

**The J O Grant & Taylor (London) Ltd
Staff Pension Scheme (the Scheme)**

Announcement to :-

- 1. Members who are in Pensionable Service on 31 March 1997 and who have not reached the Normal Retiring Date as shown in the Member's Booklet**
- 2. All persons becoming Members on and after 1 April 1997**

As a result of rulings by the European Court of Justice in relation to Article 119 of the Treaty of Rome, which requires equal treatment of men and women, pension benefits which accrue on and after 17 May 1990 must be the same for men and women.

The rulings have far-reaching implications for private occupational pension schemes. To ensure that male and female Members of the Scheme are so far as possible treated equally with effect from 17 May 1990 the following changes are being made to the terms and conditions of the Scheme.

The changes are shown below. Where relevant the headings used in this Announcement are the same as those used in your Member's Booklet. This Announcement should be retained with your Member's Booklet.

1. Normal Retiring Date.

If you are a female Member your Normal Retiring Date will be changed to the day before your 65th birthday (the day on which a male Member reaches Normal Retiring Date).

2. Eligibility.

A female employee will in future be eligible to join the Scheme if she is under age 60 (the age which currently applies to male employees) and she satisfies the other eligibility conditions.

3. Your contributions.

If you are a female Member you will contribute to the Scheme until your new Normal Retiring Date or the earlier date on which you cease to be a Member of the Scheme.

4. Retirement at Normal Retiring Date.

If you retire on your Normal Retiring Date your pension will be calculated as currently described in your Member's Booklet. If you are a female Member you will earn pension benefits for an additional five years of Pensionable Service.

If your Scheme contributions have not been fully paid (for example because of a period of absence from work) your pension may be reduced accordingly.

As noted in your Member's Booklet your pension may be subject to a limit imposed by the Inland Revenue Authorities.

5. Benefits on retirement or leaving the Scheme before Normal Retiring Date.

If you are entitled to a deferred pension on leaving the Scheme it will continue to be calculated in the same way as a pension at Normal Retiring Date (see section 4 above) based on your Pensionable Service and your Final Pensionable Salary at the date you leave the Scheme. A deferred pension is revalued until Normal Retiring Date as mentioned in your Member's Booklet. If you are a female Member your deferred pension will now be revalued in the way required by legislation until your new Normal Retiring Date.

You may retire on or after your 60th birthday without the consent of your employer if you joined the Scheme before 1 April 1997.

6. Benefits Guarantee.

If you become entitled to immediate or deferred benefits when you leave the Scheme the amount of the benefits will be increased if required so that

- (a) if you are a female Member your benefits for Pensionable Service before 1 April 1997 will not be less than they would have been had they been calculated in the way they were calculated before the changes introduced by this Announcement.
- (b) if you are a male Member your benefits for Pensionable Service between 17 May 1990 and 1 April 1997 will not be less than they would have been had you been a female and the benefits had been calculated in the way a female Member's benefits were calculated for this period of Pensionable Service before the changes introduced by this Announcement.

7. Benefits on death of a pensioner.

If you are a female Member, a spouse's pension is being introduced under the Scheme on exactly the same basis currently described in section 15(ii) of your Member's Booklet for the payment of widow's pensions.

The reduction described in section 15 (ii) of your Member's Booklet will cease to apply to both male and female Members.

If you have any queries concerning the Scheme in general or your entitlement to benefits please contact The Finance Director at J O Grant & Taylor (London) Limited, Colne Building, Caxton Way, Watford Business Park, Watford, Herts WD1 8XJ.