

Oracle UK Pension Plan – salary link information

Please let us know if you're unable to read this flyer. We can provide this in alternative formats including braille and coloured paper.

This flyer from the Trustee of the Oracle UK Pension Plan (the Plan) is designed to give you some information about how the Plan works – specifically in relation to how your benefits are linked to your salary. This information is relevant if you paid into the Plan before 31 May 2004, you're still employed by Oracle UK and you haven't voluntarily opted to break your salary link.

Retirement benefits

If you paid into the Plan before 31 May 2004, you'll have built up Section 1 Core funds. These offer you many valuable benefits, including a minimum level of retirement income in the form of a **Pensions Underpin**. You might also have Non-Core funds, which give you flexibility around how you access your pension benefits when you stop working.

As an employed member, you'll no longer be building up new benefits in the Plan, but the benefits already built up are still linked to your current Pensionable Pay while you're working (unless you've opted out) – the **salary link**.

Pensions Underpin

Your Pensions Underpin at date of leaving will be the higher of:

- $1/80\text{th} \times \text{Final Pensionable Pay} \times \text{Pensionable Service up to 31 May 2004}$; or
- $1/80\text{th} \times \text{Final Pensionable Pay at 31 December 2010} \times \text{Pensionable Service up to 31 May 2004}$ (all revalued up to date of leaving).

In the second scenario, the Pensions Underpin will be increased in line with [statutory revaluation rates](#) between 2010 and the earlier of your date of leaving employment or opting out. This is known as the **2010 underpin**.

If you choose to retire before or after age 65, the Pensions Underpin will be reduced or increased respectively and will then increase each year after you retire.

Salary link

Your Pensions Underpin is linked to your salary (as set out above) until you leave employment or voluntarily opt to break the salary link.

Final Pensionable Pay is the higher of:

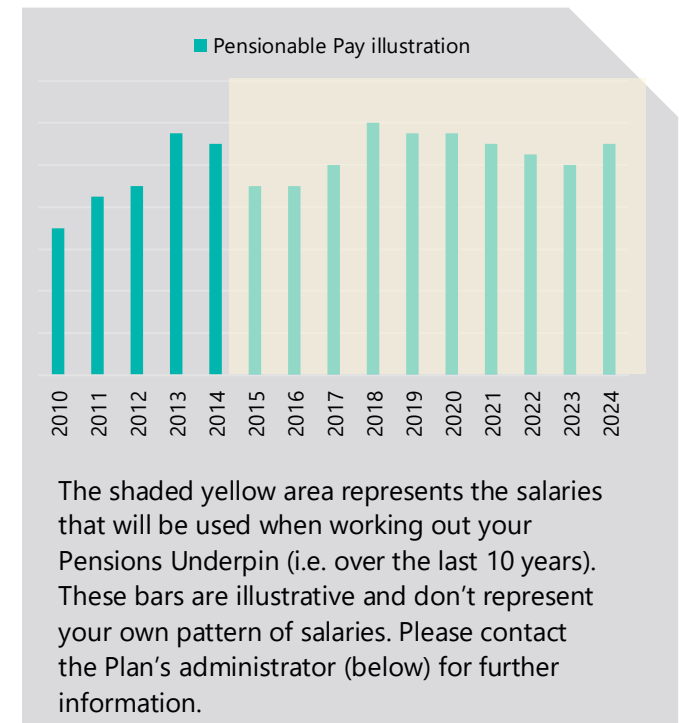
- Your annual rate of Pensionable Pay paid in last 12 months prior to exit, or
- Your best three or more years average annual consecutive Pensionable Pay ending in the last 10 years prior to exit. Each year's pay is increased in line with changes to the Retail Prices Index (RPI) up to the date of exit.

Pensionable Pay is based on either Basic Pay, Total Annual Earnings or a combination of the two depending on when you joined the Plan and any preferences indicated on joining.

You can notify Oracle at any time if you want to break the salary link which, depending on your individual pattern of salary increases over time, might lead to a change in the benefits payable on retirement. Opting to break the salary link is permanent, so before making any decisions, we strongly suggest you speak to a financial adviser. If you don't have a financial adviser, you can find one in your local area by visiting the following website:

www.moneyhelper.org.uk/retirement-adviser-directory - bear in mind you'll need to pay for any regulated advice.

Increases to your Pensions Underpin (from salary increases or pensionable bonuses) above inflation will count towards your Annual Allowance (AA). You're responsible for monitoring the growth of your pensions benefits against the AA and notifying HM Revenue & Customs of your Pension Input Amounts each year.



For more information please refer to the myoraclepension.com website or contact the Plan's administrator, Barnett Waddingham on **0333 555 0001** or oracle@barnett-waddingham.co.uk

This document doesn't provide a definitive statement on the Plan's benefit entitlements or constitute financial advice. If there's any misrepresentation or dispute, the Plan's Trust Deed and Rules will prevail.