

PJT/JD

7 June 2001

  
**changing minds changing work**

To: All members of the BIFU Pension Scheme

Dear Colleague

Following the Trustees meeting last week, I now have pleasure in enclosing 3 Announcements to Members.

The first Announcement clarifies the position of the spouse's pension payable in the event of your death in retirement. The current wording in the handbook implies that your spouse would only receive 2/3rds of the pension you were entitled to at retirement whereas, in fact, they would be entitled to the benefit of 2/3rds of any increases you had received in the intervening period.

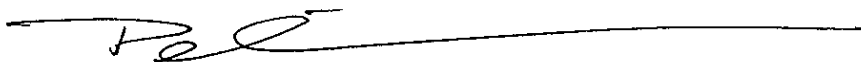
Announcement No 2 is important for members who may be considering purchasing additional years service or, indeed, adding to the additional years service they are already purchasing.

Because of the current state of the annuities market, the Scheme Actuary recommended to the Trustees, and the Trustees have agreed, that the percentage of pensionable salary needed in order to buy each year of additional service, should be increased. The table attached to the Announcement shows the new rates. These are applicable for all additional years service purchased after the 1<sup>st</sup> May 2001.

Announcement No 3 is merely tidying up the handbook so that the definition of 'Union' is now UNIFI rather than BIFU.

Please do not hesitate to contact me if you have any queries.

Yours sincerely



P J THORN  
HON. SEC. & TREASURER

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**Staff Superannuation Fund and Staff Life Assurance Scheme (1963) of  
the Banking, Insurance and Finance Union ("the Scheme")**

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**ANNOUNCEMENT TO MEMBERS**

This Announcement is addressed to all members of the Scheme and should be read together with the Scheme Booklet dated June 1998.

In section 11(iii)(b) of the booklet (page 14) it is stated that the spouse's pension payable in the event of your death in retirement is calculated as two-thirds of the full pension to which you are entitled at retirement. The Union and the Trustees are pleased to confirm that this amount will be increased, between the date of your retirement and the date of your death, to take account of the cost of living increases provided under section 10.

Section 11(iii)(b) of the booklet should therefore read as follows:-

“(b) if you are a married Pensionable Member a spouse's pension calculated as two-thirds of the full pension to which you were entitled at retirement (before any reduction to take account of the surrender option you may have exercised under section 5, or the cash sum you may have taken under section 6) increased between the date of your retirement and the date of your death in accordance with section 10”.

The Union and the Trustees are keen that you should understand your rights to benefits under the Scheme and, therefore, if you have any queries concerning your benefits you should contact the Hon. Secretary and Treasurer at Sheffield House, 1b Amity Grove, Raynes Park, London SW20 0LG.

P J THORN  
HON. SECRETARY & TREASURER

May 2001

**Staff Superannuation Fund and Staff Life Assurance Scheme (1963) of the Banking, Insurance and Finance Union (“the Scheme”)**

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**ANNOUNCEMENT TO MEMBERS**

This Announcement is addressed to all members of the Scheme and should be read together with the Blue Covered Scheme Booklet dated June 1998.

Acting on advice from the Scheme Actuary, the Trustees have decided that, because the expected cost of purchasing pensions has increased, they need to amend the table for Added Years’ contributions set out in the Booklet to more accurately reflect the anticipated cost of purchasing benefits for members.

The new table, which is shown below, applies to new or revised AVC options after 1<sup>st</sup> May 2001 and you will see that a higher level of contribution is now required to purchase each Added Year. You should, however, note that if you purchase Added Years at the new rate, the resulting pension will increase once in payment by 5% per annum compound (or if less by an amount equal to the rise in the Index of Retail Prices).

If you are already paying AVCs, your contributions and additional benefits will remain on the existing basis, for the duration of contributions but, if you wish to increase the number of Added Years which you purchase, the additional period will be purchased on the new basis.

**TABLE FOR ADDED YEARS CONTRIBUTIONS**

(Members accruing main Scheme benefits at 1/50<sup>th</sup> Final Pensionable Salary for each year of Pensionable Service with emerging pension increasing by the lesser of 5% per annum or the rate of increase in the RPI).

Contributions are calculated as a percentage of Pensionable Salary; the percentage of Pensionable Salary for one Added Year being in accordance with the following table.

Contributions under this table will remain unchanged for the duration of contributions once they have commenced to be paid, but may be altered for new or revised options at a future date.

Age next birthday at  
start of contributions

Percentage of Pensionable Salary  
%

20	0.66
21	0.68
22	0.70
23	0.72
24	0.75
25	0.78
26	0.81
27	0.84
28	0.87
29	0.90
30	0.94
31	0.98
32	1.02
33	1.07
34	1.12
35	1.17
36	1.22
37	1.28
38	1.35
39	1.43
40	1.51
41	1.60
42	1.70
43	1.81
44	1.94
45	2.08
46	2.25
47	2.44
48	2.66
49	2.92
50	3.23
51	3.61
52	4.09
53	4.71
54	5.53
55	6.68
56	8.41
57	11.28
58	17.03
59	34.29

For Added Years contributions of 10% of Pensionable Salary the maximum number of additional months that can be purchased is 10 months if you are aged 57 next birthday, 7 months if you are aged 58 next birthday, or 3 months if you are aged 59 next birthday.

If you have any queries on this Announcement please contact the Hon. Secretary and Treasurer at Sheffield House, 1b Amity Grove, Raynes Park, London SW20 0LG.

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May 2001

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**ANNOUNCEMENT TO MEMBERS**

This Announcement is addressed to all members of the Scheme and should be read together with the Scheme Booklet dated June 1998.

As you are aware, on 18 May 1999, BIFU merged with two other unions to form UNIFI. As a result of this change, the definition of “Union” on page 2 of the Scheme Booklet should with effect from 18 May 1999, read as follows:-

“Union is UNIFI.”

This change does not affect your rights under the Scheme. However, if you should have any queries please contact the Hon. Secretary and Treasurer at Sheffield House, 1b Amity Grove, Raynes Park, London SW20 0LG

P J THORN  
HON. SECRETARY & TREASURER

May 2001