

# Your pension's key features



The company you work for has chosen the NOW: Pensions Trust ('the Scheme') as its workplace pension to help you save for your retirement.

This is a summary of the Scheme's key features. You can find more details in the [member booklet](#). The Scheme is governed by a Trust Deed and Rules. If there's any difference between what this document says and what the Scheme's Trust Deed and Rules say, the Trust Deed and Rules will take precedence.

## How your pension works

A pension is a long-term savings plan you use to save for your retirement. You and the company you work for pay contributions into your pension savings. Over time, an amount of money will build up. This will become your retirement income in the future.

## About auto enrolment

Auto enrolment means employers must:

- ✓ put workers who qualify into a pension, and
- ✓ contribute to their pension savings.

It was introduced to help more people save for retirement, after the UK government found many people had very small or no pension savings other than the State Pension.

You'll be auto enrolled into the Scheme if you:

- ✓ are aged between 22 and State Pension age, and
- ✓ earn at least £10,000 a year (£833 a month or £192 a week).  
Even if you don't qualify to be auto enrolled, you can ask to join the Scheme.

## How much your pension costs

- ✓ Administration charge for running the Scheme: £1.75 a month (£21 a year)
- ✓ Investment charge, for managing investments: 0.3% of the value of your pension savings

There are also transaction costs, for buying and selling investments. We don't charge for these separately – we factor them into the returns on investments.

**If you have £100 or less in your pension savings we won't take any administration charges. This will help prevent small amounts of pension savings being eaten away by charges. Read our [costs and charges booklet](#).**

## Do I have to stay in the Scheme?

You can leave at any time. If you opt out within one calendar month after enrolment any contributions will be returned. If you opt out outside this period, your contribution will stop being taken. Contributions already invested will remain until you choose to take them or transfer to another pension provider. You can opt out by following the instructions in your member account, or by contacting us. We don't have any time constraint for leavers and you can rejoin at any time.

**NOW:**  
Pensions

The future is now

---

## How we invest your savings

Our default investment option is designed to help your pension savings grow over the long term, then protect their value as you get close to retiring. It uses two investment funds – the Diversified Growth Fund (DGF) and the Retirement Countdown Fund (RCF). Your pension savings will start to move from the DGF to the RCF 15 years before you retire.

## Your online account

It's easy to manage your pension savings with us online. When you join, you'll receive an email with your NOW: Pensions contract ID and a link to activate your online member account. If you haven't got this email, please contact the company you work for. Log in to your online member account at [nowgateway.com](https://nowgateway.com).

## How much you can save

The total minimum contribution rate is currently 8% of qualifying earnings (that's earnings between £6,240 and £50,270 a year). The company you work for must pay at least 3% of this, so you must pay the remaining 5%. If the company pays a higher rate than 3%, your minimum rate may be lower than 5%. You may get tax relief (see Tax relief and net pay).

Some companies use a different definition of pensionable earnings (the earnings that count towards pension contributions), such as basic earnings or total earnings.

## Transfer in other pension savings

You can transfer other pensions in – although you will need to check the Scheme can accept the transfer.

You can make voluntary payments to the Scheme on top of your normal contributions and tax relief will apply in the same way. Find out [how to make regular voluntary contributions](#).

**Your pension belongs to you, even if you change jobs.  
Your pension pot stays in the Scheme unless you choose to transfer it to another pension provider.**

## Taking your benefits

You can start to take your pension savings as retirement income from your 55th birthday. [See the options for taking your pension savings](#).

## NOW: Pensions' tax top-up

We want to make sure non-taxpayers don't miss out, so we have our own [tax top-up scheme](#).

If you haven't paid tax on any of your UK earnings in a tax year (April to April), we promise to top up your pension savings by the amount of tax relief you've missed out on for that year. You can do this at the end of each year. To apply for your tax top-up, please fill in a [claim form](#).

If you count as self-employed for tax purposes, you'll need to claim tax relief on your pension contributions through your normal self-assessment tax return and you will not be able to claim tax relief on your pension contributions if you don't pay income tax.

## What happens to your pension savings if you die?

The Scheme Trustee has the final say over who gets your pension savings. This means they can be paid without inheritance tax. You can ask the Trustee to pay the money to particular people by naming them on an [Expression of wish form](#). The Trustee will decide how your savings are distributed, but will be guided by your wishes.

## Tax relief and net pay

We operate a net pay arrangement. If you count as employed for tax purposes, this means your contributions come directly out of your pay before income tax is worked out. So, if you pay income tax, you automatically get tax relief at your highest rate for the year – some of the income tax you would have paid on your pension contributions goes towards your pension savings instead.

If you don't pay income tax, you won't get tax relief on your pension contributions – but you'll still benefit from your company's contributions to your pension savings.

### Any questions?

Contact us: [contactpensionsadmin.com/nowpensions](https://contactpensionsadmin.com/nowpensions)

Email: [membersupport@nowpensions.com](mailto:membersupport@nowpensions.com)

Phone: 0330 100 3334 from 9am to 5pm, Monday to Friday.