Landis Grinding Systems Pension Fund

Historic member booklet

This booklet, originally published in 2016, has been uploaded to the member portal for your reference only.

The document was accurate at the time of publication but may not reflect current legislation, Scheme Rules, or organisational practices.

This booklet does not override current Scheme terms, legal obligations, or official communications.

For the latest information, please refer to up-to-date Scheme documentation on the portal or contact your Isio Administration Team.

Landis Grinding Systems Pension Fund (the “Plan”)

Explanatory *Booklet*

August 2016

INTRODUCTION

The booklet sets out the summary of benefits applicable to members of the Landis Grinding Systems Pension Fund (the 'Plan').

The Plan was closed on 30 November 2013. No benefits accrue after that date.

FURTHER INFORMATION

This booklet gives only a summary of the benefits provided by the Plan for members who were accruing benefits at 30 November 2013 when the Plan closed. It does not cover everything in the Trust Deed & Rules (see page 17). In the unlikely event of any discrepancy between the documents, the Trust Deed & Rules will apply. If there is anything in this booklet which you are not clear about or if you would like further information about the Plan and your benefits, you should contact the HR Manager of Fives Landis Limited or the Plan's Advisers, Premier Pensions Management Limited, at the addresses below.

This booklet is based on the current understanding of the Plan's benefits, tax and pension scheme law but is subject to change in the future.

YOU SHOULD KEEP THIS BOOKLET AND ANY OTHER PAPERS YOU ARE GIVEN ABOUT THE PLAN IN A SAFE PLACE FOR FUTURE REFERENCE.

KEEPING US UPDATED

While you remain employed by the Company, please keep the HR Department up to date with your personal details, including your marital status, address and dependants. After you have left the Company, you should notify any changes to the Plan Trustees, care of the Plan's Advisers, Premier Pensions Management Limited at their address below. Otherwise, delays may occur in paying benefits to you or your dependants.

HR Manager:
Fives Landis Limited
Cross Hills
Keighley
West Yorkshire
BD20 7SD

Plan's Advisers:
Premier Pensions Management Limited
AMP House
Dingwall Road
Croydon
Surrey
CR0 2LX

Freephone: 0800 122 3200

CONTENTS

OUTLINE OF THE PLAN

BENEFITS ON RETIREMENT

On retirement, members of the Plan will receive a pension, which is a regular income based on your earnings throughout your career and is paid for the rest of your life. Before its closure, the Plan had two levels of benefit, Scheme A (accrual rate of $1/80^{th}$) and Scheme B (accrual rate of $1/60^{th}$).

You may be able to exchange part of your pension for a tax-free cash sum when you retire.

You may be able to retire early (with a smaller pension).

You may be able to retire late (with a larger pension).

You may be able to transfer the value of your pension to another registered arrangement.

BENEFITS ON DEATH

The Plan provides benefits for your dependants following your death.

CONTRIBUTIONS

Only the Company now pays contributions to the Plan. Contributions are paid into a separate fund which is invested so that it grows in value. The fund is used to provide benefits when they become payable.

TAX ADVANTAGES

The Plan is a registered pension scheme under Chapter 2 of Part 4 of the Finance Act 2004. This means that:

- you may take part of your pension as a tax-free cash sum;
- any lump sum death benefit paid to your beneficiaries is normally tax-free up to the Lifetime Allowance;
- you are not taxed on the Company's contributions;
- the Plan's investments receive certain tax advantages.

These tax advantages are based on current taxation law which may change in the future.

The benefits provided by the Plan are, however, subject to certain limits laid down by HMRC and in the Plan Rules (see page 19).

THE PLAN AND THE STATE PENSION SCHEME

THE STATE PENSION SCHEME

The State Pension Scheme used to be in two parts:

- the State Basic Pension
- the State Second Pension (óS2Pô)

S2P replaced the State Earnings Related Pension Scheme (óSERPSô) from 6 April 2002 and State pensions are paid from State Pension Age.

However, for anyone who reaches State Pension Age after 5 April 2016 there is now only one part to the State Pension.

CONTRACTING-OUT

While you were in Pensionable Service you were contracted-out of S2P. This means that both you and the Company paid lower National Insurance Contributions on your earnings between the Lower and Upper Earnings Limits. The reduction took into account the benefits which the Plan was designed to provide in place of S2P (before S2P was abolished).

To be contracted-out, the Plan had to meet certain conditions of the Pension Schemes Act 1993, the most important being:

- the Plan had to comply with an overall test of scheme quality in terms of the benefits it provided in respect of Pensionable Service from 6 April 1997. This was known as the 'reference scheme' test and meant that Plan benefits for Pensionable Service from that date had to generally be equivalent to or better than benefits in the 'reference scheme' as set out in the Act;
- any pension earned in the Plan between 6 April 1997 and 5 April 2005 had to be increased each year when in payment in line with the Consumer Prices Index or by 5%, whichever was less and pension earned on or after 6 April 2005 had to be increased each year when in payment in line with the Consumer Prices Index or by 2.5%, whichever was less.

The Government abolished contracting-out with effect from 6 April 2016, at the same time as S2P was abolished. However, the benefits you built up in the Plan while you were contracted-out of S2P will not be affected.

Although you were contracted-out of S2P, you will receive a State Pension in addition to your Plan pension, assuming you meet the eligibility requirements for the State Pension. If you reached your State Pension Age before 6 April 2016, your State Pension will be calculated broadly in the same way as before abolition of contracting-out. However, if you reach your State Pension Age on or after 6 April 2016 the new basis for calculating the State Pension and taking account of the period while you were contracted-out of S2P will apply.

More information about the new State Pension and how it is calculated can be found on the Government's website at: https://www.gov.uk/new-state-pension

CONTRACTING-OUT PRIOR TO 6 APRIL 1997

If you were contracted-out of SERPS under the UNOVA Pension Fund before 6 April 1997 and transferred your benefits to the Plan, please refer to Addendum B in this booklet.

CLOSURE OF THE PLAN

The Plan was closed to new entrants with effect from 30 April 2012 and to existing members with effect from 30 November 2013. No one now accrues any benefits under the Plan.

Members who were accruing benefits at closure on 30 November 2013 were designated as Employed Deferred Members. Their benefits received a one off uplift of 2.1% at the date of closure (see page 8) and special early retirement terms apply if the Company consents (see page 11). When they cease to be employed by the Company, they cease to be Employed Deferred Members.

CONTRIBUTIONS

WHAT YOU PAY

Members who were in Pensionable Service when the Plan closed on 30 November 2013 stopped paying contributions from that date.

COMPANY CONTRIBUTIONS

The Plan is now funded entirely by the Company. The contributions payable by the Company are agreed by the Trustees and the Company, taking account of the advice of the Plan actuary appointed by the Trustees.

ADDITIONAL VOLUNTARY CONTRIBUTIONS

There is no option for members to make additional voluntary contributions (“AVCs”) under the Plan.

RETIREMENT AT NORMAL PENSION DATE

YOUR PENSION

The Plan is designed to provide you with a pension based on each year you were in Pensionable Service from 6 April 2008, and related to your earnings in that year. For this purpose, the Scheme year runs from 6 April to the following 5 April. If you were already in Pensionable Service on 5 April 2008, please refer to Addendum A for details of how your benefits accrued up to that date are calculated.

You had a choice of the level of benefit you accrued and the contributions you paid. You made your choice when you joined the Plan, and then once a year on 6 April for the Scheme year starting on that date. You had the choice of contributing to either Scheme A or Scheme B.

Scheme A provides a pension of 1/80th of your Pensionable Salary for the relevant Scheme year; Scheme B provides a pension of 1/60th of your Pensionable Salary for the relevant Scheme year.

When you retire at Normal Pension Date your pension will be based on accumulating each year's pension after allowing for inflation. The way inflation is taken into account is different for the periods before and after your Pensionable Service ended. For each full Scheme year between the end of the Scheme year in which the pension accrued and the date your Pensionable Service ended, the increase will be based on the increase in the Retail Prices Index. For the increase for the period from the date your Pensionable Service ended up to your Normal Pension Date or earlier retirement see page 9.

In addition, the pension of all Employed Deferred Members (i.e. Members who were in Pensionable Service when the Plan closed on 30 November 2013) received a one off uplift of 2.1% which was awarded following the consultation process that preceded closure.

Example: The example below shows how a pension is calculated for a member whose Pensionable Service ended when the Plan closed and who was in Scheme B for their entire membership of the Plan. It assumes the member started in Scheme B on 6 April 2008 at the age of 54 so that his membership includes 5 full Scheme years, with a Pensionable Salary starting at £20,000 which increases by £2,000 per year.

Pensionable Salary	Accrued Pension for	Pension Amount	Revalued to 6/4/13	Uplift to 30/11/13
£20,000	6/4/08 – 5/4/09	£333.33	£377.76	£385.69
£22,000	6/4/09 – 5/4/10	£366.67	£415.55	£424.27
£24,000	6/4/10 – 5/4/11	£400.00	£433.38	£442.48
£26,000	6/4/11 – 5/4/12	£433.33	£444.60	£453.93
£28,000	6/4/12 – 5/4/13	£466.67	£466.67	£476.47
£20,000	6/4/13 – 30/11/13	£333.33	£333.33	£340.33
				£2,523.17

Revaluation at each 6 April was as follows:

-	6/04/10	0.0%
-	6/04/11	4.6%
-	6/04/12	5.6%
-	6/04/13	2.6%
-	Uplift to 30/11/13	2.1%

If you chose Scheme A or switched between Scheme A and Scheme B during your Plan membership, the amount of your pension will be calculated on a similar basis. However, for the years you are in Scheme A, the pension will be based on 1/80th of your Pensionable Salary. Remember that from State Pension Age the State Pension is paid as well.

PAYMENT OF YOUR PENSION

You will receive your pension from the date you retire, usually your Normal Pension Date, and it will be paid monthly in advance for the rest of your life.

WILL YOUR PENSION INCREASE BETWEEN LEAVING THE PLAN AND ITS COMMENCEMENT?

Your pension will be increased for the period from the date your Pensionable Service ended up to your Normal Pension Date or earlier retirement. The increase (which will not apply to your Guaranteed Minimum Pension ï see Addendum B) will be based on the increase in the Consumer Prices Index capped at 2.5% per annum compound (or, for pension accrued before 6 April 2011, capped at 5% per annum compound).

WILL YOUR PENSION INCREASE IN PAYMENT?

When you retire on a pension, that part of your pension earned for your Pensionable Service between 6 April 1997 and 5 April 2007 will be increased annually on each 6 April following your retirement. The increase (which may not apply to pension provided from any AVCs you made to the Plan before that option was withdrawn) will be the percentage increase in the Consumer Prices Index for the 12 month period ending on the preceding 30 September, subject to the overall maximum of 5%. That part of your pension earned after 5 April 2007 will be increased annually on the 6 April following your retirement on a similar basis, save that the maximum increase will be 2.5% in any year.

If your pension has been paid for less than 12 months when the increase is first due, the increase will be proportionate to the increase you would have received based on each complete month for the period in question.

The Company and the Trustees may change the date from which increases are paid.

In addition, the Company has the power to make further increases. Details of any increases granted will be given in the Trustees' Annual Report.

If you have Pensionable Service before 6 April 1997, the increases in respect of the Guaranteed Minimum Pension part of your pension are explained in Addendum B.

EXTRA MONEY FOR YOUR FAMILY

When you retire you have the option, with the agreement of the Trustees, of taking a lower pension for yourself in exchange for providing a higher level of pension for your Spouse/Civil Partner or other dependant of your choice. This may now include someone who is dependent upon you by reason of disability and any person not married to you who was financially interdependent on you and who relied upon your income to maintain a standard of living which had depended on joint incomes before the date of your death.

However, you should seek advice before making any decisions as there are many advantages and disadvantages to be considered before you set aside benefits in this way.

PENSION COMMENCEMENT LUMP SUM

On retirement before age 75 you may, with the Company's consent, exchange some of your pension for a pension commencement lump sum.

To do so, you give up part of your yearly pension. You may take up to 25% of the value of your Plan benefits as pension commencement lump sum, but the amount of cash sum will depend on the Plan commutation factors. The cash sum is tax-free under current legislation and can be used in any way you wish, making it a valuable benefit. The Company has power to impose a lower limit on the lump sum you can take.

If you were in Pensionable Service on 5 April 2006 you may be entitled to a larger pension commencement lump sum. You will be notified if this applies to you.

HOW MUCH CASH?

The size of the cash sum depends on your pension and the Plan commutation factors which are in force when you retire.

The Plan commutation factors which are used to convert pension into cash will depend on the period in which the pension has been accrued. There are currently three sets of commutation factors which could be used, one set for pension accrued before 5 April 1997, one set for pension accrued from 6 April 1997 to 5 April 2007 and a further set for pension accrued after 6 April 2007.

In the example earlier the pension of £2,523.17 per year has been accrued after 6 April 2007 and the member is retiring at age 60.

The commutation factor applicable is currently 13.0, i.e. for each £1 of pension given up at age 60 the member receives £13.00 in cash.

The maximum cash the member can take will be:

$$\frac{20 \times £2{,}523.17 \times 13.0}{(3 \times 13.0) + 20} = \mathbf{£11{,}119.05}$$

REDUCED PENSION

If you take a pension commencement lump sum, your pension will be reduced. The amount of the reduction will depend on the element of the pension which is used for conversion to your pension commencement lump sum, your age at retirement and the commutation factor applicable to that element of pension at that age.

A cash option of £11,119.05 with a residual pension of

$$£2{,}523.17 - \frac{£11{,}119.05}{13.0} = \mathbf{£1{,}667.86\ pa}$$

EARLY RETIREMENT

With the Company's consent (in the form of a letter, the Company will determine the basis of early retirement and this should be clearly stated), payment of your pension may start before your Normal Pension Date. You must be aged at least 55 or, in the opinion of the Company's and Trusteesômedical advisers, suffering from ill-health which prevents you from carrying out your duties.

Your pension will be based on each yearôs pension built up to the time your Pensionable Service ended and will be calculated in the usual way (see page 8). The adjustment for inflation after the end of your Pensionable Service (see page 9) will only take account of the period up to the time your pension starts. The amount of pension will then usually be reduced to take account of the longer period for which it will be paid. This reduction is known as the early retirement factor and is decided by the Trustees after taking advice from the Plan Actuary. For further information about the early retirement factors please refer to page 12.

Please note that early retirement requires Company consent (and, for someone who has left the Company's employment, the Trustees' consent as well). It is not an automatic right. Also, it is open to the Company to agree to early retirement on more generous terms than those set out below.

A - EMPLOYED DEFERRED MEMBERS RETIRING FROM THE COMPANY DUE TO ILL-HEALTH

If the Company agrees that this provision should apply and you meet the Plan's incapacity test, the early retirement factor will be applied only in respect of the period between the date you leave the Company and your 60th birthday. So, if you are aged 60 or over when you leave the Company, no early retirement factor will be applied. The Company and the Trustees may agree to waive the reduction even if you are aged below 60.

B - EMPLOYED DEFERRED MEMBERS RETIRING FROM THE COMPANY WHO JOINED THE UNOVA PENSION FUND – LANDIS LUND DIVISION PRIOR TO 6 APRIL 2004

If the Company agrees that this provision should apply, an early retirement factor will be applied only in respect of the period between the date you leave the Company and your 60th birthday. So, if you are aged 60 or over when you leave the Company, no early retirement factor will be applied.

C - ALL EMPLOYED DEFERRED MEMBERS RETIRING FROM THE COMPANY

If the Company agrees that this provision should apply, an early retirement factor will be applied in respect of the period between the date you leave the Company and your Normal Pension Date.

D - MEMBERS RETIRING AFTER THEY HAVE ALREADY LEFT THE COMPANY

If the Company agrees that this provision should apply, an early retirement factor will be applied in respect of the period between the date your pension starts and your Normal Pension Date. You must be aged at least 55 or, in the opinion of the Company's and Trusteesômedical advisers, suffering from ill-health which prevents you from carrying out your duties and you must be, in the opinion of the Trustees, unable to resume any occupation.

OPTIONS AT RETIREMENT

You still have the option at early retirement of giving up part of your pension for a tax-free cash sum (see page 10) or to provide extra pension for a dependant (see page 9).

INFLATION PROTECTION

Your pension payable on early retirement will be increased each year when in payment in the same way as your pension payable at Normal Pension Date (see page 9).

REVIEW OF YOUR HEALTH AND CONTINUING PENSION PAYMENTS, WHERE EARLY RETIREMENT IS DUE TO INCAPACITY

The continued payment of your pension arising through your early retirement due to incapacity is subject to review by the Trustees. For this purpose, the Trustees must obtain medical evidence to ensure that the ill-health condition continues to be satisfied.

If your health improves to the extent that, in the Trustees' opinion based on independent medical advice, you are no longer suffering from the infirmity which gave rise to your early retirement on pension or your condition has improved or you could resume your occupation, the Trustees may (having obtained the advice of the actuary to the Plan) reduce, suspend or terminate your pension until your Normal Pension Date. If this applies to you, you will be immediately advised of the benefits which will become payable to you at your Normal Pension Date in the light of the Plan benefits which you have already received.

EARLY RETIREMENT FACTORS

The early retirement factors are reviewed by the Trustees from time to time, including after each actuarial valuation of the Plan. The factors in use as at May 2015 are set out below, but you should check whether these have changed when you are thinking about early retirement.

The Company will determine the basis of early retirement and this should be stated on your letter of consent.

	Options A and B	Options C and D
55	0.80	0.65
56	0.84	0.68
57	0.88	0.71
58	0.92	0.74
59	0.96	0.77
60	1.00	0.80
61	1.00	0.84
62	1.00	0.88
63	1.00	0.92
64	1.00	0.96
65	1.00	1.00

Example: Let us assume that you have an accrued pension of £3,000 at age 55 and you want to take early retirement. Under the various options, the calculation of your early retirement pension would be as follows:

1 Early Retirement Options A&B at age 55 (assumes all post 2007 service)

The Factor at age 55 is 0.8 as shown above. Therefore, the pension will be:

a) £3,000 x 0.80 = **£2,400 pa** or

b) Cash option of:

$$\frac{20 \times £2{,}400 \times 14.3}{(3 \times 14.3) + 20} = \mathbf{£10{,}912.56}$$

plus, a reduced pension of $£2{,}400 \text{ pa} - \frac{£10{,}912.56}{14.3} = \mathbf{£1{,}636.88\ pa}$

2 Early retirement Options C&D at age 55 (assumes all post 2007 service)

The Factor at age 55 is 0.65 as shown above. Therefore, the pension will be:

a) £3,000 x 0.65 = **£1,950 pa** or

b) Cash option of:

$$\frac{20 \times £1{,}950 \times 14.3}{(3 \times 14.3) + 20} = \mathbf{£8{,}866.45}$$

plus, a reduced pension of $£1{,}950 \text{ pa} - \frac{£8{,}866.45}{14.3} = \mathbf{£1{,}329.96\ pa}$

LATE RETIREMENT

With the consent of the Company and the Trustees, you may defer the start of your pension beyond Normal Pension Date if you continue working after your Normal Pension Date. In that case, your pension must start when you stop working or, if earlier, when you reach age 75.

In that event, your pension will be increased by an amount decided by the Trustees to take account of the period of its deferment.

IF YOU SHOULD DIE

If you die while the start of your pension is being deferred after Normal Pension Date, your benefits will be worked out as detailed on page 16 as if you had retired the day before you died.

DEATH BEFORE RETIREMENT AND NORMAL PENSION DATE

If you die before your pension has started and before Normal Pension Date, the following benefits are payable:

LUMP SUM
A refund of your contributions to the Plan will be made to your beneficiaries or to your estate.

A PENSION FOR YOUR SPOUSE/CIVIL PARTNER
If you are married or registered for civil partnership, your Spouse/Civil Partner will receive a pension equal to one half of your Plan pension, including any inflation increases applied up to the date you died.

A PENSION FOR YOUR CHILDREN
A pension will be paid to your children if you die without leaving a person entitled to a Contingent Pension, or when that person dies.

The pension will be equal to the Contingent Pension, and will only be paid for the benefit of children under age 18 (or aged 18 or over but under age 23 if still in full-time education) or financially dependent on you because of a disability. If there is more than one child, the Trustees will decide how the pension is apportioned between them.

INFLATION PROTECTION
Your Spouse's/Civil Partner's pension (and any pension paid for the benefit of children) will be increased each year once in payment in the same way as your own pension (see page 9).

TAX-FREE
Normally, any lump sums payable on your death will be tax-free. The Trustees must decide who receives the money but will take account of your wishes provided they have been notified of them beforehand. You should let the Trustees know how you would like any lump sums to be paid by completing an Expression of Wish Form which you will find at the back of the booklet.

You should make sure that your Expression of Wish Form is kept up to date by filling in a new form if your circumstances change. Additional copies are available from Personnel/Payroll Department.

ARE THERE ANY RESTRICTIONS?
If your Spouse/Civil Partner is more than 15 years younger than you, the pension may be reduced to take account of the longer period for which it is likely to be paid.

DEATH AFTER RETIREMENT

Once you retire, your pension is paid for the rest of your life. On your death in retirement, the following benefits are payable.

LUMP SUM

If you die within five years after your retirement (but subject to death occurring before your 75th birthday), your beneficiaries or estate (as determined in accordance with the Plan Rules and the absolute discretion of the Trustees) will receive the amount of the unpaid balance of the five years' pension payments (at the rate in force at the time of your death) as a lump sum.

A PENSION FOR YOUR SPOUSE/CIVIL PARTNER

If you have a Spouse/Civil Partner, they will receive a pension equal to one half of your Plan pension including any increases since your retirement and any pension given up to provide other benefits such as a tax-free cash sum (see page 10) or extra pension for your family (see page 9).

This pension will be paid for the rest of your Spouse's/Civil Partner's life.

If the pension is paid to your widow, widower or civil partner it will not be less than the Widow, Widower or Civil Partner's GMP, if applicable (see Addendum B)

A PENSION FOR YOUR CHILDREN

A pension will be paid to your children if you die without leaving a person entitled to a Contingent Pension, or when that person dies.

The pension will be equal to the Contingent Pension, and will only be paid for the benefit of children under age 18 (or aged 18 or over but under age 23 if still in full-time education) or financially dependent on you because of a disability. If there is more than one child, the Trustees will decide how the pension is apportioned between them.

INFLATION PROTECTION

Your Spouse's/Civil Partner's pension (and any pension paid for the benefit of children) will be increased each year once in payment in the same way as your own pension (see page 9).

TAX-FREE

Normally, any lump sums payable on your death will be tax-free. The Trustees must decide who receives the money but will take account of your wishes provided they have been notified of them beforehand. You should let the Trustees know how you would like any lump sums to be paid by completing an Expression of Wish Form which you will find at the back of the booklet.

You should make sure that your Expression of Wish Form is kept up to date by filling in a new form if your circumstances change. Additional copies are available from Personnel/Payroll Department.

ARE THERE ANY RESTRICTIONS?

If your Spouse/Civil Partner is more than 15 years younger than you, the pension may be reduced to take account of the longer period for which it is likely to be paid.

TRANSFER OF BENEFITS

You may transfer the cash equivalent of your benefits in the Plan to a new employer's scheme, provided it is willing and able to accept it. Your new employer will be able to tell you what benefits can be provided with the cash equivalent under his scheme.

You also have the option of transferring the cash equivalent of your benefits in the Plan to a personal or stakeholder pension scheme of your choice or to an individual insurance policy in your own name (known as a 'buy-out' policy).

If the Trustees have any concerns about whether the arrangement to which the transfer is to be made is a genuine pension scheme, they may ask you to provide more information and may delay paying the transfer until they are satisfied that it is.

At any time, you may ask the Trustees, via the Plan Adviser, for an estimate of the cash equivalent available to you on a particular date. Within 3 months of your request, the Trustees will give you a written statement of entitlement. This will show your cash equivalent, which is guaranteed for 3 months from the date on which it has been calculated (the 'guarantee date'). The statement will be given to you normally within 10 days of the guarantee date.

If you want to transfer the cash equivalent to another scheme or buy-out policy, you must apply in writing to the Trustees within 3 months from the guarantee date shown on the statement of entitlement.

The Trustees are not obliged to provide you with another statement within 12 months of the date of the last request.

If you are within twelve months of your Normal Pension Date, you can only transfer your cash equivalent if the Trustees agree.

CALCULATION OF THE CASH EQUIVALENT

The cash equivalent is the amount which would be sufficient at the date of calculation to make provision within the Plan for your preserved benefits at your Normal Pension Date, allowing for any guaranteed and statutory increases to be applied between the date you leave Pensionable Service and your Normal Pension Date. The cash equivalent can be adjusted in certain circumstances. You will be told if you are affected.

Cash equivalents do not take account of discretionary pension increases as the Trustees do not have a policy of paying such increases.

TRANSFERRING IN BENEFITS

Currently the Company and Trustees do not allow pensions you have previously earned to be transferred into the Plan to provide additional benefits. If this policy changes in the future you will be advised.

TAX AND LEGAL NOTES

HM REVENUE & CUSTOMS LIMITS

The Plan is registered with HM Revenue & Customs (HMRC) under the Finance Act 2004. This brings important tax advantages for maximum tax efficiency for the Plan but the benefits provided are subject to certain limits laid down by HMRC (see page 19).

ANNUAL ALLOWANCE

This is the maximum value of pension benefits a member can build up in a year in all registered plans without suffering tax ï in a defined benefit scheme the calculation is based on how much your benefits have increased during the year. (see page 19).

LIFETIME ALLOWANCE

Your lifetime allowance is the total value of pension benefits you can receive from all registered UK pension arrangements, including AVCõs, without suffering a tax penalty.

However, it does not include benefits that you receive as a dependant following someone elseõs death.

TRUSTEES

The Plan's benefits are paid from a special fund which is built up by investing the Company's and the members' contributions. The Plan's assets are kept entirely separate from those of the Company.

The Trustees of the Plan are responsible for its administration and for the investment of the money in the fund. It is their duty to ensure that your interests under the Plan are protected. Details of the Trustees and their advisers are published annually in the Trustees' Annual Report.

A copy of the Trustees' Annual Report is available on request from the Finance Director.

FORMAL TRUST DEED AND RULES

Your rights to benefit under the Plan arise from the formal Trust Deed and Rules. They are designed to meet the requirements of HMRC and other Government authorities.

This booklet does not provide full details of your benefits under the Plan. In the unlikely event of any discrepancy between the documents, the Trust Deed & Rules will apply. If you require further clarification of your benefits you should, in the first instance, contact the Finance Director. For fuller details of your benefits under the Plan you may request the Finance Director to provide you with, or arrange for you to inspect, a copy of the trust deed and rules.

INCOME TAX

Your Plan pension will be subject to income tax.

INHERITANCE TAX

Under present legislation any lump sum payable on your death will not normally be subject to inheritance tax. To avoid this possible tax liability and the delays which can occur when payments are made through an estate, the Plan is arranged so that the Trustees have discretion to decide who receives the lump sum benefits.

Normally, the Trustees will set great weight on your wishes so you should let them know what these are and also advise them if you change your mind at any time. Use the Expression of Wish Form at the back of this booklet, or write the Trustees a letter.

GIVING UP YOUR BENEFITS

Except in limited circumstances allowed by law and by the formal trust deed and rules, you are not allowed to give up, cash in or forfeit your benefits or use them as a security for a loan.

DIVORCE

If you should get divorced, your benefits under the Plan may become subject to a court order requiring the Trustees to allocate part of your retirement and death benefits under the Plan to your ex-spouse/civil partner. Normally, benefits will be allocated to your ex-spouse/civil partner as a proportion of the cash equivalent of your Plan benefits.

It should be noted that the Trustees reserve the right to recover from either, or both, of you and your ex-spouse/civil partner, any costs incurred by them in relation to providing information and any activity taken by them in connection with the intended divorce or complying with a court order concerning your benefits under the Plan.

The Trustees have discretion to either keep the benefits allocated to your ex-spouse/civil partner in the Plan (if the Company agrees) or to transfer them to your ex-spouse/civil partner's employer's pension plan, a personal pension plan or to an individual insurance policy. If the benefits allocated to your ex-spouse/civil partner are kept in the Plan, the same terms and conditions that apply to your benefits will generally apply to your ex-spouse/civil partner's benefits (these include, for example, the option to exchange pension for cash and the option to transfer the benefits to your ex-spouse/civil partner's employer's pension plan, a personal pension Plan or to an individual insurance policy).

There are additional costs where a pension sharing order is to be implemented which are levied in accordance with the divorce order or (if silent) on the member. The National Association of Pension Funds (NAPF) produced a guide to the charges which is widely adopted; this is used by the Trustees of the Landis Grinding Systems Pension Fund. These charges will be requested for payment by you (usually via your solicitors) before any figures are provided. The Trustees reserve the right to review their policy on charges from time to time. The NAPF guide dated 15 March 2006 can be viewed online: http://www.napf.co.uk

You will be notified of the reduced benefits applicable to and in respect of you. The allocation of part of your benefits to your ex-spouse/civil partner may create some additional effects on any HMRC limits that apply to you (see page 19).

On divorce, you should tell the Trustees about the changes in your personal details. You may also wish to consider changing any Expression of Wish Form you previously completed. If you request an estimate of your cash equivalent for divorce purposes, you should make this clear to the Trustees as the Trustees may need further information from you.

AMENDMENT OR DISCONTINUANCE

The Company has the right to amend the Plan, with the agreement of the Trustees, or to discontinue it. If your benefits or rights are affected, you will be given written notice. If the Plan is discontinued the Trustees will use the assets of the Plan in the way set out in the trust deed and rules.

DATA PROTECTION ACT

The Data Protection Act 1998 (the Act) imposes various obligations on organisations which process information about individuals this includes an obligation to notify them that information is held about them. The Trustees hold personal data about members in order to administer the Plan. The Trustees may disclose this information to professional advisors, insurers and others who assist them in administration.

The Trustees have notified the Information Commissioner that it will be necessary to undertake processing (as defined under the Act) of membership data for the purposes of administering the Plan. The data controller, who has the responsibility for the processing is the Trustees. Members have the right to see any of the data held in respect of their membership provided that it would not mean revealing any other member's information in responding to such a request.

The Trustees retain the right to make a reasonable charge for this service. If members wish to take up this right, or have any questions regarding the Act, they should contact the Trustees via the HR Department.

HM REVENUE & CUSTOMS (HMRC) LIMITS

PENSION

The maximum total benefits you can take in a tax efficient way under all registered plans is governed by the Lifetime Allowance, £1m for tax year 2016/2017, except for those who have preserved a right to a greater amount under relevant legislation.

TAX-FREE CASH SUM

The maximum tax-free cash sum is based on the value of the benefits you have built up. Normally, one-quarter of the value of your benefits can be converted to a pension commencement lump sum, although some members may have a right to a greater sum (see page 10).

LUMP SUM DEATH BENEFIT

The maximum total tax free lump sum benefit that can be paid on your death before retirement under all registered schemes is equal to the balance of your Lifetime Allowance after taking account of any benefits you have taken from any registered scheme (i.e. not just under the Plan).

CONTRIBUTIONS

You can pay contributions including AVCôs (across all UK pension arrangements) of any amount, providing the arrangement is willing to accept them. Tax relief will only be given on the greater of £3,600.00 or 100% of your relevant UK earnings in the relevant tax year (this includes all pension arrangements you have).

ANNUAL ALLOWANCE

Should the total contributions paid by you and your employer to all defined contribution plans in any year, when added to the value of the benefits built up in defined benefit plans in that year, exceed the Annual Allowance there will be a tax charge on the excess contributions and benefits which you will have to meet, although you may be able to "look back" to claim the benefit of any unused allowances from the last three years. The Annual Allowance for tax year 2016/2017 is £40,000.

As each plan has its own scheme year, you will need to contact each plan to which you are contributing or in which you are building up benefits for details of the value of contributions and benefits that needs to be taken into account for Annual Allowance purposes in each tax year.

BENEFITS UNDER OTHER SCHEMES

The form of benefits which the Plan can pay and the tax treatment of those benefits is potentially affected by any benefits you have under any other scheme which is registered under the Finance Act 2004. For simplicity, the summary of Plan benefits and examples in this booklet assumes that you do not have any benefit under other schemes. If you do, you should consider consulting a financial adviser.

FORMER HMRC LIMITS

Before April 2006, pension schemes had to restrict the maximum benefits which they could pay in order to benefit from the available tax reliefs. Although HMRC removed the requirement for these restrictions when it introduced the Lifetime Allowance and Annual Allowance, many schemes chose to continue the previous restrictions. The Plan therefore continues to apply most of those restrictions. You will be advised if the restrictions are likely to affect you.

HELP AND ADVICE

QUERIES AND PROBLEMS

The Trustees aim to ensure the Plan is administered and managed to high standards but there may be times when you are unhappy about something concerning your benefits or another matter relating to your membership of the Plan.

Although the Trustees have set procedures for resolving complaints and disputes about matters relating to the Plan (i.e. the internal dispute resolution procedures described below), any query or problem should initially be referred to Jay Solanki at Premier Pensions Management Limited, AMP House, Dingwall Road, Croydon, CR0 2LX. Most queries and problems stem from a misunderstanding of information and normally can be quickly and informally sorted out without the need for the formal procedures to come into play.

If, after referring your query or problem to Jay Solanki, you are still unhappy about the matter, you may then wish to consider making a formal complaint through the internal dispute resolution procedures.

INTERNAL DISPUTE RESOLUTION PROCEDURES

If you have a complaint or dispute about any matter relating to the Plan, there are set procedures for resolving it. Full details of the procedures can be obtained from Jay Solanki at Premier Pensions Management Limited at the address above.

The internal dispute resolution procedures consist of two stages. Under the first stage, your complaint or dispute is fully considered and a decision made by a committee specially appointed by the Trustees. The second stage is an appeal procedure under which, if you are not satisfied with the first stage decision, you can apply directly to the trustees to reconsider the decision. A decision under either stage must normally be made within 2 months.

Complaints and appeals must be made in an appropriate manner and certain required information must be given. Special application forms are available for these purposes. If you are unable to make the complaint or appeal yourself, or if you prefer, you can nominate someone as your representative to make it for you.

The internal dispute resolution procedures only apply to matters concerning the Plan and which affect members and prospective members and others who have, or who claim to have, a beneficial interest in the Plan or who ceased to be within any of the 'complainant' categories in the 6 months before making a complaint.

The procedures do not apply to complaints and disputes between employees and the Company or between the Company and the Trustees. Nor do they apply to complaints or disputes where court proceedings have started or which are being investigated by the Pensions Ombudsman (see below).

THE PENSIONS ADVISORY SERVICE

The Pensions Advisory Service is available to help you (and other beneficiaries under the Plan) with any difficulties you may have in connection with the Plan. This service may be of use to you if you cannot resolve a problem through the internal disputes resolution procedures.

If you want to contact the Pensions Advisory Service, the details are:

Address: 11 Belgrave Road, London, SW1V 1RB
Phone: 0845 601 2923
Website: www.thepensionsadvisoryservice.org.uk

THE PENSIONS OMBUDSMAN

The Pensions Ombudsman may investigate and decide on any complaint or dispute of fact or law in relation to an occupational or personal pension scheme. However, the Pensions Ombudsman usually insists the matter is first dealt with through the Plan's own internal dispute resolution procedures and raised with the Pensions Advisory Service. If you have a complaint that you cannot resolve in this way, you can refer it to the Pensions Ombudsman.

If you want to contact the Pensions Ombudsman, the details are:

Address: 11 Belgrave Road, London SW1V 1RB
Phone: 020 7834 9144
Website: www.pensions-ombudsman.org.uk

THE PENSIONS REGULATOR

The Pensions Regulator is a regulator for work-based schemes which replaced the Occupational Pensions Regulatory Authority (OPRA) on 6 April 2005. The Regulator has new powers and a new approach to protecting pension benefits. The Pensions Regulator is able to intervene in the running of schemes where trustees, employers or professional advisers have failed in their duties.

If you want to contact the Pensions Regulator, the details are:

Address: Napier House, Trafalgar Place, Brighton, BN1 4DW
Phone: 0870 6063636
Website: www.thepensionsregulator.gov.uk

THE PENSION TRACING SERVICE

If you think you may have an old pension, but are not sure of the details, the Pension Tracing Service can usually help by tracing it for you. It can be easy, for instance, if you have changed jobs a number of times through your working life to have lost contact with a previous employer and their pension scheme.

The Pension Tracing Service has access to a database of over 200,000 occupational and personal pension schemes and can be used, free of charge, to search for a scheme.

If you want to contact the Pension Tracing Service, the details are:

Address: The Pension Service, Tyneview Park, Whitley Road, Newcastle upon Tyne, NE98 1BA
Phone: 0845 6002 537
Website: www.pensionservice.gov.uk

GLOSSARY OF PENSION TERMS

This booklet uses special words which may require further explanation. The following definitions should help you understand any technical terms used which may be unfamiliar to you.

- **ADDITIONAL VOLUNTARY CONTRIBUTIONS (AVCS)**
  AVCs are extra contributions which you can choose to pay if you wish to add to your benefits. The AVC facility under the Plan has been closed, but you can pay additional contributions to an arrangement outside the Plan.

- **ANNUAL ALLOWANCE**
  The total value of tax privileged contributions and benefits that can be paid/earned under all UK pension plans each year. The Annual Allowance for 2016/2017 is £40,000.

- **COMPANY**
  Company means Fives Landis Limited, a member of the Fives Group.

- **CONTINGENT PENSION**
  This is the pension payable to your Spouse/Civil Partner in the event of your death.

- **EARNINGS LIMIT**
  The Company together with the Trustees have set an upper limit on the amount of earnings to be used for calculating benefits under the Plan. This limit was £141,000 for members in Pensionable Service when the Plan closed on 30 November 2013 and will not change in the future. You will be notified if your benefits are affected. Some members (broadly, those who became members of the UNOVA Pension Fund before 1 June 1989) are not subject to the Earnings Limit, although other restrictions may apply.

- **EMPLOYED DEFERRED MEMBER**
  A Member who was accruing benefits at the closure of the Plan on 30 November 2013 and who has not left the employment of the Company. When such Members cease to be employed by the Company, they cease to be Employed Deferred Members.

- **FINAL PENSIONABLE SALARY**
  This is the highest annual average of your Pensionable Salary for any three consecutive tax years ending not more than 10 years before the earlier of the date you leave the Plan and 6 April 2008. Final Pensionable Salary is subject to the Earnings Limit.

- **LIFETIME ALLOWANCE**
  The Lifetime Allowance is a limit on the value of benefits (including contracted-out benefits) members may take in their lifetime or payable on their death in a tax effective manner from all UK pension plans. This limit is £1 million for 2016/2016, except for those who have preserved a right to a greater amount under relevant legislation. *For any benefits which exceed this limit, a lifetime allowance charge of 55% will be imposed on the excess benefits if paid in lump sum form. The charge is 25% where the excess benefits are paid in pension form, but the pension will be subject to income tax in the normal way, so the resulting effective tax rate will be greater than 25%. The Lifetime Allowance charge will be met by the member.*

  The benefits to be taken into account for the purposes of the Lifetime Allowance include not only current but also any previous benefits from UK pension plans e.g. a pension in payment from a previous employer's scheme or a personal or stakeholder pension scheme. The total value of all benefits taken should not exceed the Lifetime Allowance if the lifetime allowance charge is to be avoided.

For the purpose of the Lifetime Allowance, the value of a pension under the Plan is, broadly, the initial amount of pension multiplied by 20.

- **LOWER EARNINGS LIMIT**
  This is the level of annual earnings at which you start paying National Insurance Contributions. It is set by the government and adjusted each 6 April.

- **NEW STATE PENSION**
  The new single tier state pension applicable if you reach State Pension Age on or after 6 April 2016. It replaces the Basic State Pension and S2P. For those who qualify for the full New State Pension, the amount will be £155.65 a week for 2016/2017.

- **NORMAL PENSION DATE**
  Your 65th birthday.

- **PENSIONABLE SALARY**
  This means your gross earnings (excluding any benefits in kind) for the relevant tax year.*

  ** subject to the Earnings Limit unless you have been told that the limit does not apply to you or unless Pensionable Salary is being used in the calculation of Final Pensionable Salary*

- **PENSIONABLE SERVICE**
  This is the period of continuous service with the Company in complete years and weeks from the date you became a contributory member of the Plan to the date you left the Plan – i.e. 30 November 2013 for members in Pensionable Service when the Plan closed.

- **SPOUSE/CIVIL PARTNER**
  Your widow, widower or civil partner. If you are not married and do not have a registered civil partnership at the date of your death, the Trustees, can decide to pay a pension to a person who you nominated to them and who was financially dependent on you and with whom you were living as a spouse/civil partner at the date of your death. Where a member is survived by more than one widow, widower or civil partner the Trustees will treat the person recognised as the widow, widower or civil partner for the purposes of the Pension Schemes Act 1993 as the widow, widower or civil partner of the member, but if that Act does not decide the question, the Trustees can apportion the pension between two or more persons if they decide to do so.

- **STATE EARNINGS RELATED PENSION SCHEME (SERPS)**
  Before 6 April 2002, this provided a pension based on an employee's earnings between the Lower and Upper Earnings Limits throughout his/her working life. If you were a member of the UNOVA Pension Fund before 6 April 2002 if you agreed to the transfer of your UNOVA Pension Fund benefits to the Plan, you will have been contracted-out of SERPS and will receive a pension under the Plan instead. SERPS was replaced by S2P from 6 April 2002.

- **STATE PENSION AGE**
  This is 65 for men born before 6 December 1953 and 67 for men born after 5 March 1961 (and an age between 65 and 67 for those born between these dates). It is 60 for women born before 6 April 1950 and 67 for women born after 5 March 1961 (and an age between 60 and 67 for those born between these dates). For the purposes of the GMP (see Addendum B) State Pension Age is treated as being 65 for men and 60 for women.

- **STATE SECOND PENSION (S2P)**
  This provides a pension based on an employee's earnings between the Lower and Upper Earnings Limits throughout his/her working life. As a member of the Plan you were contracted-out of S2P and will receive a pension under the Plan instead in respect of the period of your Plan membership. S2P replaced the State Earnings Related Pension Scheme (SERPS) from 6 April 2002. S2P was itself abolished for anyone reaching State Pension Age after 5 April 2016.

- **UPPER EARNINGS LIMIT**
  This is the level of annual earnings at which you stop paying National Insurance Contributions at the full rate. It is adjusted each 6 April by the Government.

ADDENDUM TO THE LANDIS GRINDING SYSTEMS PENSION FUND BOOKLET DATED NOVEMBER 2013

A. BENEFITS APPLICABLE TO ALL MEMBERS WHO WERE ACTIVE AS AT 5 APRIL 2008

The Career Average Revalued Earnings (“CARE”) scheme was introduced, with effect from 6 April 2008, and the benefits from that date are calculated as per the booklet.

However, if you were in Pensionable Service on 5 April 2008 and had accrued benefits to that date your benefits to 5 April 2008 will be calculated as set out below (subject to Addenda C and D, where applicable).

RETIREMENT AT NORMAL PENSION DATE

The pension in respect of your Pensionable Service to 5 April 2008 will be calculated by reference to your Final Pensionable Salary as at 6 April 2008 and then increased for inflation in the same way as pension accrued in respect of your Pensionable Service after 5 April 2008 (see page 8). The level of benefit will depend on whether you were in:

- Scheme A throughout your membership
- Scheme B throughout your membership
- A mixture of Scheme A and Scheme B membership
- If you were a member of a previous scheme as per Addendum C and D

Assuming you were in Scheme B throughout your membership, your pension at Normal Pension Date would be calculated as follows:

$$\frac{\text{Pensionable Service to 5 April 2008}}{60} \times \text{Final Pensionable Salary as at 6 April 2008}$$

If you were in Pensionable Service at the time of closure of the Plan on 30 November 2013, the one-off uplift of 2.1% (see page 8) will apply to the pension you built up before 6 April 2008.

Note: There is an underlying guarantee that this pension is not less than the deferred pension you would have received had you ceased to be a member as at 5 April 2008.

EARLY RETIREMENT

The early retirement options set out in the booklet (see page 11) also apply to the pension in respect of your Pensionable Service to 5 April 2008. This part of your pension will be calculated as set out above save that the adjustment for inflation will only take account of the period up to the time your pension starts. The amount of pension will then be reduced to take account of the longer period for which it is paid, as described in the booklet (see page 12).

LATE RETIREMENT

The late retirement option set out in the booklet (see page 13) also applies to the pension in respect of your Pensionable Service to 5 April 2008.

DEATH BEFORE RETIREMENT

The one-half Spouse’s/Civil Partner’s pension in respect of your Pensionable Service to 5 April 2008 will be based on your pension calculated as set out above save that the adjustment for inflation will only take account of the period up to the date of your death.

ADDENDUM TO THE LANDIS GRINDING SYSTEMS PENSION FUND BOOKLET DATED NOVEMBER 2013

B. CONTRACTING-OUT OF SERPS PRIOR TO 6 APRIL 1997

Before 6 April 2002, the State Earnings Related Pension Scheme (SERPS) provided a pension in addition to the basic State retirement pension. However, the UNOVA Pension Fund was contracted-out of SERPS which means that it provided benefits in place of the SERPS pension. The State Second Pension (óS2Pô) replaced SERPS on 6 April 2002 and the UNOVA Pension Fund contracted out of S2P.

The Plan also contracted out of S2P and had to meet certain conditions. From 6 April 1997, these conditions changed. The conditions which apply to benefits accruing from 6 April 1997 are set out in the Plan booklet. This section B of the addendum to the booklet sets out the conditions which apply to benefits that accrued before that date. These conditions applied to the UNOVA Pension Fund and, if you transferred benefits to the Plan which accrued before 6 April 1997 in the UNOVA Pension Fund, now apply to those benefits in the Plan.

CONTRACTING-OUT PRIOR TO 6 APRIL 1997

If you were a member of the UNOVA Pension Fund before 6 April 1997 and were contracted-out of SERPS, your Plan pension at your Normal Pension Date would have been at least equal to your Guaranteed Minimum Pension (or 'GMP') for your pension accrued up to 5 April 1997. The GMP is roughly equal to the SERPS pension you would have received if you had stayed in SERPS in respect of this period.

From 6 April 1997, a GMP is no longer provided but any GMP you built up before that date will be paid as if the contracting-out conditions had not changed.

RETIREMENT AT NORMAL PENSION DATE (SEE PAGE 8 OF THE BOOKLET)

When you retire at your Normal Pension Date, that part of your pension in respect of your Pensionable Service up to and including 5 April 1997 will not be less than your GMP. In calculating your GMP, the GMP at the date your Pensionable Service ended will be increased at a rate set by the Government for each tax year up to State Pension Age. For those whose Pensionable Service ended when the Plan closed on 30 November 2013, the increase is 4.75% compound.

If you reached State Pension Age before 6 April 2016 then, once in payment, your GMP will be increased each year in line with inflation (measured by reference to the Consumer Prices Index). This increase will be provided partly by the Plan and partly by the State. However, due to the abolition of contracting-out, if you reach State Pension Age on or after 6 April 2016 your GMP, once in payment, will only receive the increases required to be provided by the Plan. So your GMP built up on or after 6 April 1988 will increase each year in line with inflation (measured by reference to the Consumer Prices Index) or by 3%, whichever is lower. But your GMP built up before 6 April 1988 will not increase at all.

PENSION COMMENCEMENT LUMP SUM (SEE PAGE 10 OF THE BOOKLET)

On retirement you may, with the Company's consent, change some of your pension into a cash sum. However, you cannot change any of your GMP for a cash sum; it must be paid as a pension.

EARLY RETIREMENT (SEE PAGE 11 OF THE BOOKLET)

At State Pension Age, that part of your pension in respect of your Pensionable Service up to 5 April 1997 must not be less than your GMP. Therefore, it may be necessary to restrict the early retirement option and the options to give up part of your pension for tax free cash or extra dependant's pension.

LATE RETIREMENT (SEE PAGE 13 OF THE BOOKLET)

If you retire after State Pension Age, your GMP will be increased by 1/7% for each week between State Pension Age and the date you actually retire, provided there are at least seven weeks in that period.

DEATH BEFORE RETIREMENT (SEE PAGE 14 OF THE BOOKLET)

If you are married at the date of your death, that part of the pension payable to your widow or widower in respect of your Pensionable Service up to and including 5 April 1997 will not be less than the widow's or widower's GMP. The widow's GMP is a pension of not less than one half of the member's GMP and the widower's GMP is a pension of not less than one half of the member's GMP earned from 6 April 1988 up to and including 5 April 1997.

DEATH AFTER RETIREMENT (SEE PAGE 15 OF THE BOOKLET)

If you are married at the date of your death, that part of the pension payable to your widow or widower in respect of your Pensionable Service up to and including 5 April 1997 will not be less than the widow's or widower's GMP.

INCREASES TO A WIDOW'S OR WIDOWER'S GMP

Once in payment, any widow's or widower's GMP will be increased in the same way as your GMP.

SAME SEX RELATIONSHIPS

If you are married to someone of the same sex or in a civil partnership at the date of your death, the provisions in this Addendum relating to a widower will apply to your surviving spouse or civil partner.

ADDENDUM TO THE LANDIS GRINDING SYSTEMS PENSION FUND BOOKLET DATED NOVEMBER 2013

C.1 BENEFITS APPLICABLE TO MEMBERS WHO JOINED THE LANDIS LUND PENSION PLAN PRIOR TO 1 SEPTEMBER 1974

YOUR PENSION AT NORMAL PENSION DATE

If you joined any of the Landis Lund Pension Plans prior to 1 September 1974, the basis set out in the booklet (see page 8) will only apply in respect of your Pensionable Service completed from 6 April 2008. However, for Pensionable Service prior to 1 September 1974, the formula is as set out below and will form part of the benefits in Addendum A.

e.g. – Provident Plan (started 1.11.1966)

IF YOU WERE A MEMBER OF THE PROVIDENT PLAN PRIOR TO 1 SEPTEMBER 1974.

The following formula applies in respect of Pensionable Service completed prior to 1 September 1974:

1/120 x Final Pensionable Salary
(as at 6 April 2008)
x Pensionable Service
completed before 1 September
1974

EARLY RETIREMENT

The early retirement options set out in the booklet (see page 11) also apply to the pension in respect of your Pensionable Service completed before 1 September 1974. This part of your pension will be calculated as set out in Addendum A as amended above save that the adjustment for inflation will only take account of the period up to the time your pension starts. The amount of pension will then be reduced to take account of the longer period for which it is paid, as described in the booklet (see page 11). However, if you were a member of the Provident Plan before 1 September 1974, and you take early retirement, there will be a reduction to the years of Pensionable Service earned in that Plan up to 1 September 1974. Details of this were separately notified to you in 1974.

ADDENDUM TO THE LANDIS GRINDING SYSTEMS PENSION FUND BOOKLET DATED NOVEMBER 2013

C.2 BENEFITS APPLICABLE TO MEMBERS WHO JOINED THE LANDIS LUND PENSION PLAN PRIOR TO 1 SEPTEMBER 1974

YOUR PENSION AT NORMAL PENSION DATE

If you joined any of the Landis Lund Pension Plans prior to 1 September 1974, the basis set out in the booklet (see page 8) will only apply in respect of your Pensionable Service completed from 6 April 2008. However, for Pensionable Service prior to 1 September 1974, the formula is as set out below and will form part of the benefits in Addendum A.

e.g. Heads of Department Scheme (Commercial Union started 1953)

IF YOU WERE A MEMBER OF THE HEADS OF DEPARTMENT SCHEME

The reference to the rate of the Spouse/Civil partnerõs pensions on pages 15 and 16 is amended from óone halfô to ótwo thirdsô of your Plan pension in respect of your Pensionable Service completed before 1 September 1974.

If you were a member of the Heads of Department Scheme prior to 1 September 1971 and you take early retirement, there will be a reduction to the years of service earned in that Scheme up to 1 September 1971. Details of this were separately notified to you in 1971.

ADDENDUM TO THE LANDIS GRINDING SYSTEMS PENSION FUND BOOKLET DATED NOVEMBER 2013

D. BENEFITS APPLICABLE TO CRANFIELD PRECISION EMPLOYEES, WHO JOINED THE UNOVA PENSION FUND ON 4 AUGUST 1995

If you were a member of the CPEL Scheme and joined the UNOVA Pension Fund on 4 August 1995, special provisions apply to you of which you have been separately notified.

Landis Grinding Systems Pension Fund

EXPRESSION OF WISH FORM

PLEASE READ the special notes on the back of this form before completing it, using CAPITAL LETTERS.

Surname ______________________

First Name(s) ______________________ Mr/Mrs/Miss/Ms __________

I request that any lump sum benefit arising under the Plan on my death be paid by the Trustees at their complete discretion in accordance with the Plan Rules.

In exercising their discretion, I wish the Trustees to consider the people I have nominated below as beneficiaries and to pay the benefit in the proportions shown. I understand that the nomination is only an expression of my wishes and is not binding on the Trustees. I also understand that, although I may change my nomination at any time in the future, I cannot direct the Trustees to pay the benefit in any way other than at their complete discretion.

1. Name ______________________
   Address ______________________
   Relationship ______________________
   Proportion ______________________

2. Name ______________________
   Address ______________________
   Relationship ______________________
   Proportion ______________________

3. Name ______________________
   Address ______________________
   Relationship ______________________
   Proportion ______________________

4. Name ______________________
   Address ______________________
   Relationship ______________________
   Proportion ______________________

I understand that this is only an expression of my wishes which is not binding on the Trustees. It may be revoked or revised at any time in a further letter from me.

Signed ______________________ Dated ______________________

Please return this form to the Payroll/Personnel Department in a sealed envelope, which will only be opened if you die. You should mark the envelope clearly 'Expression of Wish Form' and show your name, the Company's name and the date.

SPECIAL NOTES

❶ Under present law, lump sum death benefits under the Plan can be paid at the discretion of the Trustees direct to your beneficiaries without any tax liability. Your beneficiaries are defined in the Plan Rules and include someone who was (1) a relative of you or your spouse/civil partner, (2) financially dependent on you, (3) nominated in writing to the Trustees, (4) dependent on you as a result of disability or (5) any person not married to you who was financially interdependent with you but relied upon a second income to maintain a standard of living which had depended on joint incomes prior to your death.

❷ You should tell the Trustees whom it is that you wish to be treated as your beneficiary (ies) by filling in the form overleaf. The Trustees will give every consideration to your wishes before paying any lump sums but your nomination is not legally binding on them.

❸ You can change your nomination whenever you want, and should always keep your Expression of Wish form up to date.

❹ If you don't tell the Trustees to whom you want the death benefits paid, they can only pay them to your estate, to your spouse/civil partner or to someone who was a relative of you or your spouse/civil partner, financially dependent on you, dependent on you as a result of disability or any person not married to you who was financially interdependent with you but relied upon a second income to maintain a standard of living which had depended on joint incomes prior to your death.

❺ Although the form allows space for up to 4 nominations, there is no restriction on the number of people you can nominate. Please write a letter to the Trustees if the form does not meet your needs. Please make sure the proportions add up to 100%.

❻ Your nomination will be treated as confidential in any event but you may want to place your completed form in a sealed envelope, which will only be opened if you die. If so, you should mark the envelope clearly "Expression of Wish Form" and show your name, the Company's name and the date.