

Tax Advantages of Contributing to the Fund

The MMC UK Pension Fund and its members receive important tax advantages:

1. For most members, full tax relief on the contributions up to 100% of your taxable earnings.

2. A cash sum option on retirement, which will be tax free, subject to HMRC limits.

3. You are not taxed on the Company's contributions.

4. Favourable tax relief on the investments in the Fund.

The key aim is to help members achieve a good retirement outcome.

Tax Relief Example

Assuming a member earning £40,000, with tax relief at 20%*.

The following shows the pension contributions that will be paid and the actual cost to the member per month.

If you pay 2.5%

Employee total contribution **£83**



Total monthly contribution **£300**

If you pay 4%

Employee total contribution **£133**



Total monthly contribution **£533**

For an additional cost of £50 per month (£600 per year) your total contribution increases by £233 per month (£2,796 per year).

You can increase your pension contribution via Prosper during any monthly window which runs from 1st to 20th of each month.

*Tax rate applies in England, Wales and Northern Ireland. Tax rates in Scotland differ slightly, so any tax savings will be correspondingly different.

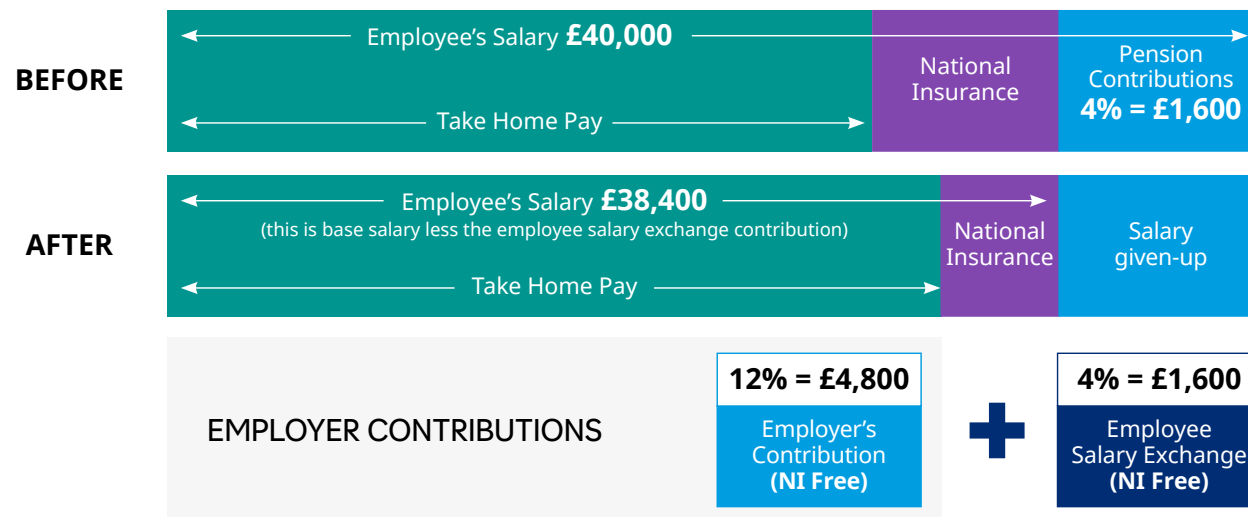
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The default method is for contributions to the Fund to be paid via salary exchange. The advantages of which are as follows:

- 1.** A tax efficient way of paying contributions into the Fund
- 2.** You pay less NI so your take home pay goes up compared to contributing from your net pay
- 3.** Your pension and life assurance benefit remain based on your pre salary exchange pensionable salary

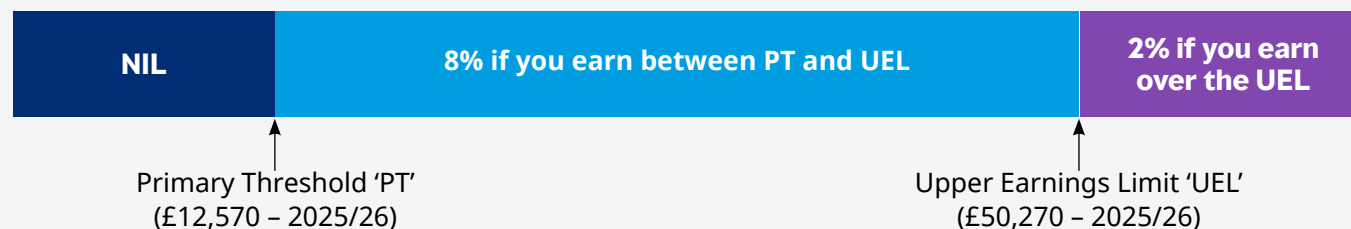
How does it work?

Using the example above please find below how salary exchange impacts take home pay and national insurance contributions.



How much will you save?

The saving is dependent on your earnings, and is a % of the amount contributed.



The above member would save **£128 each year**
(8% of the employee salary exchange contribution)

The figures above are based on tax rates in England, Wales and Northern Ireland. Tax rates in Scotland differ slightly.