Important information about USS and your pension

CONTENTS

IMPORTANT INFORMATION ABOUT USS AND YOUR PENSION

Essential details of how the scheme works and what it means to be a member

USS MEMBERSHIP

Eligibility for USS membership varies between employers but usually all employees of a particular grade can join. This includes members who work part-time and those on fixed-term or regular/variable-time contracts. If you're working for a USS employer and are eligible to join USS, you can join until the day before your 75th birthday.

Membership is voluntary. However, the government's 'auto enrolment' legislation means most members will automatically join the scheme and if you don't want to be a USS member you'll have to actively opt out once you've joined. In specific circumstances, for example if you're on a variable-time contract, you may not join automatically. If you're unsure, speak to the USS pensions contact at your employer.

What happens if you don't want to join USS?

If within three months of joining you give written notice to your employer telling them you wish to retrospectively withdraw from membership, your membership will be reversed and your employer will arrange for any refund of contributions (less tax) that may be due to you.

The law requires your employer to automatically re-enrol eligible employees into USS at three-year intervals during your employment, so if you still don't want to be a member you'll need to opt out again after you've been automatically re-enrolled.
If you're considering leaving USS, it's worth thinking about the benefits you'll miss out on that are exclusive to members building their pension with us.

You can use the Benefit Calculator in My USS to find out what your retirement benefits could be, and also talk to your USS pensions contact at your employer.

You're already a member but want to withdraw

If you've been a member for more than three months you can withdraw from USS at any point, even if you haven't left employment. You must directly contact your employer and give at least 28 days' written notice, and they'll make the necessary arrangements.

Your withdrawal will be effective at the end of the month in which the written notice expires.

Once you leave USS your employer will let us know. We'll then write to you to confirm what you're entitled to and where to find out more.
If you then re-join USS your eligibility for ill health benefits may be impacted. Find out more on our ill health retirement webpage.

Re-joining USS

If you've opted out of USS and you're an eligible employee, your employer has a legal duty to re-enrol you into a qualifying automatic enrolment scheme every three years. If you have opted out and want to re-join USS before then you can do so by telling your employer (which you can only do once in any 12-month period). Please note, you may not qualify for a total ill health pension if you have less than five years' active membership since last becoming a member and making contributions, and you retire or cease USS eligible employment as a result of a medical condition known to you or your employer at the time that active membership re-commenced.

Leaving within two years of joining

If you've less than two years' qualifying service when you leave USS you may choose any one of the following options:

• **A refund of your own contributions,** but not those paid by your employer, less statutory deductions of tax. You won't be able to receive a refund of any contributions paid on your behalf under a salary sacrifice arrangement. If you transferred savings from a personal pension into USS, you won't be able to receive a contribution refund – in that case, under legislation, you automatically become entitled to a deferred pension and lump sum.

If you choose a refund then, in respect of your contributions (including any additional contributions you choose to make) to the Investment Builder – the defined contribution part of USS – you'll receive the accumulated value of your savings. This will include any investment returns on those savings, and will also have any statutory deductions of tax taken from it.

• **A deferred pension and lump sum in USS** - these benefits are payable from Normal Pension Age (NPA) but you can take them early at any age from 55 onwards (rising to 57 for some members in 2028). If you choose to take benefits earlier than your NPA, they'll be reduced to reflect the early payment. These benefits will be increased both before and after you retire in line with USS's standard pension increases. You'll have the same options at retirement as other members, so you can choose to swap some of your pension for more lump sum, or vice versa. If the value of your benefits in USS is small, you may also have the option of taking them as a one-off lump sum.

• **A transfer of the value of your USS benefits** to another registered pension arrangement, or a qualifying registered overseas pension scheme. You don't have to transfer straight away if you haven't yet retired or reached the NPA. Once you're receiving your Retirement Income Builder benefits and/or you've reached NPA, you'll no longer have the option to transfer your benefits out of USS.
If you leave USS and then decide to transfer your benefits to another arrangement at a later date, the transfer value will be recalculated and could be higher or lower than when you left service.

We don't charge you to transfer your benefits and savings out of USS. But other schemes may have charges, admin costs or investment fees, so it's important to do your research and compare these charges so you're in the know.

In any 12-month period, you get one free transfer quote for the Retirement Income Builder and/or the Investment Builder – or one free combined quote. You'll be charged for any extra quotes (there are more details about this on the Transfer out option form, available on our website.

• **Any Investment Builder savings** – you'll have the same options in relation to these, but you won't be able to make any further contributions once you've left.

Leaving two or more years after joining

If you've more than two years' qualifying service, a refund of your contributions won't be available to you and your pension and lump sum will be calculated and confirmed to you in writing.

If you leave your pension in the Retirement Income Builder – the defined benefit part of USS – this is what we call a deferred pension. Any pension you've built up at the point at which you leave USS will be increased in line with USS standard pension increases. You'll have the same options at retirement as members who continued to pay in, so you can choose to swap some of your pension for a bigger lump sum, or vice versa. If the value of your pension is small, you may also have the option of receiving it as a one-off lump sum. These benefits are payable at Normal Pension Age (NPA), but you can request early payment from age 55 (rising to 57 for some members in 2028). Benefits which are paid early will be reduced to reflect the early payment.

You'll have the option to transfer the value of your USS benefits to another registered pension scheme, or a qualifying registered overseas pension scheme. You don't have to transfer straight away if you haven't yet retired or reached the NPA. Once you're receiving your Retirement Income Builder benefits and/or you've reached NPA, you'll no longer have the option to transfer your benefits out of USS. Any Investment Builder savings can be transferred out at any time, including after NPA.

If you leave USS and then decide to transfer at a later date, the transfer value will be recalculated and could be higher or lower than when you left service.
Any Investment Builder savings (and any Prudential Money Purchase AVC funds) you've built up will continue to be invested for you and you'll still be able to manage these investments as usual, but you won't be able to contribute further once you've left.
You'll be able to take these in the same way as if you'd continued paying contributions.

USS standard pension increases

Standard USS pension increases are applied annually, both before and after you retire, to:

- The pension from any past membership you may have built up in USS until 31 March 2016
- The pension you build up in the Retirement Income Builder (defined benefit)
- The value of your regular pension income benefits from the Retirement Income Builder once in payment
- The value of your Retirement Income Builder pension if you leave USS and have a deferred pension.

USS pension increases are reviewed each year and are currently linked to increases in official pensions – those paid to retired public sector employees like teachers, civil servants or NHS employees.

Annual increases to official pensions, usually effective from each April, are linked to changes in the Consumer Price Index (CPI) inflation. This is a measure of inflation over the 12 months up to each September.

Your pension will not be reduced during periods of negative inflation. Your USS pension increases as follows:

- Where inflation (currently CPI) is 5% or less, the increase will be matched
- Where inflation is more than 5% but less than 15%, the increase will be 5% plus half of the percentage increase over 5%
- Where inflation is 15% or more, the increase applied will be 10%.

TRANSFERRING BENEFITS IN AND OUT OF USS

You can transfer savings from any pension scheme that has been registered with HM Revenue & Customs into USS. This includes most workplace schemes as well as personal pensions.

You may also be able to transfer benefits you have in recognised overseas pension arrangements into USS. However, it's not possible to transfer State Pension benefits into USS. If you're leaving or have already left USS, you may be able to transfer your USS benefits to another registered pension scheme or recognised overseas pension scheme.

Transferring your USS benefits to another scheme

If you've got deferred benefits, you can choose to transfer these to another registered pension arrangement and some overseas arrangements. Find out more on the Transferring to another scheme page on our website.

You may also be able to transfer your benefits to an authorised annuity provider. You can transfer your deferred Retirement Income Builder benefits at any time before Normal Pension Age (NPA).

If you've got Investment Builder (defined contribution) or Prudential Money Purchase AVC funds (MPAVCs), you can transfer these independently of your Retirement Income Builder (defined benefit) benefits.

If you want to transfer your Retirement Income Builder benefits, you may have to take independent financial advice before you can transfer these to another pension scheme with a view to acquiring a right or entitlement to 'flexible savings' (e.g. money purchase/defined contribution savings).

We don't provide a flexi-access drawdown product in USS so, if you want to use this option, you'll need to transfer your whole Investment Builder pot to a provider that does.

In addition, when transferring your USS benefits and savings, you may have to provide evidence of having received guidance from MoneyHelper if the checks USS is required to undertake before allowing a transfer out show that certain risk factors are present – they may indicate you are at risk of being scammed. If you're transferring your Investment Builder savings or Prudential Money Purchase AVC funds, you may also have to provide evidence of having received, or have opted out of receiving guidance from Pension Wise.

Financial advice if you're considering transferring out of USS

You're encouraged to take independent financial advice before moving your retirement savings. It's a legal requirement to take independent financial advice when transferring £30,000 or more of defined benefit rights like those in the Retirement Income Builder to a defined contribution scheme.

Neither your employer nor the Trustee of USS are allowed, by law, to provide you with financial advice.

However, if you want to seek guidance or take financial advice on the options available to you, visit our Guidance and financial advice webpage for resources to support your planning and, if you need, specific advice on your investment choices. Alternatively, you can find a registered financial adviser elsewhere.

Transferring in to the Investment Builder from another scheme

If you're currently paying contributions to USS and want to transfer in another pension or savings into the scheme, these transfers will go into the Investment Builder – the defined contribution part – and are subject to USS's consent.

Transfers into the Investment Builder will not benefit from the employer subsidy on investment management costs, unless they're moved in from the Prudential Money Purchase AVC (MPAVC) arrangement.

You'll be able to manage and access any savings transferred into the Investment Builder in the same way as if you'd earned them in the Investment Builder from the outset.

How do you request a transfer?

To transfer other pensions or savings you may have into USS, you'll need to complete and return a Transfer request form, available on our website.

COSTS AND BENEFITS THAT COME WITH USS MEMBERSHIP

USS provides a way to save for your future, with contributions from both you and your employer. You may also be eligible for a range of other benefits.

What benefits might you be entitled to?

As well as a regular retirement income and cash lump sum from the Retirement Income Builder – the defined benefit part of USS – and any savings you build up in the Investment Builder (defined contribution), you'll also get life cover. This could include a lump sum payment of three times your salary (ignoring the salary threshold) and a pension for your dependants.

We may also be able to support you if you can't work because of ill health.

Factors

We use factors to calculate the cost and benefits of some of the options available to you in USS. They're set by the Trustee, having taken advice from the scheme actuary. They're reviewed regularly to make sure they remain appropriate, taking into account (amongst other things) the rules of the scheme, legislation, economic factors and the approach to scheme funding.

We'll continue to review and update our factors as appropriate. As such, they're subject to change from time to time.

What will it cost you?

You'll pay 6.1% of your salary into USS.

You'll receive tax relief on your contributions (subject to certain HMRC limits), including any additional contributions you make. For example, if you make a contribution of £100, as a standard-rate UK taxpayer this will cost you £80 from your take-home pay (£79 if you live in Scotland). If you're a higher-rate UK taxpayer the cost will be £60 (£59 if you live in Scotland), based on current income tax rates.

You can also choose to pay more in to USS. Any member can make additional contributions into the Investment Builder – the defined contribution part of USS – and these will benefit from tax relief (subject to certain limits) at the highest marginal rate applicable to the member.

If you contribute to the Investment Builder, investment management charges may apply which will be met through a charge to your Investment Builder funds. These charges will vary depending on the type of investment fund your contributions are invested in. They're subsidised by the employer contribution and are set out in the Quarterly Investment Report.

The remaining costs, including those related to the day-to-day running and administration of USS, is met by employers. For more information on these charges, read our Guide to investing in the Investment Builder.

How much do employers pay?

Your employer pays a monthly contribution of 14.5%* of your salary.

*This contribution rate is subject to the outcome of future valuations.

Can contribution rates change?

Your employer is legally committed, together with all other employers participating in USS, to making contributions.

The overall contribution rate reflects what is needed to ensure USS can pay benefits when they fall due. Contribution rates for both members and employers are reviewed at least every three years.

Read page 5 for more information about contribution rates.

Salary sacrifice

If your employer offers salary sacrifice, you can agree to give up the part of your salary that you'd pay towards your pension and your employer will pay your contributions for you.

If you choose to do this, you (and your employer) could pay lower National Insurance contributions. We'll still use your salary up to the salary threshold to calculate your Retirement Income Builder benefits.

There are reasons why this may not be right for you. For example, if you've been paying in as a member for less than two years and you use salary sacrifice, you won't have the option to get a refund of your contributions when you leave. You'll still be able to keep your benefits in USS, or transfer them to another scheme.

It may also affect the amount you're eligible to borrow if you're looking for a mortgage or other finance. You should speak to your employer for more details.

How are Retirement Income Builder benefits calculated?

When you retire you'll receive a pension and a tax-free (up to certain limits) cash lump sum from the Retirement Income Builder – the defined benefit part of USS.

Each year you earn a pension of 1/75 of your salary, up to a limit called the salary threshold. As of 1 April 2024, the salary threshold is £70,296. This threshold is revalued every April in line with USS Standard Pension Increases, but those increases are subject to a cap of 10% with increases applying as follows:

- Where inflation is 5% or less, the increase would be matched
- Where inflation is more than 5% but less than 15%, the increase would be 5% plus half of the percentage increase over 5%
- Where inflation is 15% or more, the increase applied would be 10%.

Increases to the salary threshold will continue to be applied until 31 March 2028 or, if earlier, the implementation date of any change concluded following a review by the Joint Negotiating Committee (JNC) of the amount of the salary threshold.

Your salary for these purposes normally means the aggregate of your gross fixed salary or salaries and fixed cash allowances (other than those taken in place of benefits in kind) in relation to your USS eligible employments.

The tax-free (up to certain limits) cash lump sum you'll receive from the Retirement Income Builder when you retire is calculated at three times your gross pension. You'll also have the option to swap some of the lump sum for more pension, or some of your pension for more cash (within limits).

For each year you're paying in to USS, the benefits you've earned are banked and added together. So the longer you're a member of USS, the more income you can expect to receive when you retire.

In addition, your pension will increase each year both before and after you retire in line with USS Standard Pension Increases.

If you earn more than the salary threshold, make additional contributions to or transfer pension savings in to USS, you'll also build savings in the Investment Builder – the defined contribution part of USS.

How are Investment Builder savings built?

You'll build a pot of savings, which you'll be able to flexibly access, in the Investment Builder – the defined contribution part of USS – if you:

- Earn more than the salary threshold
- Wish to make additional contributions towards your retirement savings
- Choose to transfer in benefits from another pension scheme.

When your salary exceeds the salary threshold in any year, 13.9% of your employer's contribution and 6.1% of your contribution in respect of salary above the threshold will go into your Investment Builder pot. These rates are subject to the outcome of future valuations. This means you'll build both Retirement Income Builder (defined benefit) benefits and Investment Builder savings. The value of your Investment Builder pot – and any Prudential Money Purchase AVCs (MPAVCs) which are also defined contribution savings – will depend on several factors. These include the amount of contributions you've paid in, any cost of transferring your savings, the performance of your investments, the age at which you access your pot and any charges payable. Your employer subsidises many of the investment fund charges. Visit My USS for further details about our range of funds and any charges.

If you choose to buy an annuity from another provider with your Investment Builder savings, the amount you receive will depend on the conversion rates applicable at the time. If you choose to transfer your savings to another scheme, you may have to pay certain costs which could affect the value of your savings.

Can you make additional contributions into USS?

You can choose to make additional contributions into the Investment Builder and save more for your future. These can be made from your salary, either as one-off payments or as regular monthly contributions.

Log into My USS to manage your additional contributions.

What are MPAVCs?

The Investment Builder, which was launched in October 2016, now gives you a flexible way to make additional contributions to your savings, lets you choose the level of control you have over your investment strategy and opens up new ways for you to access the funds you build up.

Until 30 September 2016 members could elect to make additional contributions to USS's Money Purchase AVC (MPAVC) arrangement, administered by Prudential. Since 1 October 2019, it's not been possible to pay any further MPAVCs into any Prudential funds.

The value of your Investment Builder pot – and any Prudential Money Purchase AVCs which are also defined contribution savings – will depend on several factors. These include the amount of contributions you've paid in, the performance of your investments, the age at which you access your pot and any charges payable.

Part-time and variable-time workers

You pay contributions to USS based on your salary for the 12 months up to 31 March each year.

Any pension and lump sum built up in the Retirement Income Builder – the defined benefit part- is limited to the salary threshold. If you work part-time we use your actual salary, not its full-time equivalent, to work out if you're above the salary threshold or not.

We check whether each month of salary is above the monthly equivalent of the salary threshold. If it is, contributions from you and your employer will automatically be paid into the Investment Builder – the defined contribution part – in that month.
You're a variable-time worker if you don't have fixed hours, and your employment and earnings are therefore not predictable.

As with any other member, your Retirement Income Builder pension is worked out as 1/75 of your salary up to the salary threshold in the 12 months to 31 March each year. However, we can't predict how much you might earn so we apply the salary threshold retrospectively at the end of each scheme year (to 31 March). If your total salary at the end of the year is more than the salary threshold, we'll allocate part of your (and your employer's) contributions to the Investment Builder.

ACCESSING YOUR USS BENEFITS AND SAVINGS

Understand more about when you can normally take your Retirement Income Builder (defined benefit) pension, and what happens if you wish to retire earlier or later than this; or if you need to apply for early retirement due to ill health.

If you also have savings in the Investment Builder (defined contribution), you'll have options to take these before or after you retire, or at the same time.

Ill health retirement

If you're unable to continue working due to a long-term illness or injury, you could receive a pension and a tax-free (up to certain limits) cash lump sum if you're eligible. To be eligible you must:

- Be under the Normal Pension Age (NPA)
- Have paid in to USS for at least two years at the date it's proposed your employment should end
- In the opinion of your employer and USS, be suffering from long-term sickness or infirmity.

If your application for ill health retirement is approved, the pension you'll receive will depend on whether you retire on the grounds of partial or total ill health. Eligibility criteria differs for partial and total ill health retirement, and depending on whether you continue to pay contributions or have left USS. For instance, members who are no longer paying in may only apply for total ill health retirement.
Your benefits will be calculated using your full pensionable salary rather than being limited by the salary threshold. This means any Investment Builder savings built up from your, and your employer's, contributions over the salary threshold, are credited back to USS.

Any additional contributions or other savings you've transferred to the Investment Builder will remain in your pot.

You may not qualify for total ill health benefits if you've paid in to USS for fewer than five years since joining, and retire or cease USS eligible employment as a result of a medical condition known to you or your employer when you joined. This also applies if you re-join USS.

Early retirement

Provided you meet the eligibility criteria, the earliest you can start taking your USS benefits and savings is age 55 (aside from ill health retirement), rising to 57 for some members from 6 April 2028.

If you've been made redundant by your USS employer, you may be able to retire before the minimum pension age (age 55 and rising to 57 in April 2028 for certain members), provided you meet the eligibility criteria.

If you choose to retire before the Normal Pension Age (NPA), any Retirement Income Builder (defined benefit) benefits you receive will be reduced.

The early retirement factors can vary and may change from time to time.
You can use our Benefit calculator tool to estimate what your benefits and savings could look like in retirement.

Flexible retirement

With your employer's agreement, you could take flexible retirement from age 55 (rising to 57 for some members from 6 April 2028) onwards.

This allows you to take up to 80% of your Retirement Income Builder (defined benefit) pension and lump sum as long as you agree to reduce your hours and salary by at least 20%. You must have at least two years' qualifying service.

You can take up to two flexible retirements and continue working, but then you'll need to fully retire to take any more off your Retirement Income Builder benefits.

Any flexible retirement benefits you receive before your Normal Pension Age (NPA) may be subject to early payment reductions.

Normal retirement

The Normal Pension Age (NPA) in USS is 66, however you could choose to retire before or after this age. You'll need to retire no later than the day before your 75th birthday. If you retire at the NPA, you can take your Retirement Income Builder (defined benefit) benefits in full.

The NPA of 66 has been in place since October 2020, and will rise again in the future, in line with increases to the State Pension age for men and women.

You can use our Benefit calculator tool in My USS to estimate what your benefits and savings could look like in retirement.

Late retirement

While you're in USS eligible employment and contributing to USS, you can choose to retire later than the Normal Pension Age (NPA). You'll need to retire no later than the day before your 75th birthday.

This option enables you to continue paying in to the Retirement Income Builder (defined benefit) and the Investment Builder (defined contribution), and your employer will continue to contribute on your behalf. It's not available to you if you've left USS.

Any Retirement Income Builder benefits built up at NPA will be increased for each month beyond the NPA that they're not paid out to you.

Any Investment Builder savings will continue to be invested until you retire, and if you plan to retire later you should review your Target Retirement Age (TRA) in My USS. Your TRA is the age when you plan to start using your Investment Builder pot, and you can set this in My USS.

You can use our Benefit calculator tool to see what your benefits and savings could look like in retirement.

Investment Builder savings

As long as you're not retiring due to ill health, there's a number of ways you can access any Investment Builder (defined contribution) savings.

Read the Using your Investment Builder pot page on our website to understand your options, and think about whether you want to take your savings alongside your Retirement Income Builder (defined benefit) benefits or separately.

Your Target Retirement Age (TRA) is the age when you plan to start using your Investment Builder pot, and you can set this in My USS.

It's important because, if you've selected for USS to manage your funds, it tells us when we should start switching your investments to plan for retirement.

We also use your TRA when we project what your Investment Builder funds could be worth in your statements.

You can find out what your TRA is set to and change it in My USS.

If you die while paying in to USS

As long as you're paying in to USS, you'll qualify for life cover equal to three times your salary. In the event of your death, this can be paid to your relatives, dependants, personal representatives or other beneficiaries nominated by you (your "beneficiaries").

Every three years you should complete an Expression of Wish form in My USS to tell us who you'd like to receive that lump sum, even if your wishes haven't changed. It'll be paid at our discretion so that it's free from Inheritance Tax but we'll consider your wishes when making our decision.

We'll use your full annual salary to calculate the lump sum, and if you work part-time we'll use the actual salary you receive – not the full-time equivalent.
Any Investment Builder (defined contribution) savings you've built by making additional contributions or transferring in to USS, will be paid to your beneficiaries. Prudential Money Purchase AVC funds (MPAVCs) will also be paid to your beneficiaries.

If you have a spouse/civil partner at the time of your death, they can receive a regular pension income from USS. It'll be 50% of the pension you'd have received if you'd continued paying into USS until age 65, up to a maximum of 40 years. The estimated pension at 65 is calculated using your salary in the last 12 months of your active membership ignoring the salary threshold. If you have at least five years' pensionable service, an enhanced spouse/civil partner's pension is paid for the first three months, equal to the rate of your salary at your death.

If you're not married or in a civil partnership, a pension may be payable to a financial dependant or someone who is dependent on you because of physical or mental disability at our discretion. You should complete a Registration of a potential dependant form in My USS to tell us who you'd like to receive your benefits.

In addition, a pension is payable to your eligible children if you die before the Normal Pension Age (NPA). If you leave one eligible child, they'll receive 37.5% of the pension you'd have received if you'd have continued paying in to USS until age 65, up to a maximum of 40 years. Two or more eligible children will share 75% of your projected pension. If you die after the NPA but you're still paying in, a different calculation applies. If no pension is payable to a spouse/civil partner or dependant then the children's pensions will be increased from 75% to 100% of the pension you'd have got at age 65. If you die before age 65 and leave no dependants, the lump sum payable to your beneficiaries may be increased.

If you die after leaving USS

If you die when you're entitled to benefits you built up before leaving USS, a lump sum will be payable to your beneficiaries. This will be the value of your deferred lump sum, increased from the date you left USS to the date of death.

If you have any Investment Builder (defined contribution) or Prudential Money Purchase AVC funds (MPAVCs), these will also be paid as a lump sum.

You should complete an Expression of Wish form in My USS every three years to let us know where you'd like your lump sum to be paid, even if your wishes haven't changed. We'll pay a pension to your spouse/civil partner equal to half your deferred pension, increased from the date you left USS to the date of your death.

If you're not married/in a civil partnership at the time of your death, a pension may be payable to a financial dependant at the discretion of USS. You should complete a Registration of potential dependant form in My USS every three years to let us know who you'd like to receive this.

If you were a USS member for at least five years, an enhanced spouse's/civil partner's pension is paid for the first three months equal to the full rate of your deferred pension.

If you have any eligible children at the date of your death, they'll receive a pension equal to 37.5% of your deferred pension each for up to two children. Three or more children will receive an equal share of 75% of your deferred pension. These benefits will be increased from 75% to 100% if a pension is not payable to a surviving spouse/civil partner or dependant.

If you die after retiring

We'll pay a pension to your spouse or civil partner of generally half the Retirement Income Builder (defined benefit) standard pension you were entitled to when you retired, plus increases up to the date of your death. The standard pension at retirement is your pension income plus a one-off cash lump sum of three times your pension amount. If you chose to take a higher or lower cash lump sum and receive a higher or lower pension instead, your spouse or civil partner's pension will still be based on your standard pension. This pension will be worked out based on your salary, subject to the salary threshold.

Any remaining Investment Builder (defined contribution) or Prudential Money Purchase AVCs (MPAVCs) will normally be paid as a lump sum to your beneficiaries. If you were a USS member with at least five years' qualifying service, an enhanced spouse/civil partner's pension will be paid for the first three months following your death, meaning they'll receive a pension from the Retirement Income Builder at the rate you were receiving it when you died.

If you're not married or in a civil partnership when you die, a pension may be payable to a financial dependant or someone who is dependent on you because of physical or mental disability at our discretion. You should keep your Registration of a potential dependant form updated in My USS.

Additionally, if you die within the first five years of retirement, a lump sum may be payable.

Generally, it will be three times your annual salary (below the salary threshold, if you earn above it) at the time you retire, minus any lump sum benefits and pension already received. If a larger tax-free cash lump sum is taken at retirement, this could affect a lump sum that's paid when you die. Any lump sum will be subject to a cap of the balance of pension and lump sum payments due between the date of death and the point five years after you retired (based on the rate of your pension at the date of death).

Dependant's pension calculations and your Investment Builder savings

When calculating pensions for dependants and children, we use your full salary and it's not restricted by the salary threshold. However, any Investment Builder contributions made by you and your employer that you've built up due to your salary being over the salary threshold will be credited to USS in lieu of the fact that the pension benefits have been worked out using your full salary.

Any Investment Builder (defined contribution) savings you've built up by making additional contributions will be paid to your beneficiaries as part of the lump sum.

THE SMALL PRINT

Government legislation requires that all pension schemes provide members with certain essential information.

USS Report and Accounts

Copies of the USS pension scheme's Report and Accounts are available on request or to download from our website, along with a short animated video that summarises some of the main points.

Amendment and termination

The trustee may amend the USS rules at any time. No such amendment can prejudice the pension you've already built up within USS and any amendment requires the written consent of the Joint Negotiating Committee (JNC). Read more about the JNC and how we're governed.

If USS is discontinued, the assets will be used for the benefit of the members and their beneficiaries in accordance with the trust deed and rules.

The funding position of the scheme is reviewed on a regular basis and employers and members may be required to contribute additional amounts, or make other changes, if the funding level of the Retirement Income Builder (defined benefit) were found to be insufficient.

In the event of your employer's insolvency, the benefits due for your past service are covered by USS employers as a whole.

If USS were to be fully wound up, and there were insufficient funds to pay the pensions earned within the Retirement Income Builder, protections are provided by the Pension Protection Fund (subject to certain caps).

Any funds built up in the Investment Builder (defined contribution) remain within that section until such time as you wish to access them.

Tax Registered Scheme

USS is a tax registered scheme under the Finance Act 2004.

Pension Protection Fund

The government established the Pension Protection Fund (PPF) in 2005 to provide benefits in the event that a pension scheme's sponsoring employer(s) become insolvent without there being sufficient funds available in the scheme to pay the benefits due to be paid.

USS is recognised by the PPF as a multi-employer scheme with a joint, or shared, liability. This is based on the 'last man standing' concept, meaning it would only become eligible to enter the PPF in the extremely unlikely event that the vast majority, if not all, of the scheme's employers were to become insolvent.

If such circumstances were ever to occur, the PPF would take over the payment of pension benefits to members, but the benefits received might be less than the full benefits earned within USS. The precise amount that the PPF would pay to each member would depend on the member's age, status, the period over which the benefits were earned and the total value of benefits.

For further information and guidance, visit the PPF website at www.ppf.co.uk.

Data Protection

As the trustee of USS, we collect and use members' personal information so we can run the scheme effectively and meet employer and member requirements. We're committed to protecting your privacy and have appropriate procedures in place to ensure your information and rights are protected.

We adhere to all applicable laws relating to data protection including the UK GDPR, the Data Protection Act 2018 and the Privacy and Electronic Communications (EC Directive) Regulations 2003 when we collect and process your personal information. View our privacy notice in full on our website, including details on the information we collect, what we use it for, and who we share it with.

Resolving a query or dispute

In the first instance we recommend you speak with your USS pensions contact at your employer, who may contact USS on your behalf.

We aim to respond to any queries quickly and comprehensively. If you're dissatisfied with any aspect of the response you receive, please get in touch with us at:
Universities Superannuation Scheme Ltd, Royal Liver Building, Liverpool L3 1PY
Tel: 0151 227 4711 (local rate call charge number)

We have a formal internal dispute resolution procedure if a problem cannot be resolved to your satisfaction. This is a two-stage process. In the first instance you should contact USS to request form IDR1 which you'll need to complete and send to:

Pensions Operations Executive
Universities Superannuation Scheme Ltd
Royal Liver Building
Liverpool
L3 1PY

Your complaint will be considered by the Pensions Operations Executive or another senior officer.

If you're dissatisfied with this response, within six months you can ask for your complaint to be considered by USS's Advisory Committee. To do this you'll need to submit form IDR2 which is available on request. The Advisory Committee has six members — three appointed by the University and College Union and three appointed by Universities UK. For dispute resolution purposes, the Advisory Committee also has two directors from the trustee board.

If you then wish to escalate your complaint further, you can submit it to the Pensions Ombudsman (TPO). The TPO website address is www.pensions-ombudsman.org.uk.

The TPO is an independent organisation which may investigate and determine certain complaints or disputes in relation to workplace pension schemes, such as USS that are referred to it in accordance with the Pension Schemes Act 1993. It can also consider complaints about the actions and decisions of the Pension Protection Fund and about some decisions made by the Financial Assistance Scheme.

Before a complaint can be considered by TPO it must usually have first been considered under both stages of USS's internal dispute resolution procedure.

TPO contact details:
CentralSupportMailbox@pensions-ombudsman.org.uk

The Pensions Ombudsman,
10 South Colonnade, Canary Wharf,
London,
E14 4PU

Money and Pensions Service

The Money and Pensions Service (MaPS) brings together three financial guidance bodies, including The Pensions Advisory Service, The Money Advice Service and Pension Wise. It's an independent, free of charge service available to assist USS members and beneficiaries with difficulties related with the scheme. MaPS is available at any time to assist members and beneficiaries with pensions questions and issues that they have been unable to resolve with us.

MoneyHelper is part of MaPS and is here to make your money and pensions choices clearer and put you in control with impartial help that's on your side, backed by the government and free to use.

Money and Pensions Service contact details:
Holborn Centre,
120 Holborn,
London,
EC1N 2TD

www.maps.org.uk/en/about-us/contact-us

MoneyHelper contact details:
MoneyHelper,
Holborn Centre, 120 Holborn,
London,
EC1N 2TD

www.moneyhelper.org.uk/en/contact-us

The Pensions Regulator

The Pensions Regulator (TPR) is the UK regulator of workplace pension schemes. It works with trustees, employers, pension specialists and business advisers, providing guidance on what is expected of them.

TPR may intervene in the running of schemes where trustees, managers, employers or professional advisers have failed in their duties.

TPR contact details:
The Pensions Regulator, Telecom House, 125-135 Preston Road, Brighton, BN1 6AF
www.thepensionsregulator.gov.uk/en/contact-us

Pension Tracing Service

The Pension Tracing Service is a central register to help people trace details of pension schemes with which they may have lost contact over the years.

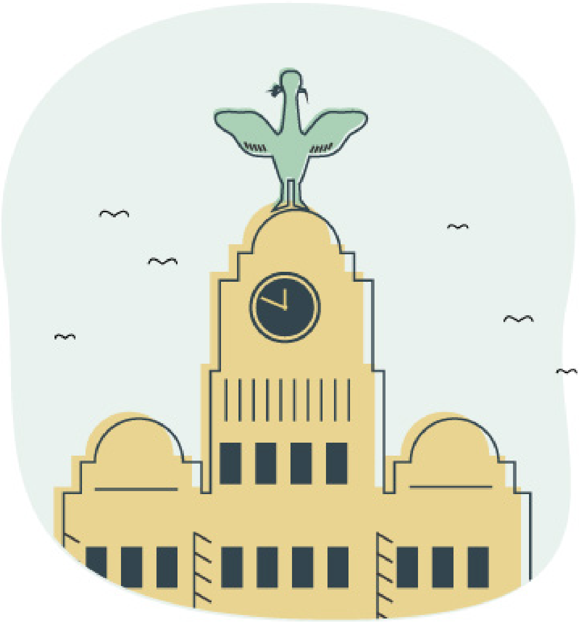
Guidance and financial advice

If you want to seek guidance or take financial advice, visit the Guidance and financial advice page on our website. You'll find a range of resources to support your planning and, if you need specific advice on tax matters, you can also find an independent financial adviser.

Neither your employer nor the Trustee of USS are allowed, by law, to provide you with financial advice.

HOW TO GET IN TOUCH WITH USS

If you're in employment at an institution contributing to USS, please contact your employer's pension team in the first instance to discuss any questions you have. If you're not sure how to contact your pension team, let us know using the following contact details and we can put you in touch.



Contact USS

You can contact us via our online form.
You can also write to us at:

Universities Superannuation Scheme Limited
Royal Liver Building
Liverpool
L3 1PY

Or you can call us:

For all queries call **+44 (0)151 227 4711** (local rate call charge number)
(All lines are open 9:00am – 5:00pm Monday – Friday)

Important note

Unless expressly stated otherwise, the content of this website and any factsheets and guidance issued by the trustee are for general guidance only. They are not legal documents and do not explain all situations or eventualities. If there is any difference between this publication and the trust deed and rules the latter shall prevail. Members are advised to check with their employer contact for the latest information regarding the scheme, and any changes that may have occurred to its rules and benefits.

If you want to seek guidance or take financial advice on the options available to you, visit the guidance and financial advice page. You'll find a range of resources to support your planning and you can also find information on how to access an independent financial adviser.