

BASF UK Group Pension Scheme



Supplementary guide for defined contribution (DC) section members entitled to the Knoll supplement

This supplementary guide should be read in conjunction with the DC section 'Your member guide' booklets dated April 2012. It applies to you if you have been notified in writing that you are eligible for the Knoll supplement. If this is the case, some of your benefits differ from those set out in the DC section 'Your member guide' booklets dated April 2012. The differences are as follows:

Knoll supplement

'Your member guide' reference: **Booklet 1, pages 8 and 9 'Contributions to my account'**

If you are an active member of the DC section of the *Scheme*, and have been notified in writing of your eligibility for the Knoll supplement, your *employer* will pay an additional contribution (Knoll supplement) depending on the level of your pension salary sacrifice*. In your case, the table below applies instead of the one shown on page 9 of Booklet 1:

Your pension salary sacrifice*	Standard employer contribution	Additional employer contribution (Knoll supplement)	Total employer contribution paid into your account
(% of pensionable salary)			
3%	4%	0%	7%
4%	6%	1%	11%
5%	8%	2%	15%
6%	10%	3%	19%
7%**	12%**	3%	22%

*If you do not participate in pension salary sacrifice this table also applies to the regular member pension contributions you make instead.

**This is a transition band and is subject to eligibility - it is available to active DC section members at 31 March 2012 only. The Company intends that the 7:12 transition band should run for 10 years from 1 April 2012 but eligible employees must start a pension salary sacrifice* of 7% of *pensionable salary* by 1 April 2015 in order to qualify for the highest standard *employer* contribution of 12%.

A number of words and phrases used in this guide have a special meaning. These are defined in the **DC section 'Your member guide' booklets updated April 2012** and appear in *italics* in this guide.

Details of how *Scheme* benefits are calculated and paid are set out in the Trust Deed and Rules, which take precedence over this guide.

Booklet 2, Page 4	<p>'Benefits when you retire' - the following additional information applies</p>
	<p>What is a GMP? GMP means guaranteed minimum pension. If you were contracted-out of the State additional pension through the Scheme before 6 April 1997, this is the minimum amount of pension that the Scheme was required to provide you with as a condition of you being contracted-out.</p> <p>Will I have a GMP? If you were earning benefits in the Scheme before 6 April 1997, you may have built up a GMP. Any GMP will be detailed on your annual benefit statement.</p> <p>How will my GMP be provided? If you have a GMP, that part of your <i>account</i> which is attributable to employment before 6 April 1997 must be used to secure the GMP (including the attaching survivor's GMP). Should the relevant part of your <i>account</i> be insufficient to provide your GMP, the balance of the cost will be met by the <i>Scheme</i>.</p>
Booklet 2, Page 8	<p>'If you die in service - what benefits are payable if I die in service?'</p>
	<p>The benefits payable on death in service on page 8, Booklet 2 are replaced by the following:</p> <p>If you die while working for your <i>employer</i> as an active member of the <i>Scheme</i>, as cash lump sum of four times your <i>pensionable salary</i> will be payable.</p> <p>The value of your <i>account</i> based on any pension salary sacrifice (or regular member pension contributions) which <u>did not</u> attract a matching standard <i>employer</i> contribution will also be payable as a cash lump sum not exceeding the Lifetime Allowance (see Booklet 1, page 10).</p> <p>In addition, the following pensions may be payable:</p> <ul style="list-style-type: none"> ■ to your <i>partner</i> (see term defined below) - a pension equal to 30% of your <i>pensionable salary</i> (inclusive of any GMP); and ■ to each of your <i>children</i> (see term defined below) a <i>child's</i> pension of 10% of <i>pensionable salary</i> for each <i>child</i> (up to a total of 30% of <i>pensionable salary</i>). If you have more than three <i>children</i>, the maximum benefit of 30% of <i>pensionable salary</i> will be divided equally between the <i>children</i>. <p>Some additional terms you should know:</p> <p>Partner Your widow, widower or surviving civil partner, or any person with whom at the time of your death you are living in a similar relationship, is eligible to be treated as your <i>partner</i>. Other dependants may also qualify with BASF Plc's agreement. The <i>Trustee</i> has discretion whether a person is to be regarded as a <i>partner</i> for the purposes of receiving a survivor's pension. To guide the <i>Trustee</i> you are invited to complete a Nomination Form to indicate whom you would like to be treated as your <i>partner</i> for those purposes. (Any valid nomination of an eligible recipient which was received by the <i>Trustee</i> before 1 April 2012 and which is not subsequently withdrawn will be honoured.)</p> <p>Child/children Any <i>child</i> as defined in the <i>Scheme rules</i>, under age 18 (or 23, if in full-time education), or any <i>child</i> who suffers a physical or mental impairment regardless of age, for whom you have a financial responsibility.</p> <p>Once in payment, the <i>partner's</i> and <i>children's</i> pension will increase each year in line with inflation, up to a maximum of 2.5%</p>