENT MODELLER

This modeller enables you to obtain an indication of your pension entitlement if you are considering taking it early.

Early Retirement Modeller

This modeller has been designed to enable you to obtain an illustration of the benefits you could receive should you wish to consider retiring before your Normal Retirement Date. If you wish to obtain an illustration of the benefits you could receive at or near your Normal Retirement Date, please either refer to your most recent Benefit Statement or contact Aon Hewitt who will be able to provide an illustration.

You can model the impact of retirement at different ages by selecting a retirement date from the drop-down list. Simply select the date and click 'Select' to view illustration:

Target Retirement Date: 10 Apr 2022

A lifetime Pension of (see note 2)	£7,790.21
plus	
An annual supplement	£1,663.79
Alternatively you could receive a reduced pension of	£5,038.75
plus	
An annual supplement	£1,663.79
plus	
A tax-free lump sum (see note 7)	£44,683.72
Other Information	
Pensionable Salary	£27,899.73
Scheme Limit (see note 6)	
Your Scheme Limit at the Target Retirement Date that you have selected is	£16,822.45

TAX FREE CASH MODELLER

See how varying the amount of cash you take will affect your pension.

SEE THE EFFECT OF TAKING DIFFERENT CASH AMOUNTS ON YOUR PENSION.

Monthly AVCs Tax Free Cash Retained Benefits AVC Lump Sum Buy Up

Total Value of your funds: £459,732
Annual Pension: £17,809
Tax Free Cash Sum: £62,887

USE THE SLIDER TO VARY THE AMOUNT OF TAX FREE CASH YOU PLAN TO TAKE.

SEE HOW MUCH TAX FREE CASH YOU CAN TAKE.

£62,887

Note: There are a small number of members who cannot use the modellers, i.e. members who have become part-time in the preceding 14 months and members with complexities in their benefits. These members can continue to request information from Aon Hewitt at any time.

If you have any questions, please contact Aon Hewitt or the Pensions Department

BUY UP MODELLER & SUPPLEMENT MODELLER

Use these modellers to see:

- ▶ how Buying Up to a higher accrual rate will increase your pension entitlement;
- ▶ the effect of taking more supplement or giving up your supplement on your pension

Note: Not all members of the Scheme have these options available to them

CHANGE THE AMOUNT OF SUPPLEMENT YOU TAKE AND SEE THE EFFECT ON YOUR PENSION.

CHANGE YOUR BUY UP RATE AND SEE THE EFFECT ON YOUR PENSION.

Monthly AVCS Tax Free Cash Retained Benefits AVC Lump Sum Buy Up & Supplement

Lifetime Allowance: 18% Total Value of your funds: £283,499 Annual Pension: £9,881 Tax Free Cash Sum: £65,875

Annual Allowance: 0% Supplement (payable until the later of your State Pension Age or Normal Retirement Date): £713.95 Buy Up Rate: 1/60

Your existing supplementary pension is £3.95

Buy Up Modelling

The buy up rate is used to increase your pension entitlement. You will need to click on the 'Update' button. The buy up rate you can select is 1/60th.

The modeller assumes that you will carry on paying your current buy up rate. If you make a change to your buy up rate the modeller will assume that you will continue to pay the new rate up until your retirement date.

You can find out more about the buy up option by clicking [here](#). On this page you will find a buy up guide and also a modeller which will help you see how much buying up would cost you.

For further help please read the buy up guide which you can also find on this website. Alternatively, please contact the AgustaWestland UK Pension Scheme administration team on 0845 600 8796 or email westland@aonhewitt.com

Every effort has been made to make this model as accurate as possible, but it is not intended to provide a definitive quotation of your pension rights. Please note that the cost of buy up is reviewed each year and may change. If there are any errors the Rules of the AgustaWestland UK Pension Scheme take precedence. If you are uncertain what action to take it is recommended that you take professional financial advice.

USE THE SLIDER TO VARY THE AMOUNT OF AVCS YOU PLAN TO SAVE.

SEE THE EFFECT OF ADDITIONAL SAVING ON YOUR PENSION.

Monthly AVCS Tax Free Cash Retained Benefits AVC Lump Sum Buy Up & Supplement

Lifetime Allowance: 30% Total Value of your funds: £427,102 Annual Pension: £15,081 Tax Free Cash Sum: £104,812

Annual Allowance: 4% Monthly AVC Contributions: 30% Annual Pension breakdown: £15,081

Your existing supplementary pension is £713.95

The additional pension resulting from changing your buy up rate is £0.00

AVC Modelling

The modeller shows you how close your contributions are to the Annual Allowance and how close your projected fund value is to the Lifetime Allowance. Your position is expressed as a percentage of the relative allowance.

A warning light has been placed next to each percentage. A Red light indicates that there is a risk of you exceeding the allowance, and this may result in your benefits being subject to a higher rate of tax. It is advisable therefore that when modelling your pension benefits, you try and keep the lights green or amber.

If you are in any doubt regarding the impact of the Annual and Lifetime Allowances on your retirement planning please consult an Independent Financial Adviser (IFA).

AVC MODELLER

The modeller allows you to estimate the effect of paying Additional Voluntary Contributions through either regular payments and/or one off lump sums.

CHANGES TO HMRC LIMITS ON PENSION SAVING

The Government plans to reduce the Lifetime Allowance for pension tax relief to £1.25m, and the Annual Allowance to £40,000, from 2014/15.

PENSION LIBERATION FRAUD

It has come to our attention that some companies are claiming that they can help you cash in your pension early.

Pension loans or cash incentives are being used alongside misleading information to entice savers in this pension scam. This activity is known as 'pension liberation fraud' and it is on the increase in the UK. The majority of promises of early cash will be bogus and are likely to result in significant tax charges of over half the value of your pension.

If you would like more information, see the News section of the Scheme website, www.awpensions.co.uk

PENSION INCREASES AND REVALUATION RATES

REVALUATION

(ACTIVE MEMBERS ONLY)

This year your Career Salary benefits will increase by 2.2% on 6 April 2013.

The effect on your pension will be shown in the benefit statement you receive later in the year.

PENSION INCREASES

(PENSIONERS ONLY)

Pension increases were awarded to all pensioners on 1 April 2013. This year your pension will increase as follows:

GMP earned before 1988	0%
GMP earned after 1988	2.2%
Pension & supplement earned before 2005	2.6%
Pension & supplement earned after 2005	2.5%

Letters have been sent to all pensioners setting out the increase that will apply to your pension.

GETTING IN TOUCH

If you have questions about your benefits or wish to make changes to your AVCs, please contact our third party administrators, AonHewitt, direct on 0845 600 8796 or you can email them at westland@aonhewitt.com.

For other matters you can contact the Pensions Department on 01935 705353, on the Yeovil site in building 212 or by email pensions@agustawestland.com

The Scheme address is:

AgustaWestland UK Pension Scheme, Lysander Road, Box 205, Yeovil, BA20 2YB