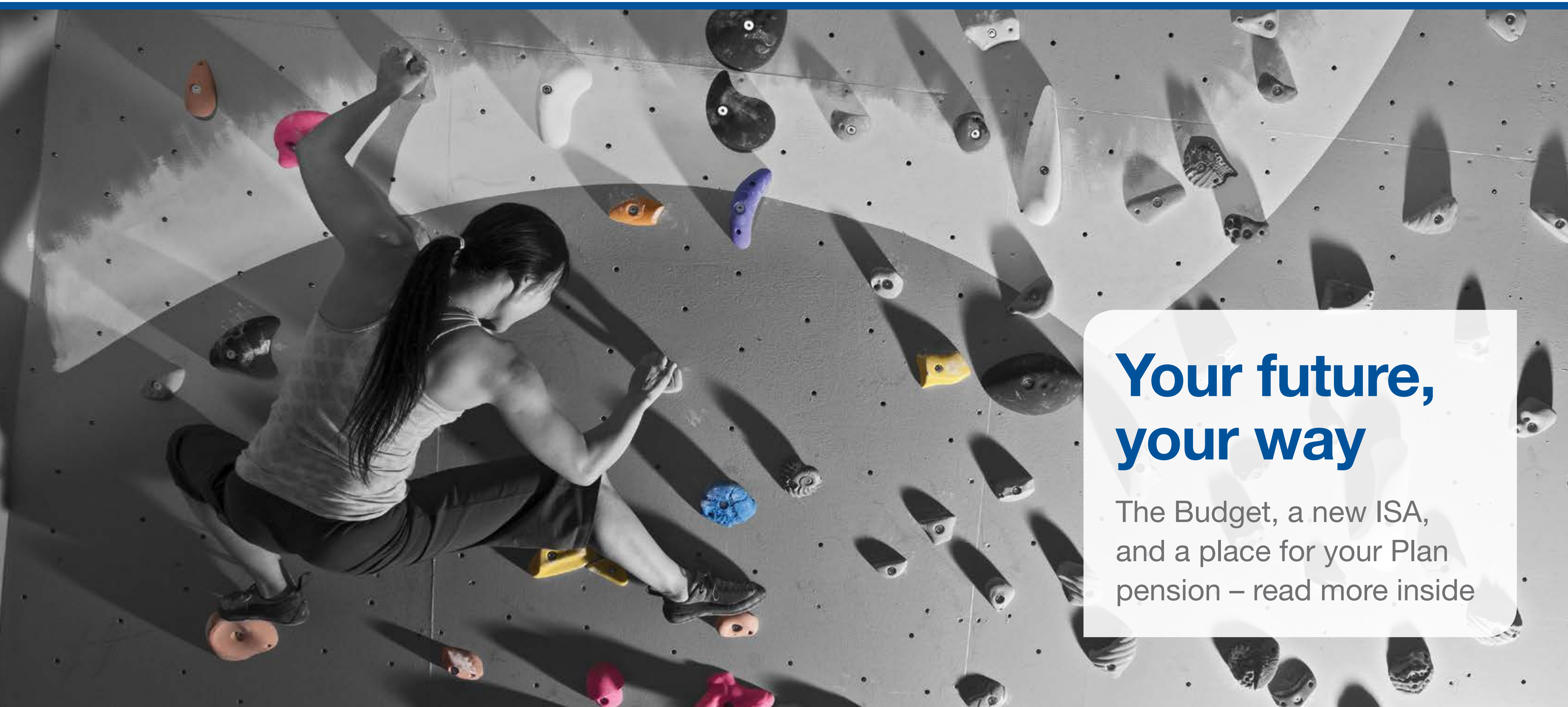
planahead

Summer 2016



Your future, your way

The Budget, a new ISA, and a place for your Plan pension – read more inside

Welcome

to your Summer edition of Plan Ahead

from the Chairman

For members of the J.P. Morgan UK Pension Plan ('the Plan')

Budget breakdown – March 2016

Once again, pensions were on the agenda in the Chancellor's latest Budget. Although this year's changes were relatively minor compared to the legislative reforms we've seen in previous years, some argue that they lay the foundations for more significant changes to come.

The latest Budget changes continue to support more flexibility for retirement savings, with a focus on expanding the role of ISAs as a long-term saving option. The headline change was the introduction of the Lifetime ISA from April 2017, which offers bonus savings to those under 40 if they leave their money invested until age 60. They will have the ability to use these savings for mortgage deposits, but there will be penalties for any other early withdrawals. The general ISA limit is also increasing from £15,240 to £20,000 a year, from April 2017.

Other changes to come out of the Budget include an increase in personal tax allowances and refinements to the recent pension freedom legislation to ensure it works as intended. Also, despite anticipation of major change following consultation, pension tax reform was not announced in this Budget, although it remains under government consideration, and may be announced in the November Budget.

You can find out more about the latest Budget on pages 5 to 6.

Your future, your way – a place for your pension

Now, more than ever, you have the freedom to choose how to save for your future and take your retirement benefits. Amongst the many different options, a recent survey shows that the majority of people are using employer pensions and ISAs as their principal way to save.

Pensions and ISAs offer a tax-efficient way to build up retirement savings. However, the introduction of pension freedom legislation and the introduction of the Lifetime ISA from April 2017 now challenge the traditional reasons as to why you might prefer one over the other. We take a quick look at how these two savings vehicles compare on pages 7 to 8.

On page 10 we also wanted to take the opportunity to remind you of the valuable benefits the Plan continues to provide and why it can still play an important role in your retirement savings plans.

In other news

The new State Pension is now in place, as are revised tax-efficient pension savings limits for 2016. For a reminder of these changes, see page 16.

In addition to the reduced investment charges announced in the Winter 2015 edition of Plan Ahead, the Trustee has negotiated further fee reductions, this time in respect of two J.P. Morgan Asset Management Funds; the Life Global Dynamic All Countries Fund and the Life All Emerging Market Equity Fund. For full details, see page 13.

Welcome (continued)

to your Summer edition of Plan Ahead

from the Chairman

In the Plan

Support at retirement

When we last wrote, we announced the Company's intention to offer a guidance service for those approaching retirement, to help members navigate their choices and make informed retirement decisions. We are pleased to confirm that the Retirement Guidance Service, provided by Willis Towers Watson and paid for by the Company, is now available. You can read more on page 11 and if you are close to retiring, you'll receive further detail, including how to book your guidance session, in your pre-retirement pack.

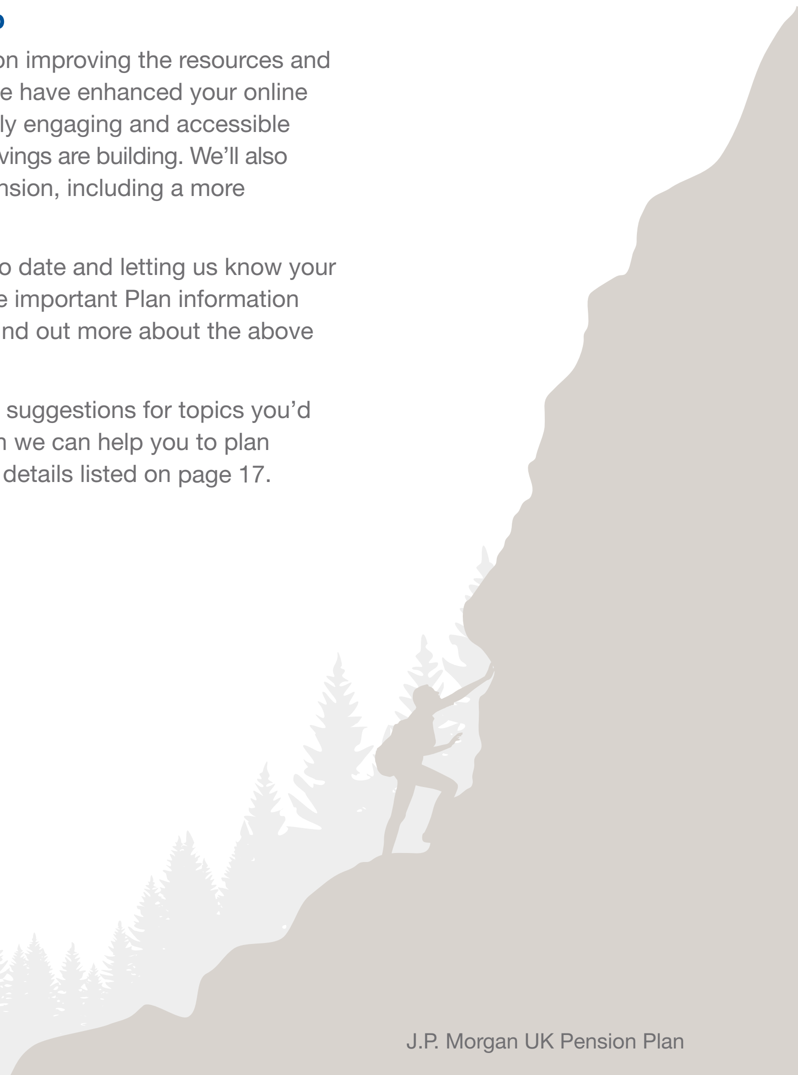
We also announced that given the increase in the range of suitable external products, the Company has decided to negotiate preferential terms with two external drawdown providers instead of offering drawdown from within the Plan. The providers' services vary by the type of support and level of involvement you wish to have in managing and investing your drawdown income in retirement. The Company and the Trustee have been working together to secure these preferential terms and you can read more on page 12.

Support throughout your membership

During the year we have continued to focus on improving the resources and support we offer to members. In particular, we have enhanced your online benefit statements, making them more visually engaging and accessible to help you keep a better track on how your savings are building. We'll also be introducing an upgraded version of MyPension, including a more sophisticated modelling tool, later in 2016.

We also rely on you keeping your details up to date and letting us know your preferences so we can make sure you receive important Plan information in a way that's appropriate for you. You can find out more about the above on page 14.

As always, we want to hear your feedback or suggestions for topics you'd like us to cover in future, or the ways in which we can help you to plan ahead. Please get in touch using the contact details listed on page 17.



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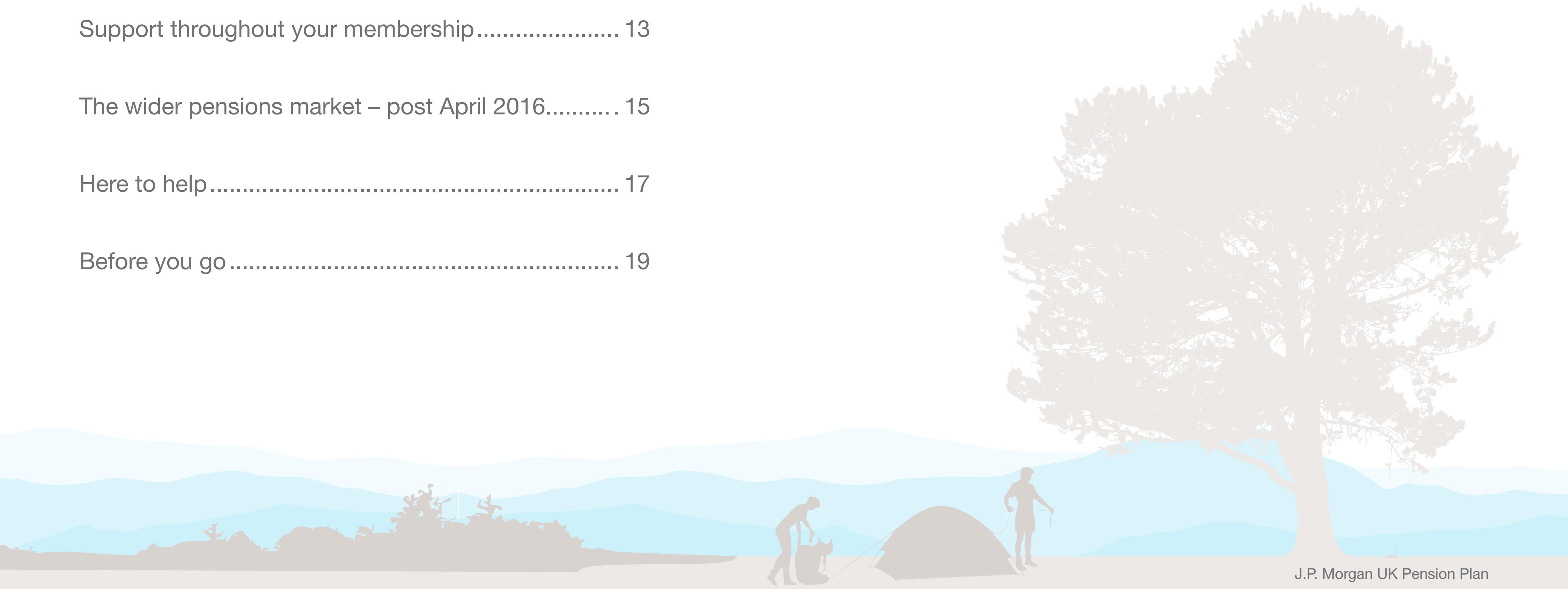


Budget breakdown
March 2016

The latest Budget continues to support more flexibility for retirement savings. While recent Budgets have contained changes to how you can access your pension savings and placed restrictions on how much higher earners can save into a pension plan, this Budget focused on expanding the role of ISAs in retirement planning and long-term saving. In particular, the Chancellor has announced a new Lifetime ISA as an alternative or additional retirement savings vehicle. While personal income tax allowances will rise, no significant changes have been announced to the pension tax system. However, more changes may be on the horizon.

The Lifetime ISA

From April 2017, those under age 40 will be able to access a Lifetime ISA, which can be used as an alternative, or in addition to, pension savings. The most you can contribute in any tax year will be £4,000. The Government will then add a 25% bonus on contributions at the end of the tax year (maximum bonus £1,000). Eligibility for the bonus will apply from age 18 to 50. Contributions count against the (increased) ISA allowance of £20,000, but not against the pension's Annual Allowance.

Once your account has been open for at least a year, you can withdraw tax-free funds (including the Government bonus) for a first-time house purchase of up to £450,000. Otherwise you won't normally be able to access your funds and the Government bonus, until age 60. You could withdraw your funds in other circumstances but you will lose your Government bonus payments, plus any investment gains that they have made, and a 5% charge will apply. For more about ISAs, see pages 6 to 7.

Refining previous pension freedom legislation

There will be minor changes to the legislation that introduced pension flexibility to ensure it works as intended and applies more consistently. These include:

- Allowing those with defined contribution pensions already in payment via an annuity to take a cash lump sum payment, where total pension savings would be under £30,000,
- Applying tax at the marginal rate in the event of a serious ill health lump sum paid to someone over age 75 (changed from 45%),
- Enabling child dependants with a drawdown pension to continue to access it after age 23, so they do not have to take their funds as a lump sum taxed at 45%, and
- Ensuring that any guaranteed top up payable on death from a 'cash balance' scheme remains tax free.

The changes will come into effect the day after the Finance Bill 2016 receives Royal Assent (expected to be July 2016).

Personal tax allowances rise

From April 2017, the level of the personal allowance will rise to £11,500 (it will be £11,000 from April 2016). The higher-rate (40%) tax band will also rise from £43,000 for 2016-17 to £45,000 for the following year. The Government's objective is to raise the personal allowance to £12,500 and the higher-rate tax band to £50,000 by 2020.

Over the next few months the Government will be speaking with the pensions and ISA communities through a series of workshops to help define the details of this new product.

"There were 13 million adult ISA accounts and 510,000 junior accounts in the UK in 2014-15."

www.gov.uk/government/uploads/system/uploads/attachment_data/file/520103/Full_Statistics_Release_April_2016.pdf

On the horizon

Talking tax

Last year, the Government conducted a consultation on pension tax: reviewing the current system and considering alternatives. The aim of this review was to determine the best system for taxing pensions that incentivises savers while being financially sustainable for the Government.

During the consultation, the Government looked at three broad options:

- adapting the current system
- changing the system entirely and taxing pension savings up front, rather than during retirement
- doing nothing.

The Government received 450 responses to the consultation from individuals and institutions. Feedback has been published in the following paper, released in March 2016: **www.gov.uk/government/uploads/system/uploads/attachment_data/file/508184/summary_of_responses_to_pensions_tax_relief_consultation_final.pdf**

While any significant tax reforms were deferred for the March Budget, it is still under consideration.

Government funded guidance review

Alongside the Budget, the Government announced that the Money Advice Service (MAS) will be abolished. A new body will take on and extend the services currently offered by Pension Wise and the Pensions Advisory Service and incorporate the pension services offered by the MAS. The key objectives of this body will be to ensure consumers' pensions questions can be answered in one place and that it will be able to respond quickly to changes in pension policy and legislation, so consumers will be able to access up to date information and simple tools and guidance when they need it.

The Government has published a consultation on further details of this change, which closes on 8 June 2016. The Government will then release its final response to the 'Public financial guidance review' in Autumn 2016 and confirm the implementation timetable. The earliest date for the new guidance model to take effect is April 2018.

"In the quarter July to September 2015, more than two thirds of pension pots accessed in the UK were fully cashed out."

www.thisismoney.co.uk/money/pensions/article-3390379/Pension-freedom-rules-helped-178-000-cash-savings.html

In brief — How pension tax works:

The current system is based on the principle that pension savings should be taxed at the point of taking benefits. This means that contributions made into your pension account are tax free and then when you come to take your benefits, you are typically taxed on your retirement income benefits, currently with a lump sum available tax free.

In recent years the system has changed to help reduce the cost to the State of providing pension tax relief, so there are now lower limits on how much you can contribute and build up tax efficiently. See page 15 for a reminder of the recent changes to these limits.

A new pension dashboard

By 2019, the intention is that you'll be able to view all your retirement savings in one place through an online pensions dashboard. The Chancellor has asked the pension industry to design, fund and implement this tool. It's not yet known if it will include State Pension details, but the Government will be working out how much State Pension people have at April 2016, so a combined statement should be possible.

Your future, your way

Pensions and ISAs both offer a tax-efficient way to build up retirement savings. Traditionally different in many ways, one of the arguments for ISAs has been their relative flexibility, while employer pensions have attracted employer contributions and tax relief on contributions. However, the introduction of pension freedom legislation and the ISA changes announced in the Budget (see page 5) now challenge the traditional reasons as preferring one over the other.

There are lots of other ways to save for the future, including property, other investments, and bank accounts and how you save will depend on your own circumstances. However, given that pensions and ISAs have been subject to these recent changes, we've provided an overview of how your Plan pension compares to ISAs generally.

A 2015 survey found that the majority of UK adults are mainly saving for their retirement either through a company pension or through ISAs. 1 in 10 are using a piggy bank… (see page 10).

What's the difference?

	Individual Savings Accounts (ISAs)	Your Plan Pension
What is it?	There are two main types of ISA: ➤ Cash ISAs for deposit-based savings, which receive interest every year, and ➤ Investment ISAs for stock market-based investments, which benefit from any investment returns and may fluctuate in value.	You automatically join the Plan when you join the Company. On joining, a pension account is set up in your name into which you and the Company contribute. You can choose your investments, and your pension account benefits from any investment returns which means the value of your pension account may fluctuate over time. When you retire, you can use the value of your account to provide an income and/or a lump sum.
How do contributions work?	Contributions to an ISA do not reduce your income tax bill. NEW from 2017 – Lifetime ISAs, which can be cash or investment based, receive 25% bonus payments from the Government (maximum £1,000 a year) up to age 50. Money put in can be used from age 60 as retirement income (see page 5).	Contributions are tax exempt up to the Annual Allowance (see below and page 15). You also pay no National Insurance on your employee flex matched or employee flex additional contributions as these are paid via salary sacrifice. The Company makes a core contribution of 6% and matched contributions of up to 6% if you contribute. So you could save 18% from your own 6% contribution.
Are my investments taxed as they grow?	An ISA is a type of investment where your savings can grow free of tax on income, dividends and capital gains.	Like ISAs, your savings can also grow free of tax on income, dividends and capital gains.
Am I taxed when I take my savings?	You can withdraw your savings tax free.	Normally 25% of your fund (up to the Lifetime Allowance) can be paid as tax-free cash at retirement. (Sometimes a higher 'protected tax-free cash amount' can apply.) You pay tax but not NI on the remainder.
When can I take my savings?	You can usually access your savings at any time but some penalties might apply: ➤ For fixed-term cash ISAs you might lose interest if you withdraw cash early. ➤ Under the new Lifetime ISA, if you withdraw your savings before age 60, other than to buy your first home, you will lose the Government bonus and will need to pay a 5% charge.	You normally cannot access your retirement savings until age 55 (57 from 2028).
How do I receive my savings?	You withdraw your savings as cash, as and when you want.	You can choose to withdraw your savings as cash, either as a one-off lump sum, or flexibly throughout retirement via a drawdown arrangement. You could also buy an annuity with your savings which offers a guaranteed income for life.
How much can I save overall?	You can currently contribute up to £15,240 in a tax year (to any type of ISA). This limit rises to £20,000 in April 2017. ➤ You can contribute £4,000 to a Lifetime ISA each year (which will count towards your overall annual ISA limit). ➤ There is no lifetime limit.	➤ You can contribute between £10,000 and £40,000 (depending on your level of income) tax efficiently every year – this is the Annual Allowance (AA). ➤ You can carry forward any unused allowance for up to three years. ➤ Employer contributions count towards the AA. ➤ You can currently build up total tax-efficient pension funds of up to £1 million (the Lifetime Allowance). ➤ See page 15 for a reminder of the current limits.
What can I provide for my dependants?	➤ Your savings can be passed on to your spouse or civil partner and retain their ISA status (and the benefits attached to ISAs) but otherwise will count as part of your estate, for the purposes of Inheritance Tax.	➤ Your pension savings up to the Lifetime Allowance can be inherited free of tax if you die before age 75. ➤ If you die after age 75, your pension savings can be paid to your beneficiaries subject to being taxed at their marginal rate. ➤ If you have purchased an annuity with your savings, you can select options that provide for your dependants.

It’s up to you

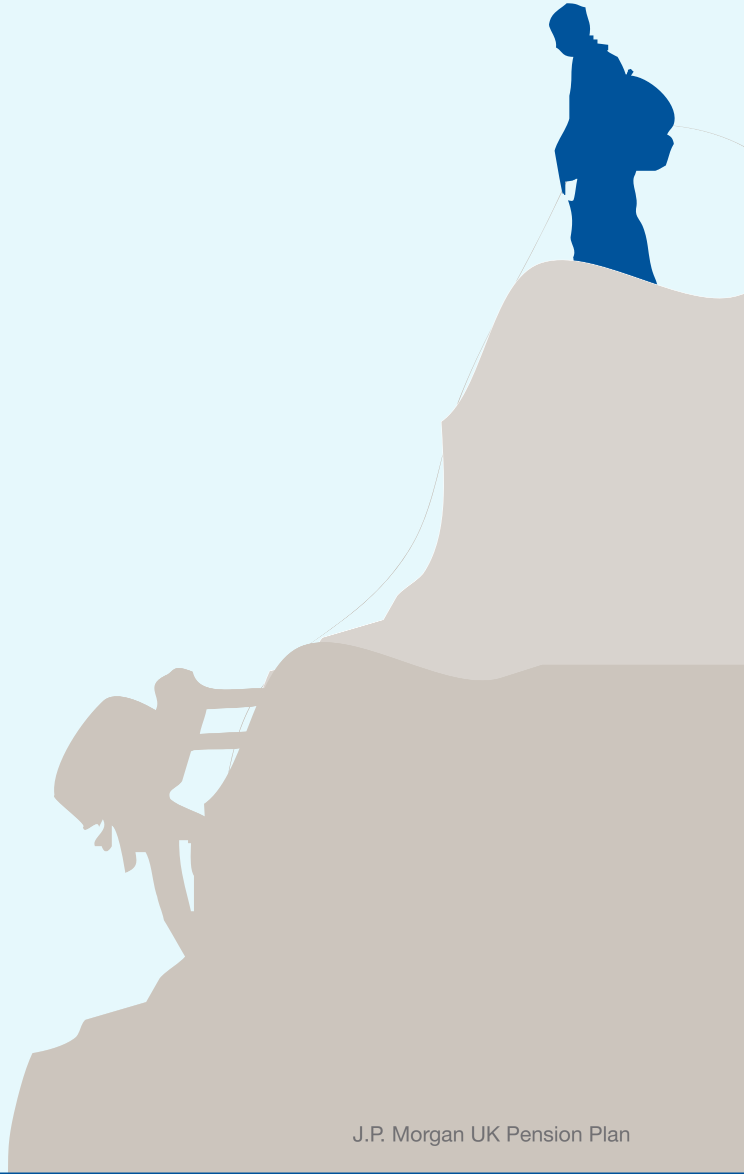
How you save throughout your career will depend on your circumstances and your plans for the future. Some factors you might wish to consider include:

- **How much time you have until you retire?** The further you are from retiring, the longer your savings in either an Investment ISA or your Plan pension account will have to grow. If you have a Cash ISA, or invest in the Plan’s Liquidity fund, you will have a higher risk that your savings don’t keep pace with inflation.
- **What timing works best for you?** Most ISAs are more flexible than pension savings in that you don’t need to wait until you reach age 55 to access your savings (except Lifetime ISAs). One benefit of this is that you could use them to provide financial support before your other incomes/benefits become available – giving you more freedom to retire earlier if you wish. Alternatively, you could access your savings at the same time and use tax-free withdrawals from your ISA to help manage your tax more effectively alongside taxable income from pension savings.

How do these considerations fit with your plans (for example, when will you stop working) and what other income are you expecting to receive from other sources and when? For example, the age you can access your State Pension is currently age 65 for men (rising to this age by 2018 for women) then increasing to age 67 by 2026.

- **What do you want to do with your savings?** With the new pension freedoms you have a range of options for accessing your pension savings in retirement, but effective tax planning plays a more important role than ever. If you’re considering taking a large cash sum at retirement, remember that you can currently take 25% tax free from your pension savings, but the rest will be taxable at your marginal rate. The Lifetime ISA is also intended to be a saving tool for first time home buyers.
- **Are you making the most of the limits?** Be aware of the limits the Government sets on both of these savings options (detailed in the table on the previous page) as it may make sense to make the most of these before using less tax-efficient methods of saving.
- **Your future level of savings and earnings:** Generally tax is paid on contributions for ISAs and on retirement income for pensions. Consider the timing of your tax; how might your rates compare between today and the future?
- **Don’t forget about tax relief:** Because of the system of tax relief attaching to pension contributions, saving for a pension can reduce taxable income and as a result trigger favourable tax consequences such as a higher tax-free allowance if income falls to below £100,000 or receipt of Child Benefit for earnings between £50,000 to £60,000.

Please remember that tax rates are subject to change.



A place for your Plan

Whatever other savings option(s) you choose to use, remember that even with the coming changes to ISAs, your Plan savings continue to offer valuable benefits:

Financial support £

The **Company contributes** to help you save for your future (see page 8).

Investment fees negotiated by the Trustee means the **Plan's fund charges are significantly lower** than if you were to invest in the same investments via the normal retail market.

Dependant benefits

If you die in service, **valuable beneficiaries' benefits** such as a lump sum payment and dependants' pensions, are payable.

Lump sum payments do not form part of your estate and if you die before age 75, any unused pension benefits will be paid tax free to your beneficiaries.

Flexibility

If you leave the Company before you retire, **you can transfer your pension account** to another registered pension arrangement or keep it invested within the Plan.

You can choose how to access your savings at retirement, and have the option to use one of **two drawdown provider arrangements**, with terms negotiated for members by the Company (see page 12).

You can also access drawdown or buy an annuity via the open market.

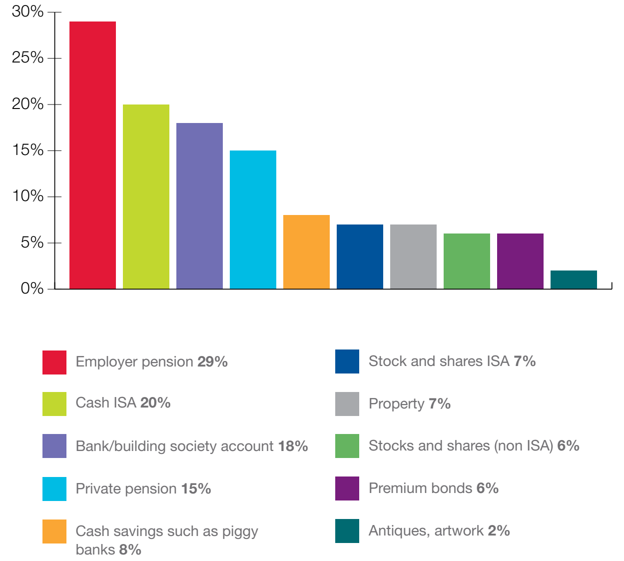
Tools and resources

Visit your **personalised MyPension website** (see page 17 for details) or **www.mypensiontools.co.uk** for guides, films and tools to help you understand your Plan benefits and options.

When you're close to retirement, you can access a free guidance session to help you understand your options (see page 11 for more).

This article looks at just two of the main ways to save for your future and in reality you might access one or both of these as well as other types of savings. Whatever you decide, there is a place for your Plan pension in your future as it offers so much more than a way to save.

Where are UK adults investing for their retirement?



October 2015, **www.aviva.com/media/news/item/uk-one-in-ten-adults-uses-a-piggy-bank-to-save-for-retirement-17543/**

In the Plan

Support at retirement

In our Winter 2015 edition of Plan Ahead we confirmed the Company's decision to negotiate preferential terms on members' behalf for external drawdown solutions, rather than create a drawdown solution within the Plan. This is because the Company believes that many of the benefits of providing income drawdown directly from the Plan can now be made available to members through the new and innovative products available in the market. It also believes that a greater benefit can be provided to members by offering guidance in the lead up to retirement.

Here is an update on these two initiatives.

1 Free retirement guidance

As you approach your Plan retirement date or if you are looking at early retirement, you'll be invited to book a personalised guidance session through the new Retirement Guidance Service, aimed at addressing any questions you have. Your session will be paid for by the Company and provided by Willis Towers Watson.

During your session you will be able to discuss your Plan options in the context of your wider financial circumstances, with a retirement specialist. The overall aim is to help you make informed retirement decisions that are suited to your individual needs. You'll receive more detail about this service as you get closer to retiring.

Note: This is one guidance option open to you. From age 50, you can still access the more general guidance service, Pension Wise, provided free by the Government and/or you may appoint (at your own cost) an impartial financial adviser at any time.

UK savers who take advice save on average £98 more every month and receive an additional income of £3,654 every year of their retirement, based upon a pension pot of £100,000."

Survey unbiased.co.uk and AXA Life Invest **www.unbiased.co.uk/value-of-advice/report-stats**

Is it guidance or advice?

According to the Financial Conduct Authority (FCA), 'the main difference between guidance and advice is that [with guidance] you decide which product to buy without having one or more recommended to you.'

The other fundamental difference is that **advice from** an **FCA-registered financial adviser is regulated**. This means you have access to the **Financial Ombudsman Service** and/or the **Financial Services Compensation Scheme**, if you receive negligent advice. With guidance you may not have these protections.

The Retirement Guidance Service and Pension Wise are guidance services only and can be used to help you clarify and consider your options. If after receiving these services you would like further advice, you can arrange to speak with an impartial financial adviser. Find out more about financial advice at: **www.moneyadviceservice.org.uk/en/categories/financial-help-and-advice**

You can also find out more about the difference between advice and guidance at: **www.citizensadvice.org.uk/debt-and-money/getting-financial-advice/#h-advice-or-guidance**

2 Drawdown options to consider

If you choose to access a drawdown option when you retire, you will need to transfer your benefits out of the Plan and can use whichever provider you choose. However, you may want to take advantage of the terms the Company has agreed with 2 different drawdown providers for 2 types of service which vary by the type of support and level of involvement you wish to have in managing and investing your drawdown income in retirement.

LifeSight Drawdown

Provided by: Willis Towers Watson

Type of service

An online self-service arrangement, where you manage the drawdown and investment of your funds independently. A range of innovative online tools and other online resources will be available to help you manage your drawdown facility.

How it works

On joining, you will have online access to your own LifeSight Account where you can set and update your withdrawals and investment choices, as well as your other information, at any time.

Once you make your withdrawal choices, your money will automatically be moved from your Plan savings (within your LifeSight Account) into your bank account.

To help you consider how to set your investments and consider your retirement income needs, you will have access to online tools and resources to help you make your choices. These include:

- The ageOmeter, which helps you understand when your pension savings in LifeSight are estimated to run out based on your chosen level of withdrawals and investment choices, and the impact on this age if you make changes to those choices.
- A Spending Planner which can take all of your pension benefits into account to help you understand your 'cash flow' from all sources. The Spending Planner also allows you to consider the option to move to an annuity at some point in the future.

These 2 tools complement each other and should help most people in planning their expenditure in retirement.

my wealth Drawdown

Provided by: Wealth at Work Limited

Type of service

A regulated advice service, where a retirement income strategy will be designed and managed on your behalf with regular, annual check-ups to help you assess your savings plans.

How it works

If you select this service, you would be allocated your own personal adviser (an employee of Wealth at Work Limited).

An initial meeting will take place to discuss your financial needs and goals and the various options available to you. The adviser will consider your full financial circumstances before putting together a tax-efficient strategy to meet your retirement income needs. The advice given will be set out clearly in a written report. A second meeting will then follow.

If you decide to act on their advice, you can then instruct my wealth to implement some or all of their recommendations and your investments will be actively managed and monitored on your behalf by the my wealth investment management team.

Your adviser will be available for regular and ad-hoc updates and typically meet with you annually to help you review your plans.

Alternatively, following regulated advice, you may decide to transfer your existing Plan funds to keep and manage them yourself. This can be facilitated by my wealth and is known as the 'Treasured Stock Service'.

In making its decision to select the above providers, the Company, in conjunction with the Trustee, explored the services offered by a number of key drawdown providers. As well as focusing on cost, the Company also looked at the provisions of these products in terms of the quality of the providers and ensuring that a seamless transition of assets can be achieved as far as possible.

You can find out more about the services offered by my wealth and LifeSight during your retirement guidance sessions.

Support throughout your membership

New look, new features – your online benefit statements

If you've had a chance to log on to MyPension and view your 2015 online benefit statement, you'll have seen that we've made some changes.

In this year's statement, you can find all the information you're used to seeing summarised in six tabs on a homepage that you can explore in which ever order suits you.

The format has also been improved so that it's easier to view on mobile devices; the web pages will reformat depending on the device you're using. This means it's easier to navigate your information regardless of whether you're at home, at work, or on the move.

We'd love to know what you think of the new design. You can give us your feedback by contacting the Plan's administrator using their details on page 17.

Investment fund charges – further reductions negotiated

In the last edition of Plan Ahead, we explained the work the Trustee does to negotiate the most competitive fees for members and confirmed reduced fees for two of the Plan's funds. This work continues and we are pleased to announce that reductions have now been agreed with two more of the Plan's funds:

Fund name	TER was:	TER is now:	Reduction of…
J.P. Morgan Asset Management – Life Global Dynamic All Countries Fund	0.55% p.a.	0.42% p.a.	0.13%
J.P. Morgan Asset Management – Life All Emerging Market Equity Fund	0.80% p.a.	0.70% p.a.	0.10%

Support throughout your membership (continued)

We're relying on you

Keep your details up to date and tell us your preferences so we can make sure you receive important Plan information in the way that's best for you. Remember to tell us:

- **Your personal email address:** so the Trustee can effectively communicate with you in an environmentally-friendly way. If you're a deferred member (someone no longer contributing to the Plan), this will be one of the best ways we'll have to stay in touch; if you're an active member, this will become our first port of call for reaching you if you move on in future. Every year hundreds of pieces of post are returned because the postal address is no longer current. You can give a personal email address to the Plan's administrator at **jpmukpension@willistowerswatson.com** or add one on MyPension by clicking on the 'Change' tab and the 'My Personal details' option.
- **Your mailing preferences:** otherwise we send this newsletter and your annual benefit statement to you by post. So, if it's easier or more convenient for you to receive electronic versions, let us know. Visit MyPension and click on the 'Change' tab and 'Mailing preferences' option.

Note: The Administrator will need to verify the new email address with you, and as part of this you'll be asked to provide two items of personal data to confirm your identify – but you'll only need to complete this process once.

Reminder: New faces — confirmed

Elections of Member Nominated Trustee Directors (MNDs) for the Plan took place in November 2015, with the following results:

- In the London constituency, Roger Hallam was re-elected and Stephen Griffiths, a Managing Director within Global Wealth Management, was elected as a new MND.
- In the 'other locations' constituency, Stuart Cobb was re-elected and Julie Dudden, a Vice President within HR Oversight and Control, was elected as a new MND.

We'd like to welcome our new and returning MNDs, and thank Nicola Scott for her dedication and valuable contribution to the Board during her tenure. Thank you also to everyone who participated in this process.

The wider pensions market – post April 2016

New limits in place

- **Lifetime Allowance – limit reduced**
  The Lifetime Allowance (LTA) for the 2016/17 tax year is £1 million, reduced from £1.25 million in 2015/16.

  From April 2018, this allowance will increase annually in line with the Consumer Prices Index. The LTA is the total value of pension benefits that you can build up tax efficiently during your lifetime.

  As with previous LTA reductions, you'll be able to apply for protection if you are impacted. The percentage of pension value that may be taken as a tax-free lump sum will remain at 25% of the value of your pension savings up to the LTA.

- **Annual Allowance – new structure in place**
  The Annual Allowance (AA) is the amount of pension benefits that you can build up in a year tax efficiently. As of April 2016, the standard £40,000 AA now reduces on a sliding scale (known as the Tapered Annual Allowance) for members with 'Adjusted Income' of over £150,000. Adjusted Income is, broadly, the total taxable income from all sources plus the value of UK pension contributions made by you, and on your behalf by your employer, in a tax year. For every £2 of Adjusted Income over £150,000, the Annual Allowance reduces by £1, from £40,000, down to a minimum of £10,000.

If you think you are affected by either of the above changes and needed to take action in advance of April 2016, please check your payslip and/or MyPension to ensure any changes have taken effect as you planned.

The limits and your role

The LTA and AA apply to all of your pension savings and contributions, not just those within the Plan.

It's up to you to monitor your total pension savings and contributions against these limits, and let us know if you are likely to exceed them.

If you think you may be affected by recent changes to these limits, you should speak to an impartial financial adviser authorised and regulated by the Financial Conduct Authority. For more details visit:
www.moneyadviceservice.org.uk/en/categories/financial-help-and-advice

The wider pensions market – post April 2016 (continued)

New State Pension system is here

If you reach State Pension Age from 6 April 2016, you will be eligible to receive a flat-rate State Pension. The amount of pension you could receive is currently expected to be no less than £155.65 a week for a single person with full qualifying service, where full qualifying service is defined as 35 years of National Insurance contributions.

The amount you are entitled to will depend on your National Insurance contributions during your employment years and your contracting-out record. This may mean your State Pension is lower than the figure mentioned above. You won't be affected if you're already claiming your State Pension.

For a personal statement, visit **www.gov.uk/state-pension-statement**

Find out more about what's happening with the State Pension in 2016 at: www.which.co.uk/money/retirement/guides/whats-happening-with-the-state-pension-in-2016/how-much-will-i-get-under-the-new-state-pension/

For more information on your State benefits visit: **www.gov.uk** and click on 'Working, jobs and pensions', then 'State Pension'.

Remember: the State Pension Age is rising

Your State Pension Age depends on your date of birth. It is currently age 65 for men, and will be increasing gradually for women from age 60 to 65 by November 2018. It will then increase further for both men and women, to age 66 by October 2020.

"More than 1.1 million workers over age 65 in the UK."

www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/uklabourmarket/april2016

Here to help

If you have any questions about the Plan, the topics in this edition of Plan Ahead, or if you just want to let us know what you think about your Plan communications, you can visit the MyPension website or contact Willis Towers Watson, the Plan's administrator.

Current employees

Current employees can access MyPension:

From work: me@jpmc > Retirement Savings > MyPension (then click on the link to UK Pension Plan)

From home: either directly at **https://epa.towerswatson.com/doc/JMC/login.htm**, or via My Rewards at **https://myrewards.jpmorganchase.com**

If you have trouble logging into My Rewards, access myTecHUB at **mytechub.jpmorganchase.com** from any device with an Internet connection to reset your Single Sign-On (SSO) password.

Former employees

Former employees can access the site by contacting **AccessHR** on **0207 134 0606** for a password and then visiting: **https://myrewards.jpmorganchase.com**

Former employees can also access MyPension directly using their User ID and password (which was originally sent separately to your home address when you left J.P. Morgan) at: **https://epa.towerswatson.com/doc/JMC/login.htm**

Remember: all employees can also access MyPension on their smartphone, using the MyPension App.

If you need more help with the website, please contact the Plan's administrator, using the details on the next page.

Further information

If you're not able to get all the information you need from the MyPension website, you should contact Willis Towers Watson, the Plan's administrator.

By post:

J.P. Morgan UK Pension Plan
Willis Towers Watson
PO Box 545
Redhill
Surrey
RH1 1YX

Phone

Dedicated Helpline: **01737 227589**
(Monday to Friday, 9am to 5pm)

Fax

01737 241496

Email

jpmukpension@willistowerswatson.com

Please note that when you contact the Plan's administrator, you will be asked a number of security questions to validate your identity. One of these checks will be to confirm your National Insurance number, so please try to have this at hand when you call.

Before you go...

Have you:

- [ ] Nominated your beneficiaries online using the MyPension website?
- [ ] Read your online benefit statement?
- [ ] Visited the MyPension website to make your investment choices?
- [ ] Reviewed your Target Retirement Age?
- [ ] Provided a personal email address and mailing preferences on MyPension? (see page 14)
- [ ] Visited **www.mypensiontools.co.uk** and used tools or watched the films?
- [ ] (AND, if you're still a current employee) thought about making your own contributions to the Plan or made your selections through the ELEMENTS website?

It's your future. Make it your choice.