

Demo Company.

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Mr Redfort Robert
777 Lucky Street
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16 July 2017

Ref: WPPWDF40272

Dear Mr Redfort Robert

Demo Co.'s pension scheme - A change in the law that affects you

To help people save more for their retirement, the government now requires employers to enrol their workers into a workplace pension scheme. This applies to those who:

- Are not already in one
- earn over £10,000.00 a year (£833.00 a month)
- are aged 22 or over; and
- are under State Pension age.

We are enrolling these workers into our workplace pension scheme on 06/07/2015.

Why is this happening?

The government's aim is to get more people to have another income, on top of the State Pension, when they come to retire. The full basic State Pension in 2015 - 16 is £113.10 a week for a single person.

Employers are enrolling their workers automatically into a scheme to make it easier for people to start saving.

How it will affect you on 06/07/2015

If you are already in our qualify pension scheme:

You will not be automatically enrolled as you are already in the pension.

A commitment from us

If you are under 75, work or usually work in the UK, and earn over £5,772.00 a month (the amount set by the government for this):

- we must by law continue to maintain your membership of a scheme that meets certain government standards; and

- if your membership of such a scheme ends (and it is not because of something you do or fail to do), we must by law put you into another scheme that meets government standards straight away.

If you are NOT already in our workplace pension scheme on 06/07/2015, what happens depends on how old you are and how much you are earning on that date.

If on that date you are aged 22 or over, under State Pension age, work or usually work in the UK, and earn more than £10,000.00 a year (£833.00 a month):

We will enrol you into our pension scheme on 06/07/2015. You don't have to do anything – it will happen automatically.

- You can choose to opt out of the scheme if you want to, but if you stay in you will have your own pension which you get when you retire;
- Demo Co. and you will pay into it every month;
- Your pension belongs to you, even if you leave us in the future;
- You have the right to join the scheme before 06/07/2015 if you want to.

We will write to you nearer the time with further information on the pension scheme.

If on that date you are aged under 22 years, or over State Pension age (but under 75), or earn more than £5,772.00 (£481.00 a month) but not more than £10,000.00 a year (£833.00 a month):

We will not be automatically enrolling you into the pension scheme. This is because you do not meet the criteria set by the government (see first paragraph of this letter). However, you have the right to join the scheme if you want to. Both you and Demo Co. would pay into it.

If on that date you are under 75 and earn £5,772.00 or less a year (£481.00 or less a month):

We will not be automatically enrolling you into our workplace pension scheme. This is because you do not meet the criteria set by the government (see first paragraph of this letter). However, if you ask us to do so, we will enrol you into a pension scheme.

We would not contribute to this pension as you do not earn over £5,772 a year. (This is the earnings level set by the government. Employers only have to contribute to worker's pensions if they earn over this amount).

What to do if you want to join a pension scheme now

If you want to join a pension scheme now, contact in writing by sending a letter, which has to be signed by you. Or if sending it electronically, it has to contain the phrase "I confirm I personally submitted this notice to join a workplace pension scheme".

Where to go for further information

More information on pensions and saving for later life can be found on:

www.direct.gov.uk/workplacepension

For those who meet the criteria listed on page 1:

Explanation as to why you can join the workplace pension scheme before 06/07/2015 if you want.

We have, as allowed by law, postponed the automatic enrolment of our workers into our pension scheme until 06/07/2015. During this period, you have the right to join the workplace pension scheme if you want. If you want to do this, follow the instructions in the [What to do if you want to join a pension scheme now](#) section of this letter.

Yours sincerely

Jack Daniel
Payroll Manager
Demo Company.