

<<Title>> <<Forename1>> <<Surname>>
<<Address line 1>>
<<Address line 2>>
<<Address line 3>>
<<Address line 4>>
<<Post code>>

Dear <<Title>> <<Surname>>

To: All Active and Pensioner Members (both DB and DC Sections of the Scheme)

THE UNIVERSITY OF WARWICK PENSION SCHEME (“the Scheme”)

Update on recent changes to UPS including the MEMBER-NOMINATED TRUSTEE DIRECTORS (“MNDs”) – SEEKING ADDITIONAL MNDs

Background

The Trustee is seeking nominations for two new MNDs following the vacancies that have arisen as explained below.

Vacancies

Ms Nina Song left the University’s employment on 22 March 2017 and Ms Lauren Smalley has decided to step down from the role of Trustee Director with effect from 31 January 2019 after two years’ service. The University and Trustee are grateful for their service as MNDs.

We are therefore asking any current Active Member or Pensioner to nominate a replacement Member Nominated Director (MND) from either the Active membership or Pensioner membership of the Scheme to fill up to two positions on the Scheme’s Trustee Board.

Under legislation, occupational pension schemes are required to have formal arrangements in place to provide for at least one-third of their trustees to be nominated by the scheme’s members. Where there is a sole trustee company, as is the case here, this means at least one-third of the trustee directors of the trustee company must be nominated by the Scheme’s members.

The trustee company normally has up to seven trustee directors, of which up to three are MNDs and four are selected from time to time by the University of Warwick (the “University”).

The Trustee wishes to appoint replacement MNDs to fill these vacancies.

An outline of the role is in the attached Annex.

The Current Trustee Board

As of 1 February 2019 there will be only one current MND on the trustee board, namely Mr Quentin-Compton-Bishop (a deferred member).

The other four trustee directors are selected by the University from time to time. Currently they are Mr James Hunt (Chair), Professor Emeritus Stuart Palmer, Mr James McMeehan Roberts, and Professor Saul Jacka.

Human Resources Pensions
University House
University of Warwick
Coventry CV4 8UW UK

www.warwick.ac.uk

Role of the MND

The new MND must either be an Active Member of the Scheme or a Pensioner of UPS at the time of election to the role.

For these purposes an **“Active Member”** is a current employee of the University of Warwick (or any other employer participating in the Scheme) who is contributing to (or via Salary Sacrifice) and earning benefits under either the DB Section or the DC Section of the Scheme.

A **“Pensioner Member”** is anyone who is in receipt of a pension from the Scheme.

The MNDs will be in office for a term of five years from the date of his or her appointment.

MNDs can only be removed with the agreement of all the other trustee directors. However, unless the trustee directors determine otherwise:

- if an “active” MND ceases to be an Active Member (e.g. because he or she has transferred his or her Scheme benefits to another arrangement) he/she will cease to be a MND from that date; and/or
- if a MND who is an Active Member becomes a Pensioner Member, at a time when there is another MND who is a Pensioner Member, he/she will cease to be a MND from that date.

When a MND’s five year term of office expires, he/she will be eligible to stand for re-nomination as a MND. For further information about the role of a MND please see the annex to this letter.

Inviting Nominations

If you would like to nominate someone to be a MND, we have enclosed a nomination form for you to use. This should be returned to Joseph Devlin, Pensions Manager by 22 February 2019. We will be unable to receive nominations after this date.

You may nominate any Active Member/Pensioner (as described above) to be a MND, including yourself. Any former MNDs or former member-nominated trustees may be re-nominated for appointment.

If you are an Active Member/Pensioner and wish to nominate yourself, your self-nomination will need to be seconded by another Active Member or Pensioner Member.

If you wish to nominate another person, the nominee will be required to confirm their consent to be nominated as a MND.

The Selection Process

Selection of the MND will be made by firstly checking all nominees are willing and able to stand and have no legal impediment to do so. The nomination forms will be considered by the Scheme Secretary together with such of the trustee directors as the trustee directors determine to ensure that the nominations are valid and the nominees are appropriate candidates.

Then, unless one of the circumstances below applies in light of the number of valid nominees, the MND will be selected by a ballot of all Active Members and Pensioner Members.

The nominee receiving the highest number of votes in the ballot will be selected as a MND. In the event of nominees receiving an equal number of votes, lots may be drawn to determine which nominees shall be selected.

What Happens Next?

If there are only two valid nominations, the ballot process will not be used and the nominee will be deemed to be selected.

When the selection process has been completed, the successful candidate will be notified that he or she has been selected to be a MND. The new MND selected will be appointed as a director of the trustee company (in accordance with applicable requirements) on a date determined by the trustee directors.

If for any reason a MND steps down within the first 12 months after his or her appointment, the trustee directors may invite any runner up in the ballot in which the departing MND was selected to serve out the remainder of the departing MND’s term of office, provided such runner-up remains able and willing to do so.

If the MND vacancy remains open at the end of the process, a further nomination and selection process will be run within a reasonable period (as determined by the trustee directors).

Communication of Outcomes

All Scheme Members will be notified of the outcome of the nomination and selection processes once the selection process has been completed.

Further nomination and selection processes

When a nomination and selection process is required in the future, the trustee directors will contact Members to invite further nominations.

Review of these arrangements

The trustee directors review these arrangements periodically to determine whether or not they remain appropriate and may amend them accordingly.

Queries

For all queries please contact Joseph Devlin, Pensions Manager at:

Human Resources
The University of Warwick
University House
Kirby Corner Road
Coventry
CV4 8UW

For and on behalf of UPS Pension Trustee Limited (as trustee of The University of Warwick Pension Scheme)

Date of issue 29 January 2019

Enc: Nomination Form

ANNEX

THE ROLE OF A MEMBER NOMINATED DIRECTOR

The duties of all the Scheme's trustee directors (including MNDs) are the same and can be summarised as follows:

- To administer the Scheme and provide benefits in accordance with the Scheme's formal trust deed and rules;
- To hold and invest the assets of the Scheme for the benefit of the beneficiaries of the Scheme;
- To act impartially towards all the Scheme beneficiaries;
- To carry out their duties with reasonable care and in good faith;
- To obtain and consider proper expert advice in areas where the trustee directors are not themselves experts;
- To see that money due to the Scheme is collected;
- To record the transactions and proceedings of the Scheme.

Please note, whether a MND is a member of either the DB Section or the DC Section, he or she will be a representative for **all** beneficiaries of the Scheme, not just those in the part of the Scheme in which the MND himself or herself participates.

The Scheme's administrators and professional advisers assist them with these duties.

Trustee directors are encouraged to undertake training and always have access to professional advice in connection with the Scheme's affairs.

Approximately four Trustee meetings are held each year, the majority of which will be at University House, the University of Warwick, Coventry. There will be some background reading to do in advance of each Trustee's meeting which will take up a certain amount of each trustee director's own time.

Trustee communications including meeting papers are often circulated electronically to allow quick dissemination of information and efficient decision making so having computer access would be helpful to the role.

For more information on what being a trustee involves you can refer to the "Trustee Toolkit" - the Pensions Regulator's e-learning programme for pension scheme trustees. This provides a series of online tutorials which give an indication of what it is like to be a trustee and their duties. It can be found by logging on to: www.trusteetoolkit.com

You can also contact Joseph Devlin, Pensions Manager at:

Human Resources
The University of Warwick
University House
Kirby Corner Road
Coventry
CV4 8UW

THE UNIVERSITY OF WARWICK PENSION SCHEME (“the Scheme”)

NOMINATION FORM

For a Member-Nominated Director – process running during January/February 2019

Please use block capitals and complete:

- (i) EITHER Box 1 (to nominate yourself) OR Box 2 to nominate another Active Member/Pensioner Member;
- (ii) and Box 3 (the nominee’s information and declaration)

This Nomination Form (fully completed) must be received by 22 February 2019 in order to be considered.

BOX 1: Self-nomination

I confirm that I am an Active Member/Pensioner Member (as defined in the nomination letter).

I nominate myself to be a Member-Nominated Director of the Scheme and I have completed Box 3 below.

My self-nomination is supported by the following Active Member or Pensioner Member of the Scheme.

Supporter:

I, the supporter, of this nomination confirm that I am an Active Member/Pensioner Member (as defined in the nomination letter)

Supporter’s full name:

Supporter’s signature:

Date:

OR

BOX 2: Nomination of another Active Member (as defined in the nomination letter)

I confirm that I am an Active Member or Pensioner Member of the Scheme.

I nominate the person below to be a Member-Nominated Director of the Scheme. He/she* has agreed to be a nominee as indicated by his or her completion of Box 3 below.

Your full name:

Your signature:

Date:

AND

BOX 3: Nominee's information and declaration *(please use block capitals)*

Nominee's Full Name

I consent to my nomination as a Member-Nominated Director of the Scheme.

Nominee's signature

Date

Home Address of Nominee

.....

Telephone number of Nominee

Email address of Nominee (if available)

Declaration *(to be completed by all nominees)*

I confirm that I am an Active Member (as defined in the nomination letter).

I am*/am not*, nor have I previously been disqualified, prohibited or suspended from acting as a trustee or as a director of a company.

I am*/am not* a trustee of any other pension or retirement benefits scheme.

Name of other pension or retirement benefits scheme(s) (if applicable)

.....

I am*/am not* aware of any actual or potential conflict of interest which may be relevant to my nomination as a Member-Nominated Director of the Scheme.

Details of potential conflict of interest (if applicable)

.....

*Please delete as appropriate.