

UPDATE

TO MEMBERS OF REUTERS PENSION FUND

FROM THE TRUSTEES

ISSUE 47 JULY 2015



WELCOME TO UPDATE

It has been a busy but uneventful year for RPF. Your Fund remains in a sound position as you can see from the annual summary funding statement that starts on page 2. Our investment strategy has delivered on its promise of moderate growth and lowered volatility. Earlier this year we finalised and agreed our formal tri-annual valuation with the Company. The Company has agreed to maintain additional cash contributions of £5.72 million each year to repair the deficit.

During the year Tim Castle's term as a Member Nominated Trustee expired and Geoffrey Sanderson was elected. I would like to welcome Geoffrey and thank Tim for his diligence and hard work.

We have made some changes in the format of this Update, with the aim of showing more historical trends on the development of the Fund.

Do let us know what you think.

Greg Meekings
Chairman of the Trustees

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THOMSON REUTERS

FUNDING UPDATE

THE ACTUARIAL VALUATION AT 31 DECEMBER 2013

We are pleased to report that the actuarial valuation of RPF as at 31 December 2013 has been completed on time. After detailed discussions with the Company, we have managed to reach a positive outcome with the following highlights. We believe that these leave RPF in a strong position for the future:

- **A continuation of the current approach to valuing RPF using suitably cautious assumptions about the future.** These resulted in RPF being calculated to be 96% funded at the valuation date, up from 93% at the previous valuation three years earlier.
- **A continuation of the current level of deficit payments of £5.72m payable in March each year up to and including March 2017.** If the valuation assumptions are borne out in practice, RPF will be fully funded on these assumptions by the end of 2022.
- **An extension of the guarantee to RPF provided by Thomson Reuters Corporation for a further three years until March 2018.** The existence of the guarantee provides additional security to members as it is effectively a commitment by Thomson Reuters Corporation to make good any shortfall in RPF (up to £600m) in the event that Reuters Ltd (the company within Thomson Reuters Corporation which is directly responsible for standing behind RPF) becomes insolvent.
- **Unlike many schemes which have shut completely, active members can continue to earn further benefits in RPF.**

In addition, we're pleased to note that Reuters Ltd, the Principal Employer of RPF, has significantly improved its financial position over the past year.

We are also pleased to report that, since the valuation date, RPF's funding position has shown a gradual trend of improvement which has continued thus far in 2015. This improvement has been greater than expected under RPF's assumptions, which means that RPF could be fully funded earlier than 2022. However, it should be noted that the funding position fluctuates on a daily basis. We will continue to monitor it and we will formally re-assess it at the next actuarial valuation which is due as at 31 December 2016.

At least once every three years, the Scheme Actuary carries out a full financial health check of RPF to work out the funding level. This formal process is called an 'actuarial valuation'.

The actuarial valuation indicates how much money RPF should set aside to cover the benefits members have already earned, and the contributions that RPF needs to receive to be able to pay for benefits building up in the future. Once the Scheme Actuary has worked out this information, the Trustees and the Company agree a schedule of contributions and a recovery plan to deal with any deficit.

In between actuarial valuations, the Scheme Actuary produces annual reports on the funding of RPF (as required by legislation) as well as other updates. These are not as in-depth as an actuarial valuation, but they help to monitor the development of the funding level.

YOUR RPF SUMMARY FUNDING STATEMENT

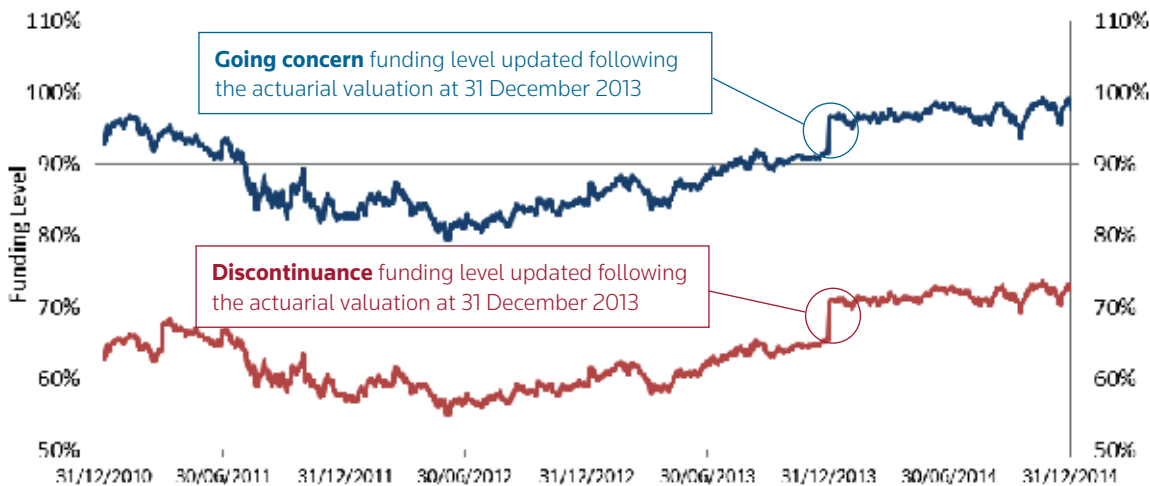
The chart below shows how the RPF funding level has changed over the four-year period to 31 December 2014. Actuarial valuations were carried out at 31 December 2010 and 31 December 2013, with less formal annual reports and other updates in between.

The chart shows two lines:

- The blue line represents the change in the funding level on the actuarial valuation basis (the *'going concern'* basis).
- The red line shows the funding level in the event that RPF was to wind up (the *'discontinuance'* basis).



The terms highlighted in green are explained on page 6.



It is quite normal for the funding levels to fluctuate as the factors affecting them are very changeable. They are susceptible in particular to stock market performance, and expectations of future interest rates, inflation

and life expectancy. This means that the funding levels can go up or down in the future. This is why the Trustees monitor them on a regular basis.

WHAT IS THE FUNDING LEVEL?

The funding level compares the value of RPF's *assets* and *liabilities* and is expressed as a percentage.

- If the value of the assets is equal to the liabilities, the funding level is 100%. This means that the Scheme Actuary has calculated that, on a set of assumptions about the future agreed by the Trustees and the Company, RPF is expected to have sufficient funds at the date of the

valuation to be able to pay all members' benefits in full as and when they fall due.

- If the value of the assets is more than the liabilities, the funding level is greater than 100% and this may provide a cushion against future adverse experience.
- If the value of the assets is less than the liabilities, the funding level is less than 100% and the Trustees and the Company will agree a plan to increase the funding level.



The table below shows how the RPF funding levels and deficits have changed over the four-year period to 31 December 2014.

	31 December 2010	31 December 2011	31 December 2012	31 December 2013	31 December 2014
Going concern					
Funding level	93%	84%	84%	96%	98%
Surplus/ (deficit)	(£85m)	(£260m)	(£254m)	(£57m)	(£41m)
Discontinuance					
Funding level	65%	58%	59%	70%	73%
Surplus/ (deficit)	(£630m)	(£954M)	(£959M)	(£619m)	(£669m)

Even if the going concern funding level is temporarily below 100%, RPF will continue to pay members' benefits in full.

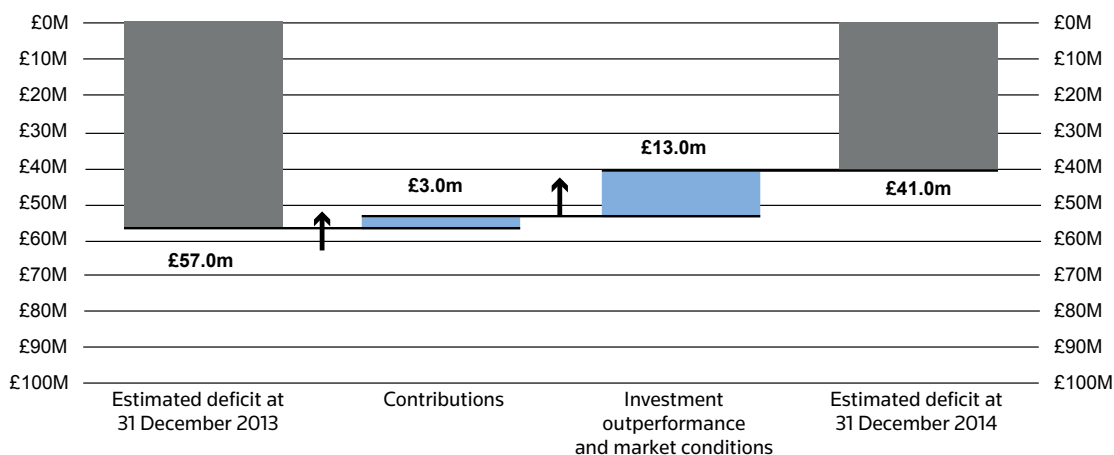
REASONS FOR THE CHANGE IN THE GOING CONCERN DEFICIT

Between the 2012 annual actuarial review and the 2013 actuarial valuation, the going concern deficit reduced significantly. This was as a result of investment returns being higher than had been assumed, contributions paid by the Company to address the deficit, rises in gilt yields which reduced the value of the liabilities and changes in the assumptions used to value the liabilities which were agreed as part of the 2013 valuation.

We now look at the change between the 2013 actuarial valuation and the latest annual actuarial review at 31 December 2014.

The good news is that the deficit decreased between the 2013 actuarial valuation and the 2014 annual update. This was mainly due to returns on RPF's assets being higher than assumed and the payment of contributions to address the deficit. This was offset to some extent by an increase in the value of RPF's liabilities due to a fall in the yields available on gilts over the period.

The key reasons for the change in the going concern deficit is shown in the following chart, while the panel beneath explains the different terms used in the chart.



UNDERSTANDING THE CHART ABOVE

- **Contributions:** Contributions received from the Company over and above the cost of benefits earned by active members over the year.
- **Market conditions:** The estimated change in the deficit caused by changes in market conditions such as changes in the expected yields available on gilts (government bonds) and future expected inflation over the year.
- **Investment outperformance:** The estimated improvement in the deficit as a result of the assets increasing in value by more than the increase in the liabilities over the year.

The next actuarial valuation will be based on information about RPF as at 31 December 2016, with an annual actuarial review due at 31 December 2015.

PLANNING FOR RECOVERY

As part of the 2013 valuation, we agreed with the Company contributions to meet the cost of benefits building up and a recovery plan to remove the deficit as at 31 December 2013. The recovery plan took effect from 24 March 2015.

The Company agreed to pay:

- £5.72m a year, by 31 March each year, to help remove the deficit. The final payment is to be made by 31 March 2017.
- Regular contributions of 17.8% of members' salaries each year from 1 April 2015, for members who have opted for '60ths' benefits.

- Regular contributions of 13.3% of members' salaries each year from 1 April 2015, for members who have opted for '80ths' benefits.
- Contributions of 7.9% of members' salaries each year to cover the administration costs of running RPF and to cover the cost of levies RPF has to pay to the Pension Protection Fund and any other levies collected by the Pensions Regulator.

The remainder of the deficit is expected to be eliminated by RPF's assets increasing by more than the value of RPF's liabilities. Under the agreed recovery plan, RPF is expected to achieve a going concern funding level of 100% by 31 December 2022.



IF RPF WAS WOUND UP

If RPF was wound up, some members might not get the full amount of pension they have built up. In this situation, the Company would have to pay enough for RPF to secure members' benefits in full with an insurance company if it could (see 'Terms explained').

Please note the discontinuance funding level shown on page 4 is purely for your information, and there is no suggestion that the Company is considering winding-up RPF.

PENSION PROTECTION FUND (PPF)

If the Company was to become insolvent, the PPF may step in and pay some compensation to members.

For more details, visit the PPF website at www.pensionprotectionfund.org.uk.

Or, write to the Pension Protection Fund at Renaissance, 12 Dingwall Road, Croydon, Surrey, CR0 2NA.

THE PENSIONS REGULATOR

We are required by regulations to tell you if there have been any payments to the Company out of RPF funds during the year. We can confirm that there have not been any.

The Pensions Regulator has the authority to make changes to RPF if it believes it is necessary to do so, including how future RPF benefits of active members build up, how the going concern liabilities are to be calculated, what level contributions should be paid or the length of any recovery plan. The Regulator has not needed to intervene in this way. To find out more, visit their website at www.thepensionsregulator.gov.uk.



TERMS EXPLAINED

The **assets** are the money that is building up in RPF – including its investments, bank balances and any money owed to it.

The **liabilities** are everything that RPF owes now, as well as the estimated benefits it will have to pay in the future. The liabilities do not have a fixed value, because they are affected by:

- how many people will remain members of RPF until they retire and how many will leave (and transfer their benefits out of RPF);
- how long members will live after they retire, which is the length of time RPF must pay them a pension;
- the level of future inflation, which affects the level of future pay rises and pension increases;
- the rate that is used to convert RPF's future benefit obligations into today's monetary terms (called the 'discount rate'); and
- future investment market conditions.

We set the discount rate using the yield on government bonds (known as gilts) and a conservative allowance for RPF's expected investment returns above the gilt yield. As gilt yields decrease the value of RPF's liabilities increase, and vice versa as gilts increase.

The **going concern** basis assumes that RPF will continue into the future and the Company will continue in business and support RPF.

The **discontinuance** basis looks at the financial health of RPF if it was wound up at the valuation date and whether or not there would be enough money to buy insurance policies to provide all members' benefits. This might happen, for example, if the Company became insolvent. The Scheme Actuary is required by law to work out the discontinuance funding level and deficit at each actuarial valuation – its inclusion in this statement does not mean that the Company is considering winding up RPF.

The discontinuance funding level for most schemes is lower than the going concern funding level. This is because the prices that insurance companies charge for their policies are based on insurers having a more conservative investment strategy than RPF and also include margins for the risk the insurer is taking on as well as profit margin. The discontinuance basis is also known as the 'solvency' position.

INVESTMENT UPDATE

This article looks at how RPF's investments have performed since the previous update in July 2014, and highlights the changes we have made to the investments since that date.

MARKET REVIEW

Global macroeconomic performance was mixed in 2014 with significant disparities between the major regions. The US economy continued its steady recovery and job growth accelerated to its fastest pace since 1997. In contrast, the Eurozone remained plagued by stagnant growth, fiscal austerity and political instability. Inflation remained well below the European Central Bank's 2% target and several Southern European economies slipped into deflation. In response, the Bank's Governor Mario Draghi announced the launch of 'Quantitative Easing' (money printing) in the Eurozone in January 2015. Emerging market economies also disappointed and China registered its slowest rate of growth since 1990. Commodity exporters like Russia were particularly hard hit by the sharp plunge in the prices of oil/gas and other major commodities.

Equity markets rose in 2014 and the first quarter of 2015. However, gains were modest compared to recent years as investors began to doubt whether current equity valuations are justified by corporate and economic fundamentals.

A dominant investment theme has been the very strong performance of developed country government bonds. The 30-year UK Gilt yield fell from 3.5% to 2.3% for the 12 months ending 31 March and US, European and Japanese bonds delivered similarly strong performance (yields are inversely related to bond prices). Geopolitical uncertainties, a slowdown in global growth and the lack of inflationary pressure across the major economies increased the appeal of these 'safe haven' bonds.

THE RPF'S INVESTMENTS

The fall in gilt yields resulted in a sharp increase in the value of RPF's liabilities. However, the Fund completed a programme of interest rate 'hedging' in 2014 which effectively neutralises the impact of falling yields (i.e. by purchasing assets that are sensitive to interest rate falls in the same way as the Fund's liabilities). Strong performance of the Fund's Index-Linked Gilts and derivatives therefore helped to protect the funding level.

Overall, the RPF's investments have performed strongly since March 2014, with the value of the assets increasing to £1,806.5m at 31 December 2014.

INTRODUCING THE PENSION RISK MANAGEMENT FRAMEWORK

Since 2013, our investment strategy has been guided by a Pension Risk Management Framework ('PRMF'). This is a one-page document that sets out the Fund's key investment objectives and constraints. It helps us to review investment decisions, monitor progress against our goals and provides transparency to all stakeholders. The agreed objectives and constraints include:

- **Investment Objective:** to reach full funding on a prudent measure of our liabilities by 2030.
- **Funding Objective:** to reach full funding on the 'going concern' basis (see page 6) by 2022.
- **Risk Budget:** to prevent a funding level loss of more than 15% in a downside scenario.
- **Hedging Strategy:** to protect the funding level against changes in interest rates and inflation.
- **Liquidity:** To maintain sufficient liquid assets to make pension payments and cover potential margin calls on our derivative positions.

Following recent investment strategy changes and the formal valuation, the Fund is now on track against each of the metrics in the PRMF.



The table below shows how the RPF's assets were invested at 31 December 2014. It shows the managers, the proportion of RPF assets they were managing on that date and the value of these assets.

Asset allocation as at 31 December 2014		Value of assets (£m)	Proportion of RPF assets
Legal and General	Global Developed Equities	137.9	7.6%
	Emerging Market Equities	17.0	0.9%
	Corporate Bonds	480.8	26.6%
	Currency Hedging	-4.2	-0.2%
BlackRock	Index-linked Gilts	705.1	39.0%
	Cash and Derivatives	106.2	5.9%
Babson Capital	European Loans	32.4	1.8%
Schroders	UK Property	59.9	3.3%
CBRE	European Property	33.0	1.8%
Morgan Stanley	Private Equity	31.7	1.8%
Abbott Capital	Private Equity	20.8	1.2%
Blackstone	Fund of Hedge Funds	1.3	0.1%
Magnitude	Fund of Hedge Funds	45.5	2.5%
Bridgewater	Global Tactical Asset Allocation	37.2	2.1%
Nephila	Reinsurance	38.1	2.1%
Stone Harbor	Emerging Market Debt	31.7	1.8%
Rogge	Emerging Market Currency	32.0	1.8%
		1,806.5	100.0%

Source: Bank of New York Mellon, Asset Managers

Note: This table does not include cash held in the Trustee's bank account or small residual amounts held with terminated fund managers.

PERFORMANCE AT 31 DECEMBER 2014

	Fund (%)	Benchmark (%)	Difference (%)
Annual Average over 10 Years	9.2	9.1	0.1
Annual Average over 5 Years	12.6	11.8	0.8
Annual Average over 3 Years	11.7	11.5	0.3
Return over 1 Year	29.0	29.7	-0.7

Source: Bank of New York Mellon

INVESTMENT CHANGES

Since the last update, we have replaced half of the physical allocation in equities (approximately £160m) previously managed by Legal & General with an allocation to synthetic equity managed by BlackRock. Synthetic equity is a portfolio management tool that provides investors with exposure to equity markets without investing 100% of the capital. As part of this switch, we also purchased equity downside protection in the form of a 'put option'. This is an insurance policy that will pay out to the Fund if equity markets fall by more 10%. The new strategy reduces our equity risk and releases cash to invest in other asset classes.

We also approved an allocation of £150m to Diversified Growth Funds ('DGFs'). DGFs aim to deliver broadly similar returns to equities but at lower risk, by switching tactically between different asset classes. We appointed GMO and Invesco Perpetual to manage the allocation and an initial tranche of £110m was invested in March 2015. The allocation was funded using proceeds from the sale of physical equities and by disinvesting from the Rogge Emerging Market Currency fund.

The table below shows how the RPF's assets were invested at 31 March 2015. It shows the managers, the proportion of RPF assets they were managing on that date and the value of these assets.

Asset allocation as at 31 March 2015		Value of assets (£m)	Proportion of RPF assets
Legal and General	Global Developed Equities	138.4	7.3%
	Emerging Market Equities	17.8	0.9%
	Corporate Bonds	499.3	26.3%
	Currency Hedging	1.0	0.1%
BlackRock	Index-linked Gilts	732.5	38.6%
	Cash and Derivatives	55.5	2.9%
Babson Capital	European Loans	31.0	1.6%
Schroders	UK Property	60.1	3.2%
CBRE	European Property	31.4	1.7%
Morgan Stanley	Private Equity	33.3	1.8%
Abbott Capital	Private Equity	22.3	1.2%
Blackstone	Fund of Hedge Funds	1.3	0.1%
Magnitude	Fund of Hedge Funds	48.7	2.6%
Bridgewater	Global Tactical Asset Allocation	41.6	2.2%
Nephila	Reinsurance	40.1	2.1%
Stone Harbor	Emerging Market Debt	32.3	1.7%
Invesco Perpetual	Diversified Growth Fund (Multi-Asset)	55.4	2.9%
GMO	Diversified Growth Fund (Multi-Asset)	53.6	2.8%
		1,895.4	100.0%

Source: Bank of New York Mellon, Asset Managers

Note: This table does not include cash held in the Trustee's bank account or small residual amounts held with terminated fund managers.

PERFORMANCE AT 31 MARCH 2015

	Fund (%)	Benchmark (%)	Difference (%)
Annual Average over 10 Years	9.7	9.6	0.1
Annual Average over 5 Years	12.9	12.1	0.8
Annual Average over 3 Years	14.2	13.8	0.5
Return over 1 Year	32.8	31.6	1.1

Source: Bank of New York Mellon

COMMITTEE ROUND-UP

Three Sub-Committees are appointed by the Trustee Board of the RPF. Each one meets at least four times a year and reports to the full Board. This section contains a summary of their composition and main responsibilities.

COMMUNICATIONS SUB-COMMITTEE

MEMBERSHIP:

James Hardman, Maureen Laurie and Barry May (chairman)

PRINCIPAL RESPONSIBILITIES:

To plan contents of the annual Update newsletter, review other member communications and maintain the Trustees' website.

REPORT FROM BARRY MAY:

Update is now published annually in July. We made this change last year because the Trustees of RPF have a website – www.reuterspensionfund.co.uk – where we can tell you about developments more quickly.

More and more RPF members are using the Trustees' website, which is where you should look first for the latest news about your pension fund and pensions matters in general. If you register as a subscriber we will tell you whenever the site is updated.

The site is open for all to see. Therefore confidential details about you and your pension cannot be published there.

For that you must continue to use the member website run by the Scheme Administrator (Capita Employee Benefits).

That site has been switched to a new address:

www.hartlinkonline.co.uk/rpf

One of the things you can find on the member website – in addition to information about your own personal pension fund – is the pensioners' monthly payslip in electronic format. We have improved its design so that it is easier to see the net amount you receive each month. If you would prefer to receive a paper payslip, you can opt-out of electronic delivery at any time.

FINANCE AND ADMINISTRATION

MEMBERSHIP:

Maureen Laurie, Barry May and Martin Vickery (chairman)

PRINCIPAL RESPONSIBILITIES:

To monitor the delivery of services by the Scheme Administrator to members and to assess its performance against agreed standards; to determine any necessary action for complaints or errors and act as the decision body for the second stage of the RPF Internal Dispute Resolution Procedure.

REPORT FROM MARTIN VICKERY

One of the committee's main responsibilities is to monitor services provided by the Scheme Administrator. Capita Employee Benefits provides a quarterly report that details the work it has done and how it has performed against contractual targets. From January to March this year, Capita received 1,029 emails from members and spent 344 hours helping to resolve queries on the telephone. A total of 1,335 new 'cases' were opened.

More and more RPF members are using the Trustees' website



SUB-COMMITTEE

The committee places a high priority on ensuring the accuracy and completeness of the RPF database. Members can help us to do this by ensuring that changes in their personal details are always promptly notified to Capita. When an error is found, it is corrected and similar records are checked for their accuracy. If necessary, a data check and cleanse will be undertaken on a complete section of the database.

Over the last two years much work has been done to check and ensure the accuracy of members' 'Value for Money' pensions. The Scheme Actuary also sample checks the accuracy of all key calculations performed by Capita.

Complaints formally received by the RPF and not resolved at the first stage by the Trustee Secretary are passed to the committee, which acts as the decision body for the second stage of the Fund's Internal Dispute Resolution Procedure (IDRP). From January to March all IDRP complaints were successfully resolved without the need for any second stage action.

INVESTMENT SUB-COMMITTEE

MEMBERSHIP:

Greg Meekings (chairman), Graeme Ramsey, Martin Vickery and Andrew Perrin (Company representative)

PRINCIPAL RESPONSIBILITIES:

To review the continuing appropriateness of RPF's investment strategy; to develop and make recommendations to the Trustee Board for changes to investment policy; to take forward, on behalf of Trustees, consultation with the Company about any proposed changes to the Statement of Investment Principles; to monitor investment performance of managers and to manage relationships with them and with all investment service providers.

REPORT FROM GREG MEEKINGS

It is two years since we appointed Redington as RPF Investment Adviser and we have largely completed implementation of our agreed strategy.

During the year the committee assisted the Trustee Board to fully implement the agreed target levels of hedging for both inflation and interest rate risk. This has had the desired effect of largely immunising the RPF funding level from rate changes. The committee also worked to shift the Fund's equity exposure from physical equities to volatility controlled equity derivatives. This has freed up cash, and maintained the desired equity exposure at reduced risk. Using some of this liberated cash we made investments in two Diversified Growth Funds with Invesco Perpetual and GMO.

The committee also worked at reducing RPF's investment risk which went down to 13.9% of the Fund's liabilities during the last year.

Finally the committee is about to conduct the first review of the Fund's Pension Management Risk Framework ('PMRF' – see page 7) to ensure it remains appropriate. The PRMF is what underlies all our investment strategic decision making and was put in place in 2013.

FROM THE ACCOUNTS

The figures in the table below are taken from the Trustees' formal Report and Accounts for the year ended 31 December 2014.

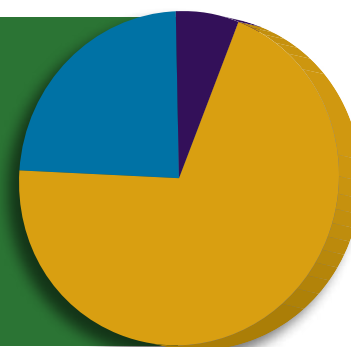
They have been audited by PricewaterhouseCoopers, who confirmed that they are true and fair. If you would like to see a copy of the full report, please contact Thomson Reuters Member Services Centre or log on to the member website (details are on the back page).

	2014 £000	2013 £000
Contributions and Benefits		
Contributions receivable	18,071	19,814
Other income	615	73
Total	18,686	19,887
Benefits payable	(28,786)	(25,300)
Payments to and on account of leavers	(4,694)	(5,000)
Administrative expenses	(2,177)	(1,934)
Total	(35,657)	(32,234)
Net (withdrawals)/additions from dealings with members	(16,971)	(12,347)
Returns on investments		
Investment income	35,427	17,587
Interest payable	(1,310)	(83)
Change in market value of investments	370,688	39,774
Investment management expenses	(2,517)	(1,780)
Net returns on investments	402,288	55,498
Net increase in the Fund during the year	385,317	43,151
Net assets of the Fund brought forward	1,437,724	1,394,573
Net assets of the Fund carried forward	1,823,041	1,437,724

THE MEMBERSHIP

There were 7,556 members in RPF on 31 December 2014.

- 423 active members
- 5,239 deferred members
- 1,894 pensioners



BULLETIN

REMEMBER

The Trustees' website is our first port of call for general information about RPF.

We now have in place a subscription service which enables you to sign up for email alerts whenever the website is updated. For more details – and to sign up – please go to the Trustees' website:

www.reuterspensionfund.co.uk



Please remember that the Trustees' website is open, and therefore public. This means that we will not use it to publish any confidential or personal information. For that, you must go to the Scheme Administrator's member website (see the back page).



RESULTS OF THE MEMBER NOMINATED DIRECTOR ELECTION

In November 2014, Tim Castle's terms as a member-nominated member of the Managing Committee and Trustee Board expired. Tim decided not to offer himself for re-election due to other personal

commitments. Geoffrey Sanderson, a retired member of RPF, and Martin Davis, a deferred member, put themselves forward for election. The results of the members' ballot were as follows:

Number of eligible voters:	6,437
Total eligible votes cast:	1,237 (a turnout of 19.2%)
Number of votes found to be invalid:	2
Geoffrey Sanderson	864
Martin Davis	371

Geoffrey was therefore elected for a period of four years with effect from 1 January 2015.



BUDGET 2015 AND PENSION ALLOWANCES

The 2015 Budget introduced yet more changes for pensions and pension tax relief, including plans to:

- further reduce the Lifetime Allowance (LTA) from £1.25m to £1m from 6 April 2016;
- allow indexation of the LTA annually by CPI from 6 April 2018; and
- allow people already receiving income from an annuity to assign their annuity income to a third party in exchange for a lump sum or alternative retirement product from 6 April 2016.

As per previous reductions in LTA, transitional protection for pension rights already over £1m will be introduced to ensure that the change is not retrospective. Details of these protections have yet to be released.



UPDATE ON PENSIONS LIBERATION

A new industry-wide code on combating pension liberation scams provides guidance for trustees on how to assess members' transfer requests and decide whether a requested transfer involves pension liberation or other scam activity. The Code has immediate effect in relation to ongoing and new transfer requests from 16 March 2015.

The much-awaited first determinations of the Pensions Ombudsman in the "pension liberation transfer cases" have also started to emerge. To date the majority of

determinations related to blocked transfers from personal pension schemes to suspected pension liberation schemes. What we don't have yet is a determination in any case where trustees allowed a transfer payment to be made to a suspected pension liberation scheme and the member concerned is now regretting that and complaining that the trustees of his former scheme should not have done so. However, the Ombudsman has announced that he is currently considering one such complaint and expects to publish his determination in it shortly.

TRANSFERS TO OVERSEAS PENSION ARRANGEMENTS

Members of RPF who have not yet started to draw their pension may be able to transfer their benefits in RPF to another approved pension arrangement in the UK. They can also transfer them to a Recognised Overseas Pension Scheme (ROPS) which is listed as an approved scheme by the HMRC. Since 6 April 2015, the Overseas Pension Schemes (Miscellaneous Amendments) Regulations 2015 had set up a requirement that the ROPS, to be recognised as such by HMRC and permitted to receive funds from UK occupational pension schemes, must not allow members to start drawing a pension before the minimum age when they would have been able to do so in the transferring occupational pension scheme in the UK, which is currently age 55 unless the retirement is due to ill health. This means that transfers from RPF to overseas arrangements that allow a pension to be drawn before age 55 are no longer permitted.

RPF members should also note that since 6 April 2015 if the transfer value of their benefits in the Fund exceeds the amount of £30,000 they must obtain financial advice from an adviser registered with the Financial Conduct Authority before they can transfer their benefits to another pension arrangement. The requirement applies also to transfers to overseas arrangements and the adviser will have to provide written confirmation to the Thomson Reuters Member Services Centre that the advice in respect of the proposed transfer has been provided, although it is not necessary for the member to have accepted it in order to be allowed to transfer his/her benefits.

If you are considering transferring your benefits in RPF to another pension arrangement, whether in the UK or overseas, please contact the Thomson Reuters Member Services Centre for more information on the procedure to be followed.

HOW TO...

NOTIFY THE DEATH OF AN RPF MEMBER

Notifications of the death of a member, whether in receipt of a pension from RPF or not, and enquiries over the payment of spouses', dependents' or children's pensions should be sent to the Thomson Reuters Member Services Centre as soon as possible. It would be helpful if the original Death Certificate (or a Death Certificate Verification Form) is also sent with the initial notification in order to speed up the process. It is important that the notification of death is made as soon as possible, particularly in the case of pensioner members, as any overpayment of pension following the death will have to be reclaimed.

RETIRE DUE TO SERIOUS ILL-HEALTH

If you suffer from a serious illness that prevents you from carrying out paid employment, you may be able to start drawing your pension from RPF early. The Trustees will need to satisfy themselves that you qualify for the early payment and therefore they will ask you to provide medical evidence of your condition. In the event that your condition is serious enough that your life expectancy is reduced to less than 12 months, you may be able to commute a higher amount of pension for cash at retirement. Please contact the Thomson Reuters Member Services Centre for more information on retirement on the grounds of serious ill-health.

STATE PENSION CHANGES

As you may know, the Government is introducing changes to the State Pension system which will affect people reaching State Pension age from 6 April 2016 onwards. They will not affect people who have already reached their State Pension age by then.

The changes will affect each person differently depending on your individual circumstances, but here are the headlines:

- A new single-tier, flat-rate State Pension is being introduced. The single-tier pension will replace the current Basic and Additional pensions.
- The level of the new State Pension will be set in Autumn 2015, and will be worth more than the standard amount of the Pension Credit guarantee, so at least £148.40 a week. **Please note you may get more or less depending on your individual circumstances.**
- The full single-tier State Pension will be given to people with at least 35 years of National Insurance (NI) contributions or credits. Those with between 10 and 34 years of NI contributions will receive a proportion of the pension.
- A deduction will be made to the full State Pension if you have been in a 'contracted out' personal or workplace pension scheme prior to 6 April 2016.

As a member of RPF, your pensionable service with RPF prior to 6 April 2016 is 'contracted out', which broadly means that you have been paying a lower rate of NI contributions and in return you have been automatically opted out of the Additional State pension. Therefore, the deduction noted above will apply for your years of pensionable service with RPF.

You can find out more about the State Pension changes on the Government's website: www.gov.uk. The website includes a 'State Pension toolkit' which contains information to help people understand the new State Pension.

For example, as a first step you may wish to read the following publications on the Government's website:

- *Your new State Pension explained* – Guidance to help people understand the changes to the State Pension scheme from 6 April 2016.
- *New State Pension: glossary* – An explanation of words and phrases used in guidance about the new State Pension.

As noted above, the current State Pension and benefit systems will continue for those who reach State Pension age before 6 April 2016.



MEMBER UPDATE

DECEASED PENSIONERS

The following pensioners have died since the previous edition of this newsletter:

Name	Date of death	Last known address
Gilbert Michael Littlejohns	3 January 2014	New York, USA
Adimali Kankanamge Dayawansa	28 January 2014	Rajagiriya, Sri Lanka
Henri Mendy	4 February 2014	Dakar R P, Senegal
Thomas Edward Spampinato	7 March 2014	Delran Beach, USA
Ingrid Muller	30 March 2014	France
Albert Van Der Veen	14 May 2014	The Netherlands
Sheila Thompson Lewenhak	26 May 2014	Eastbourne, East Sussex
Reginald Watts	8 June 2014	Bromley, Kent
Angela Malik	17 June 2014	Haslemere, London
Reginald George Clarke	20 June 2014	Anstey, Buntingford
Haroutune Assadourian	3 July 2014	Cricklewood, London
Joeseph Henry Marjeram	8 July 2014	Lincoln
James Frederick Goatcher	14 July 2014	Chesham Road, Wigginton
Ali Mehravari	19 July 2014	London
George B Grierson	25 July 2014	Colorado, USA
Nichol Hutton	26 July 2014	Hughenden Valley, High Wycombe
Eva Staude	29 August 2014	Acton, London
Roy Bannister	6 September 2014	Shrewsbury, Shropshire
Christine Frawley	15 September 2014	Ricall, North Yorkshire
John Saysell	19 September 2014	Bromley, Kent
Edward Earnest Walker-Hebborn	3 October 2014	Rayleigh, Essex
John Pegg	17 October 2014	Redcar, Cleveland
David Wallace Betts	21 October 2014	Dornoch, Sutherland
Pam P Turner	11 November 2014	Virginia Water, Surrey
John Cook	14 November 2014	London
Mary Ivy Ellen Hampson	16 November 2014	Stickford, Lincolnshire
Doris Muriel Bennett	21 November 2014	Orpington, Kent
Norman Williams	23 November 2014	Camber Rye, East Sussex
Malcolm Wright	24 November 2014	Norwich, Norfolk
Michael Dixon	8 December 2014	Horsham, West Sussex
Jeremy Mark Smith	14 December 2014	Colchester
Michael Anthony Edbrooke	16 December 2014	Folkestone, Kent
John Horatio Nicholson	3 January 2015	Leytonstone, London
Charlotte Klotzmann	13 January 2015	New York, USA
Geoffrey Edward Harding	26 January 2015	Woodford Green
Adrienne Jackson	27 January 2015	Wimbledon, London
Brian Williams	7 February 2015	Athens, Greece

Name	Date of death	Last known address
Anne Shirley Bickler	11 February 2015	London
Stanley Claude Arbery	15 February 2015	Roehampton, London
Martin Bidgood	28 February 2015	Hampton, Middlesex
Edward Hood	2 March 2015	Ryde, Isle Of Wight
Dale Martin John Stevens	9 March 2015	Guildford, Surrey
Doreen Phyllis Evans	12 March 2015	Carshalton, Surrey
Roy Rowland	13 March 2015	Rayleigh, Essex
David John Goddard	13 March 2015	Beer, East Devon
Basil Wong	21 March 2015	Trowell, Nottinghamshire
Marion Williams	24 March 2015	Stroud, Gloucestershire
James Henry Goodfellow	26 March 2015	Tonbridge, Kent
George Edward Cooper	26 March 2015	Bermondsey, London
Fred Woudstra	15 April 2015	The Netherlands
Bryan Ayers	27 April 2015	East Barnet, London
Lawrence Patrick Lohan	15 May 2015	Crawley, West Sussex
Geoffrey Frank Avis	24 May 2015	Paphos, Cyprus

CAN YOU HELP US LOCATE THESE MEMBERS?

We are currently trying to contact three members of RPF who have reached Normal Retirement Age and are therefore due to start drawing their benefits. Unfortunately we do not hold current addresses or contact details for them and searches carried out via the Department of Work and Pensions have proved unsuccessful.

If you are in touch with any of these members or know their current whereabouts, please contact or ask the members to contact the Thomson Reuters Member Services Centre (see details on the back page).

Here are the members we want to contact:

	When they worked for the Company	Their last known address
Denis Hugh Casey	October 1987 to October 1989	Ranelagh, Dublin
Michael Connolly	July 1997 to February 2003	Southbank, Victoria, Australia
George William Rowson	January 1993 to March 2004	Tunbridge Wells, Kent

RUNNING RPF

THE RPF MANAGING COMMITTEE AND TRUSTEE COMPANY BOARD

COMPANY APPOINTED

Greg Meekings – Trustee Chairman
James Hardman
Graeme Ramsey
Martin Vickery

MEMBER NOMINATED

Maureen Laurie
Barry May
Geoffrey Sanderson

PROFESSIONAL ADVISERS TO THE RPF TRUSTEE BOARD

SCHEME ACTUARY

Jonathan Wicks, Aon Hewitt Limited

AUDITORS

PricewaterhouseCoopers LLP

SCHEME ADMINISTRATOR

Capita Employee Benefits Limited

INVESTMENT ADVISER

Redington Limited

LEGAL ADVISER

Sacker & Partners LLP

BANKER

National Westminster Bank

CUSTODIAN

Bank of New York Mellon Limited

Members' rights are governed by the RPF Rules. In the event of any apparent conflict with this newsletter, the Rules will prevail.

CONTACT POINTS

IF YOU NEED INFORMATION

IF YOU HAVE ANY QUESTIONS ABOUT YOUR BENEFITS

Please contact Thomson Reuters Member Services Centre.

Write to:

Thomson Reuters Member Services Centre
Capita Employee Benefits
Hartshead House
2 Cutlers Gate
Sheffield S4 7TL
United Kingdom

Phone number for UK callers:
0800 077 8250

Phone number for overseas callers:
+44 (0) 114 273 8397

Email:
ThomsonReuterspensions@capita.co.uk

IF YOU WANT TO CHECK YOUR BENEFITS ONLINE

Log on to the member website at
www.hartlinkonline.co.uk/rpf

If you have not used the website, you can register and obtain log-in details by following the instructions directly on the website.

IF YOU WISH TO BRING SOMETHING ABOUT THE SCHEME TO THE ATTENTION OF THE TRUSTEES

Please write to:

Claudia Bunney, RPF Trustee Secretary,
The Thomson Reuters Building, 30 South Colonnade, Canary Wharf, London E14 5EP

Or email her at
claudia.bunney@go-pensions.co.uk

REMEMBER

The Trustees' website is your first port of call for general information about RPF and current pension issues.

www.reuterspensionfund.co.uk



IF YOU WANT ADVICE

If you are considering making any changes to your pension at any time, you may want to consider taking independent financial advice.

If you do not already use a financial adviser, www.unbiased.co.uk can give you details of an independent financial adviser in your area. Type your postcode into the search engine on the website.

The Money Advice Service is an independent organisation set up by the Government and funded by the financial services industry. It offers a free service to help everyone manage their money better. Its website has unbiased money advice, information and tools to help you work out what's right for you. Visit the website at www.moneyadvice.org.uk or call the helpline on 0300 500 5000 (call rates may vary).

FURTHER READING

If you would like more detailed information about RPF and how it works, there are a number of other documents available.

- The Trust Deed and Rules are the legal documents that govern the way RPF works.
- The Statement of Investment Principles explains how the Trustees invest the money paid into RPF.
- The Schedule of Contributions shows how much money is being paid into RPF.
- The latest Report and Accounts shows how RPF developed over the year which ended on 31 December 2014. You can also ask to see a copy of the full Actuarial Valuation Report on the Actuary's assessment of RPF as at 31 December 2013.

If you would like to see a copy of any of these, please contact Thomson Reuters Member Services Centre in the first instance.

