

Smart Pay

Mercer Master Trust – IMI Retirement Saving Plan



What is Smart Pay?

Smart Pay, also known as salary sacrifice, is a tax efficient way to make contributions to your pension. With Smart Pay you will not make pension contributions into the Mercer Master Trust – IMI Retirement Savings Plan ("the Plan"). Instead, the Company will make the contributions on your behalf in addition to its employer contribution.

How Does Smart Pay Work?

If you join the Plan you will automatically participate in Smart Pay at the contribution rate you specify.

By participating in Smart Pay, you agree with the Company to 'sacrifice' an amount of your basic annual salary equal to your pension contributions in return for an additional company pension contribution of the same amount.

The benefit of Smart Pay is that your pension contribution is taken from your full base salary before any National Insurance Contributions (NICs) are taken off. This means your gross (pre-tax) salary is lower so you pay less NICs, which often means your take home pay is higher while maintaining the total level of your pension contributions. The Company will also pay lower NICs.

Any Company benefits, shift allowances, over-time pay, holiday pay, future pay reviews, bonus, etc., will be calculated in accordance with company rules and by reference to your pre salary sacrifice pay. These changes will be automatically captured by payroll and will be shown on your pay slip.

Is Smart Pay Right for you?

You can't use Smart Pay if it could result in your income falling below the national minimum wage, in these cases payroll will automatically remove you from Smart Pay until this no longer impacts you e.g. if you are on statutory maternity pay.

There can also be an impact on salary-based benefits and your ability to borrow money due to Smart Pay giving you a lower overall income. Things to consider include the following:

- Your lower salary might affect the amount of money you're able to borrow for a mortgage or credit card borrowing limits.
- Your entitlement to certain State benefits might be affected.

If you are unsure whether Smart Pay is right for you, you should seek independent financial advice.

Can I opt-out of Smart Pay?

If you want to join the Plan but you do not wish to benefit Smart Pay, please return the Smart Pay Opt-Out Form to your local HR contact at the same time as you return the Plan Joining Form.

Smart Pay Opt-Out Form

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Please complete this form in **BLOCK CAPITALS** and return it to your local HR contact. You should also keep a copy of this form for your own records.

Please exclude me from Smart Pay. I understand and agree this means that I will not participate in Smart Pay.

I confirm I am aware that by choosing to opt-put now, my opportunity to participate in Smart pay at a later date may not be guaranteed.

Full Name:			
Date of Birth:		National Insurance Number:	
Name of Employing Company:			

Your Signature:		Date:	
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