

The Ethical Fund

Membership Benefits

What is TEF?

TEF stands for the Ethical Fund.

TEF is a defined contribution (DC) pension scheme. You and your employer contribute into your pension scheme to build up a fund with which you purchase a retirement income.

How TEF works

Save

Contributions from you and your employer are paid in line with the minimum requirements set by your employer or the regulations, but you can decide to save more than these minimum amounts.

Your contributions may also receive tax relief. So every £1 you contribute only costs 80p from your wage (for a basic rate taxpayer).

Contributions are deducted from your gross pay (before any tax is deducted) by your employer. This is known as a Net Pay arrangement. If you do not pay income tax, you will be unable to benefit from this tax relief.

Invest

Your pension savings are invested until you retire. TEF is invested in Ethical Target Date Funds (TDFs), enabling members to invest in companies that meet globally recognised corporate responsibility standards.

You can find out more about Ethical TDFs on the TEF website in the 'Investment Performance' section.

Retire

You can normally choose to retire at any time from age 55. You will have several retirement options available to you, from the Scheme and from third parties. You should visit www.pensionwise.gov.uk for further information.

Options available include;

- Taking your fund as a single cash lump sum
- Using your fund to buy a pension (or annuity) to give you an income for the rest of your life
- Accessing your fund as a flexible source of retirement income, for example by using a drawdown arrangement.

You will usually have the option to take up to 25% of the money you have saved as a tax free cash lump sum when you retire (if you elect to take your entire fund as a cash lump sum, 25% will be paid tax free and the remainder will be taxed).

Your questions

Are there any member charges?

Yes – an annual management charge of 0.65% will be deducted from your fund each year to cover expenses and investment costs, plus a platform charge of up to 0.0503% a year. In addition other transaction charges may also apply, most notably when funds are being traded.

If you choose to use JLT's advised retirement service, there will be a fee payable (from £500) that is dependent on the size of your fund and the type of retirement product you decide to buy (such as an annuity or a drawdown product).

What happens if I leave?

Depending on the length of your pensionable service and when joined the scheme, you may be entitled to: receive a refund of the value of your own contributions less tax; transfer the value of the whole fund to another registered pension arrangement; or remain in the Scheme and leave your fund invested until you retire or decide to transfer the value of the whole fund to another registered pension arrangement.

What happens if I die before retirement?

If you were to die before your pension has started to be paid the value of your fund would be returned to your dependants.

Contact us

The UK support team can be contacted by telephone on **0345 072 6780** or, you can email **TPTenquiries@jltgroup.com**

Join now

If you have not been automatically enrolled, get in touch with your employer and request them to complete the enrolment process with you.

Go online today to experience the DC member journey. You will be able to access: budget calculators; pension modellers to show how much annual pension you might get; animations explaining how a DC pension scheme works; and much more...