

Hewlett-Packard Limited Retirement Benefits Plan – HP (BoI) Members

Summary of benefit arrangements and member choices for active members

This guide is only a summary of the Plan’s Trust Deed & Rules. If there is any difference between this summary and the Trust Deed & Rules, the Trust Deed & Rules will prevail. This summary is based on the 2008 rules, as amended. Benefits for members who left service prior to 1 September 2008 will be based on the rules applicable at date of leaving. The benefits of the Plan may be changed in the future.

On 1 June 2015 the Medas Scheme merged into the Bank of Ireland (BoI) Section and became the BoI/Medas Section.

On 6 July 2016 the Medas/BoI Section merged into the HP Section, reducing the Plan to two rather than three segregated sections - the HP Section and the Digital Section. The subsections of membership within the HP Section include HP (HP) members, HP (BoI) members, HP (Medas) members and HP (EDS) members. Each has a different benefit structure within the HP Section. No changes were made to benefits as a result of the mergers.

Definitions	
B&W Uplift Member	B&W Uplift Member means a member who was, immediately before 1 April 2004, accruing benefits under the Final Salary Section of the Bristol & West Staff Pension Fund and who was eligible for a pensionable bonus.
BIHM Member	BIHM Member means a member who was immediately before 1 April 2004, accruing benefits under the Bank of Ireland Home Mortgages Limited Retirement Benefits Scheme.
Earnings Cap	An amount which was previously set out in legislation. The legislation has been repealed but the amount continues to be calculated in the same way as it was prior to its repeal.
Final Pensionable Salary	The highest amount of base salary (or for B&W Uplift Members and BIHM Members, 1.1. times the highest amount of base salary) received by you during a period of 12 consecutive months in the 10 years before your date of leaving Pensionable Service. For “post 1 June 1989 joiners” this is subject to an “earnings cap” which increases each year in line with an agreed formula.

Hewlett-Packard Limited Retirement Benefits Plan – HP (BoI) Members

<p>Flexible retirement</p>	<p>With the consent of HP and the Trustees, once you have reached age 55 you may be able to opt for 'flexible retirement'. Flexible retirement means that only a proportion of your DB Plan pension comes into payment, leaving you free to choose when the remainder of your DB Plan pension comes into payment.</p> <p>To take advantage of flexible retirement there are a number of conditions which must apply:</p> <ul style="list-style-type: none"> • You must have left pensionable service • The cash equivalent transfer value of your DB Plan pension must be at least £30,000 • The remaining DB Plan pension that does not come into payment must be sufficient to cover your Guaranteed Minimum Pension (GMP) • When you decide that you would like your remaining DB Plan pension to come into payment, it must all come into payment at that time. Alternatively the Trustees may allow you to transfer the cash equivalent transfer value of your remaining DB Plan pension to another pension arrangement. <p>Flexible retirement includes the option of taking your DC AVCs as a lump sum before or after your DB Plan pension comes into payment. As you can use AVCs to fund your pension commencement lump sum, you should consider taking independent financial advice before making such a decision.</p> <p>Further information on Retirement Flexibilities in the Plan can be found on the Plan website.</p>
<p>Partial transfer</p>	<p>You are entitled to transfer out your DC Cash Equivalent Transfer Value (CETV) without transferring out your DB CETV.</p> <p>In addition, subject to the consent of the Trustees you can request to transfer a portion of your DB CETV. This is known as a 'partial transfer'.</p> <p>To be eligible for a partial transfer certain conditions must apply. You must have left pensionable service in the Plan. Your CETV must be at least £30,000 and you must agree to transfer out your Guaranteed Minimum Pensions (GMP). When you decide to take your remaining benefit, it must come into payment at the same time.</p>

Hewlett-Packard Limited Retirement Benefits Plan – HP (BoI) Members

Contracting out	<p>Up to 6 April 2016 the Plan contracted out of the State Earnings-Related Pension Scheme (SERPS) and the State Second Pensions (S2P), providing up to 6 April 1997 a minimum amount of benefit (Guaranteed minimum Pension (GMP)) and after that a benefit meeting at least a reference scheme test minimum. During this time you paid National Insurance contributions at a reduced rate.</p> <p>With effect from 6 April 2016 the State Pension Scheme simply comprises of a flat rate pension and contracting out ceased from that date. You will now pay full rate National Insurance contributions.</p> <p>Note that the benefits built up prior to the abolition of contracting out are still subject to the contracting out laws, for example in relation to GMPs.</p>
Guaranteed Minimum Pension (GMP)	<p>GMP is the minimum pension which the Plan must provide as one of the conditions of the Plan contracting-out of the State Earning Related Pension Scheme (SERPS) for service prior to April 1997. The GMP replaces the Additional State Pension (ASP) you would have received from the State had you not been contracted-out.</p> <p>Legislation governs how schemes deal with the GMP and the Plan complies with those requirements. If you have a GMP your GMP benefits may be treated differently to the rest of your benefits. We have not set out those differences in this summary due to the complexity.</p>
Normal Pension Date	60 th birthday
Part time work	If you work or have worked part time your benefits will be adjusted accordingly.
Pensionable Service	<p>Complete years and months of Company service as a member of the Plan. It also includes service credits arising from the transfer from certain specific previous schemes which will have been notified to you where relevant.</p> <p>Note: With effect from 6 April 2016 your membership in the Hewlett-Packard Limited Retirement Benefits Plan no longer has contracted out status and you are no longer contracted out of the State Second Pension (S2P).</p>
Plan amendments	The Plan may be amended or terminated at any time by agreement between the Company and the Trustees
Salary	Base salary (or 1.1 times base salary for B&W Uplift Members).
Joining	

Hewlett-Packard Limited Retirement Benefits Plan – HP (BoI) Members

	The Bank of Ireland Section is closed to new joiners.
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Hewlett-Packard Limited Retirement Benefits Plan – HP (BoI) Members

Member contributions and accrual rates	
Contributions	The Plan is non-contributory for members who participate through salary sacrifice – such members will have an equivalent deduction made to their salary.
Accrual Rates	The rate at which your pension accrues is dependent on the contribution levels you have paid during your Pensionable Service. Over the course of your membership you may have different accrual rates depending on the choices you have made. Details of how to work out your Accrual Rates are set out below.
Pensionable Service up to and including 5 April 2016	
CONTRIBUTION RATE	ACCRUAL RATE
5% of Pensionable Salary “basic contribution level”	1/60 th of Final Pensionable Salary for each complete year of Pensionable Service in this period at this contribution level.
Pensionable Service from 6 April 2016	
CONTRIBUTION RATE	ACCRUAL RATE
7% of Pensionable Salary “basic contribution level”	1/60 th of Final Pensionable Salary for each complete year of Pensionable Service during which contributions were paid at basic contribution level, plus an additional 1/720 th for each additional complete month.
4% of Pensionable Salary “lower contribution level”	1/67 th of Final Pensionable Salary for each complete year of Pensionable Service during which contributions were paid at the lower contribution rate, plus an additional 1/804 th for each additional complete month).

Hewlett-Packard Limited Retirement Benefits Plan – HP (BoI) Members

Additional Voluntary Contributions (AVCs)	
AVCs	<p>You may choose to pay additional voluntary contributions in order to purchase additional benefits on a money purchase basis.</p> <p>Note: Before making AVCs, you should consider whether such extra contributions could affect any HMRC protection previously applied for, or trigger an annual allowance or lifetime allowance tax charge.</p>
Pension benefits for active members	
Normal Retirement Pension	<p>If you retire at Normal Pension Date you will receive a pension for life equal to:</p> <p>Relevant accrual rate fraction (e.g. $\frac{1}{60}$, $\frac{1}{70}$ etc) x Final Pensionable Salary/Final Basic Salary (as appropriate) x Pensionable Service.</p> <p>Your pension calculation will depend upon the contribution choices you have made because the contribution rate determines the Accrual Rate. If your Accrual Rate has changed over the course of your Pensionable Service then each tranche will need to be calculated separately to work out your overall pension, which may result in a range of calculations.</p>
Early retirement	<p>If you are over 55 and leave service before Normal Pension Date, you may, with the consent of the Company and the Trustees, choose to receive an immediate pension.</p> <p>The pension is calculated as for retirement at Normal Pension Date but is based on Final Pensionable Salary at, and Pensionable Service to, your actual date of retirement. It is then reduced for early payment.</p>

Hewlett-Packard Limited Retirement Benefits Plan – HP (BoI) Members

<p>Ill-health early retirement</p>	<p>If you leave service due to “Incapacity” and you have completed 5 years’ consecutive service whilst a member of the Plan you will be entitled to an ill health pension. The ill health pension will be calculated as for a retirement at Normal Pension Date but as if Pensionable Service included the period between your leaving and Normal Pension Date. Final Pensionable Salary will be calculated as at your actual retirement.</p> <p>“Incapacity” means physical or mental impairment that prevents (and will continue to prevent) you from following your normal occupation or seriously impairs your earning capacity.</p> <p>Before any pension is paid evidence of “Incapacity” will be required.</p>
<p>Late retirement</p>	<p>If you remain in Pensionable Service after reaching Normal Pension Date you will receive a pension on leaving service (or age 75 if earlier). The pension will be calculated in the same way as for retirement at Normal Pension Date but based on Pensionable Service up to date of leaving service. As you will have benefited from additional Pensionable Service after Normal Pension Date, your pension will not be increased further to reflect the fact that it comes into payment late.</p>
<p>Pension benefits for members who leave service (“deferred members”)</p>	
<p>Deferred Pension</p>	<p>If you have leave Pensionable Service your pension benefits will be held by the Plan until you retire. Your pension will be calculated in the same way as a Normal Retirement Pension as at date of leaving (see above). It will then be revalued broadly in accordance with legislation.</p> <p>NB: Your GMP and any pension you have in excess of GMP will revalue at different rates since legislation treats them differently.</p>
<p>Early retirement</p>	<p>If you are over 55 or are Incapacitated you may, with Trustee consent, choose to start receiving your pension early. If you do, your pension will be calculated broadly as described above (Deferred Pension) and then reduced for early payment.</p>
<p>Late retirement</p>	<p>You may, with Trustee consent, choose to start receiving your pension after your Normal Pension Date (but no later than reaching age 75). If you do, your pension will be increased from your Normal Pension Date (or the date of leaving Pensionable Service if later) to reflect the fact it comes into payment late.</p>

Hewlett-Packard Limited Retirement Benefits Plan – HP (BoI) Members

Tax free lump sum (Commutation)	
	When you retire (either from active service or in deferment) you can exchange part of your pension for a tax free lump sum - up to a maximum amount set by HMRC. This lump sum is known as a “pension commencement lump sum” (pcls).
Increases to pensions in payment	
Increases to pensions in payment	<p>Increases are applied annually in April each year. Different rates are applied to different elements.</p> <p>Pension in excess of the GMP for Pensionable Service prior up to 5 April 1997:- Increased in line with RPI up to a maximum of 3% per annum.</p> <p>Pension for Pensionable Service on or after 6 April 1997:- Increased by the Plan in line with the increase in inflation (as determined by the Government) up to a maximum of 5% p.a. for Pensionable Service to 5 April 2005 and increases in line with inflation (as determined by the Government) up to a maximum of 2.5% per annum for Pensionable Service from 6 April 2005. The Government currently uses the Consumer Prices Index to determine increases in inflation.</p> <p>Note 1: Your GMP is increased differently in accordance with legislation but please note: - no increases are applied by the Plan on any pre 1988 GMP - Post 1988 GMP is increased by the Plan in line with inflation (as determined by the Government) up to a 3% p.a.</p> <p>Note 2: These increases do not apply to benefits in respect of additional voluntary contributions, transfers in or discretionary benefits.</p> <p>Note 3: From state pension age the state checks whether your GMP in payment is at least as high as a notional amount of additional state pension. This notional pension increases fully in line with inflation. If the GMP is lower than this notional pension, you will be paid an additional amount from the state together with your basic state pension. However, your GMP at state pension age may be higher than this notional pension and if this is the case you may not receive any additional amount until many years after your state pension age – if ever.</p>

Hewlett-Packard Limited Retirement Benefits Plan – HP (BoI) Members

Death benefits	
Death in service	<p>Spouse's pension</p> <p>If you die whilst in Pensionable Service your spouse or registered civil partner will receive a pension for life equal to:</p> <ul style="list-style-type: none">• If you die before Normal Pension Date: 60% of the pension you would have received if you had stayed in Pensionable Service to Normal Pension Date but based on your Final Pensionable Salary at the date of your death.• If you die after Normal Pension Date 60% of the pension you would have received if you had retired immediately before your death (ignoring any commutation). <p>If you die without leaving a legal spouse or registered civil partner, a dependant's pension may become payable at the discretion of the Trustees.</p> <p>Children's pension</p> <p>The Plan will also provide pensions for your children. The children's pension in total will be equal to 25% of the spouse or registered civil partner's pension multiplied by the number of children, up to a maximum of 4. This pension will be distributed between the pensionable children in accordance with the Plan rules. These pensions are payable for so long as the children are a) under age 16, or b) under age 21 but in full-time education or training approved by the Trustees.</p> <p>Lump sum</p> <p>Additionally, a lump sum is payable equal to the following:</p> <ul style="list-style-type: none">• An amount equal to the total contributions paid by you, or credited to you, with interest from the date of payment/credit to the date of death at the rate of 2.5% per annum, <p>plus</p> <ul style="list-style-type: none">• An amount equal to the value of additional voluntary contributions attributable to you at the date of death. <p>The lump sum is payable by the trustees on discretionary trust. The Trustees decide who will receive the benefit but they will take account of your wishes so we recommend that you complete an expression of wish form.</p>

Hewlett-Packard Limited Retirement Benefits Plan – HP (BoI) Members

	<p>Note: On death in service a lump sum equal to 4 times your Salary (or such other multiple chosen through salary sacrifice is usually payable from a separate trust, although it may be paid from the Plan if you applied for Enhanced Protection.</p>
Death in deferment	<p>If you die before Normal Pension Date with an entitlement to a deferred pension but before the pension comes into payment, your spouse or registered civil partner will receive a pension for life equal to 60% of your deferred pension (accrued since 6 April 1978), revalued to the date of your death.</p> <p>If you die after your Normal Pension Date with an entitlement to a deferred pension, but before the pension comes into payment, your spouse or registered civil partner will receive a pension for life equal to 60% of the pension you would have received (based on service since 6 April 1978) if you had retired the day before your death.</p> <p>If you die without leaving a legal spouse or registered civil partner, a dependant's pension may become payable at the discretion of the Trustees.</p> <p>Additionally, a lump sum is payable equal to the value of normal contributions paid by you (or credited to you) into the Plan plus the value of any additional voluntary contributions attributable to you at the date of death.</p> <p>The lump sum is payable by the Trustees on discretionary trust. The Trustees decide who will receive the benefit but they will take account of your wishes so we recommend that you complete an expression of wish form.</p>

Hewlett-Packard Limited Retirement Benefits Plan – HP (BoI) Members

<p>Death of a pensioner</p>	<p>If you die whilst receiving a pension your spouse or registered civil partner will receive a pension equal to 60% of the pension payable to you at the date of death (but calculated as if there had been no commutation).</p> <p>The Plan will also provide pensions for your children. The children’s pensions in total will be equal to 25% of the spouse or registered civil partner’s pension multiplied by the number of children, up to a maximum of 4. These pensions will be distributed between the pensionable children in accordance with the Plan rules. These pensions are payable for so long as the children are a) under age 16, or b) under age 21 but in full-time education or training approved by the Trustees.</p> <p>If you die without leaving a legal spouse or registered civil partner, a dependent’s pension may become payable at the discretion of the Trustees.</p> <p>In addition, if you die within 5 years of retiring, a lump sum equal to the pension payments which would have been made during the remainder of the 5-year period will also be payable. This is payable by the trustees on discretionary trust. The Trustees decide who will receive the benefit but they will take account of your wishes so we recommend that you complete an expression of wish form.</p>
<p>Young spouse</p>	<p>If the spouse or registered civil partner to whom a pension is payable is more than 10 years younger than you the pension will be reduced.</p>
<p>Transfers Out</p>	
	<p>Deferred Members have the option to take a Cash Equivalent Transfer Value (CETV) of their deferred benefits to another registered scheme at any time. Before making such a decision it is recommended that you first seek independent financial advice.</p>

Hewlett-Packard Limited Retirement Benefits Plan – HP (BoI) Members

If you want further information on your particular circumstances and benefits in the Plan please contact the Plan Administrators:

Write to: The Administrators of the Hewlett-Packard Limited Retirement Benefits Plan
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Call the pensions helpline on: 01293 604844