

## Ombudsman's Determination

<b>Applicant</b>	Mr Anthony Vose
<b>Scheme</b>	The Allianz Cornhill Retirement & Death Benefits Fund ( <b>the Cornhill Fund</b> )
<b>Respondents</b>	The Trustees of the Cornhill Fund ( <b>the Trustees</b> ) Allianz Cornhill Management Services Ltd ( <b>Allianz</b> )

### Complaint Summary

1. Mr Vose complains that the Trustees and Allianz decided incorrectly not to award him an additional five years' pensionable service in the Cornhill Fund for his period of employment as an engineer apprentice.

### Summary of the Ombudsman's Determination and reasons

2. The complaint should be partially upheld against Allianz because they incorrectly told Mr Vose that he was entitled to this additional service credit in the Cornhill Fund. This clearly constitutes maladministration on the part of Allianz which, in my opinion, has not caused Mr Vose any actual financial loss but only a loss of expectation. There is no doubt, however, that Mr Vose has suffered some distress and inconvenience as a result of the maladministration identified for which he should be suitably compensated by Allianz.

## Detailed Determination

### Material facts

3. Mr Vose worked for AGF as an Insurance Motor Engineer and was a member of the AGF Pension and Life Assurance Scheme (**the AGF Scheme**). His pensionable service in the AGF Scheme commenced on 3 July 1989.
4. His employment with AGF was transferred on 1 April 1999 to Cornhill Insurance (**Cornhill**) (a subsidiary of Allianz) under the Transfer of Undertakings (Protection of Employment) Regulations (**TUPE**) following the acquisition of a majority shareholding in AGF by Allianz in May 1998.
5. A Deed of Transfer between the AGF Scheme Trustees, the Trustees and Cornhill dated 6 June 2000, stated that:

“Eligible Transferring Employees were offered membership of the Cornhill Fund for future service. Those who accepted such offers and who remained in pensionable service under the Cornhill Fund on 7 April 2000 were, on that date, sent letters offering them favourable terms for transferring their accrued rights and benefits under the AGF Scheme to the Cornhill Fund such offer to be accepted by 5 May 2000. In this deed Transferring Employee Members who consent to the aforesaid transfer....are called the Consenting Members.”

6. The “Operative Provisions” of the Deed of Transfer said that:
  - the AGF Scheme Trustees agreed to make a transfer of funds to the Cornhill Fund for the Consenting Members;
  - the transfer amount would be paid to the Trustees as soon as practicable after 12 May 2000; and
  - subject to receipt of the transfer amount, the Trustees agreed to provide for each of the Consenting Members in respect of their pensionable service under the AGF Scheme, benefits in accordance with the terms of letters to the Transferring Employees dated 7 April 2000.
7. Cornhill sent former AGF employees whose employment had been transferred to them under TUPE (such as Mr Vose) an announcement letter on 7 April 2000 which said that:

“The policy of the Cornhill Insurance Group is to make standard pension and related benefits available to all employees through the Cornhill Fund...”

Accordingly with effect from the date you joined Cornhill employment, you were eligible to join the Cornhill Fund, and for **future** service you will then earn benefits on the scales applying to the Cornhill Fund. When you leave AGF, you can no longer earn benefits under the AGF Scheme.

This notice gives a summary of the new arrangements and the choices and special terms open to you with regard to the benefits you have already earned in the AGF Scheme for your **past** service.

## **1. BENEFITS AND CONTRIBUTIONS FOR SERVICE WITH CORNHILL**

The main feature of the Cornhill Fund benefits are summarised below, and are compared to the AGF Scheme with any major differences noted...

### **1.1. Normal Retirement Age**

Normal Retirement Age under the Cornhill Fund is your 63<sup>rd</sup> birthday. This compares with your 65<sup>th</sup> birthday under the AGF Scheme...

## **2 BENEFITS IN RELATION TO SERVICE WITH AGF**

On joining the Cornhill Fund, you have the option to transfer your benefits in respect of your service with AGF from the AGF Scheme to the Cornhill Fund.

### **2.1. If you agree to transfer your benefits from the AGF Scheme**

If you agree to transfer your benefits in the AGF Scheme, you will receive an additional credit in the Cornhill Fund. This service credit will count for pension on the standard Cornhill Fund Scale, and in particular your pension from the service credit will be based on your Final Salary when you eventually leave the Cornhill Fund. The terms for payment of this pension e.g. increases to pension once in payment...will be as for the Cornhill benefits described earlier.

This service credit is calculated to be equal in value to your benefits in the AGF Scheme and in particular reflects expected future increases in your salary up to retirement or earlier leaving.

If you brought a transfer in to the AGF, this has been included in the service credit in the same way as actual Pensionable Service in the AGF Scheme described above.

Details of this service credit are enclosed.

### **2.2. If you decide not to transfer**

If you decide not to transfer, you will be granted deferred benefits according to the AGF Scheme Rules as for a member leaving service, calculated by reference to your Pensionable Service and Pensionable Salary at your date of leaving AGF and increased up to retirement in line with the Rules of the AGF Scheme. Thus your pension for your AGF service would not elect future increases in your salary.

8. The personal statement which Mr Vose received with this letter showed that:

- his AGF Pensionable Service commenced on 3 July 1989;
- the date on which he joined Cornhill was 1 April 1999;
- if Mr Vose did not transfer his benefits from the AGF Scheme, he would be entitled to an estimated annual deferred pension payable from age 65 of £3,471 plus revaluation in deferment;
- if he transferred his benefits from the AGF Scheme to the Cornhill Fund, he would be offered 11.1786 years of additional pensionable service.

9. The statement also said that:

“To give you some idea of how your options compare, the following table sets out your prospective AGF Scheme pension (based on your AGF service and salary) with your Cornhill pension (based on your service credit of 11.1786 years). Both pensions assume retirement at age 63, salary increases of 4% pa and BSP increases of 2½% p.a. up to NRD. This also assumes that your benefit from the AGF Scheme would not have been reduced for early retirement.

	<b>AGF Scheme</b>	<b>Cornhill Fund</b>
Past Service	£5,379 pa	£6,105 pa

Of your AGF Scheme pension £1,067 pa would increase in payment each year with inflation limited to 5% but subject to a minimum increase of 3%. The remainder would increase each year at 3%. The whole of the Cornhill Fund pension increases at inflation limited to 5%.

Based on the salary shown, the lump sum benefit currently payable on death in service is:

	<b>AGF Scheme</b>	<b>Cornhill Fund</b>
Past Service	£86,820	£66,879

10. Mr Vose completed a Transfer Option Form to request that the value of his benefits for his membership of the AGF Scheme should be transferred to the Cornhill Fund to provide pensionable service and resulting benefits under that Fund in accordance with the announcement letter.

11. Allianz says that as Cornhill did not train the engineers who joined them;

- prior to 1 January 1988, Cornhill had operated a policy of awarding at their discretion engineers (aged 25 or above) up to an additional five years' pensionable service in the Cornhill Fund in recognition of their training elsewhere before joining them;

- Cornhill would provide the Cornhill Fund Trustees in writing the names of the engineers who should qualify for this award;
- the Cornhill Fund Trustees would then grant the additional service credit to these engineers in accordance with section 6.1 (d) of the Cornhill Fund Rules which states that:

“Evidence of Employer’s consent

Where the Trustee is required to obtain the consent of, or act on the instructions of, any Employer, the Trustee may accept the written confirmation of any director or the secretary of the Employer as sufficient evidence that the consent or instruction has been duly authorised.”

- Cornhill did not document this policy which ceased on 1 January 1988;
- Cornhill did not instruct the Trustees to award such service credits to those members who joined the Scheme after being TUPE transferred from AGF to Cornhill (such as Mr Vose) on 1 April 1989; and
- Cornhill had a separate policy of allowing transfer of pension rights into the Cornhill Fund;
- from 1 January 1988, Cornhill would consider at their discretion increasing a member’s additional pensionable service up to five years only if he/she transferred benefits from a previous pension arrangement into the Cornhill Fund and the service credit available as a result was less than five years; and
- if the member’s transfer value purchased more than five years’ extra pensionable service in the Cornhill Fund, no additional credit would be awarded.

**Summary of Mr Vose’s position**

12. When his employment with AGF was TUPE transferred to Cornhill on 1 April 1999, Mr D N, his Team Leader at the time, told him that in accordance with the Cornhill terms and conditions of employment for his post, he would be entitled to an additional five years’ pensionable service in the Cornhill Fund for his period of service working as an engineer apprentice prior to joining AGF (i.e. he would be treated in the same way as Cornhill engineers despite having been TUPE transferred from AGF to Cornhill).
13. Mr D N also told him that this additional service credit did not depend upon an engineer joining Cornhill immediately after serving an apprenticeship or providing corroborating documentary evidence of the apprenticeship.

14. He was also informed during his TUPE interview that he would receive this service enhancement but lose some AGF benefits if he joined the Cornhill Fund. He had no reason to believe at the time that he would not be awarded this benefit on retirement and did not therefore seek confirmation in writing of what he was told.
15. He was not told that an engineer had to be over 25 and transfer in benefits from another scheme in order to qualify for up to an additional five years' service credit in the Cornhill Fund during his TUPE interview.
16. Cornhill also at no time notified him that he would need to submit documentary evidence to prove that he was entitled to the service credit. The onus was on Cornhill to make sure he was aware of this supposed requirement.
17. Some of his former colleagues including Mr D N and Mr D T (who had the same job as him) were awarded this service credit in the Cornhill Fund by the Trustees despite having no documentary evidence. By doing so, the Trustees had set a precedent. Consequently it should also be unnecessary for him to submit written evidence in order for them to award him this service credit. It is unfair for the Trustees to treat him differently from other members of the Cornhill Fund.
18. A former colleague Mr K B recalls being told at both his first and second interviews in late 1987 with Messrs D L (Motor Engineers Manager), C T (Chief Staff Engineer), H S and G H (Area Managers) that he would be entitled to this additional pensionable service credit on retirement. Mr K B also says that Allianz confirmed to him that the five year additional service credit was still available shortly prior to his retirement in 2013.
19. Another former colleague Mr G L says that he also remembers being told during an interview in 1991 with Messrs G H and C T that this five year additional service credit was still available.
20. Allianz are therefore incorrect in saying that Cornhill no longer awarded this extra five years' pensionable credit to engineers after 1 January 1988.
21. His AGF benefits were transferred into the Cornhill Fund on 1 April 1999 and he received an additional 11.1789 years' pensionable service. As a consequence of the purchase of AGF by Cornhill under TUPE law of continued employment, the date on which he joined Cornhill and the Cornhill Fund should also be 3 July 1989 and not as the Trustees believe, 1 April 1999 (since the pension which he transferred into the Cornhill Fund commenced on 3 July 1989).
22. He also says that:
  - during his TUPE interview he was told that in order to qualify for the five years' extra pensionable service, all he had to do was provide proof of serving an apprenticeship in the motor trade;

- he provided documentary evidence of his apprenticeship at the TUPE interview because this was mandatory in order to work for Cornhill as an engineer;
- Cornhill should have then amended his personnel file to show that he was entitled to the service credit and also notified the Trustees accordingly;
- Cornhill failed to do this however and as a result, the Trustees did not award him the additional service credit upon his early retirement in 2004;
- he had accepted the explanation given by Cornhill when he asked at the time of his early retirement why he was not entitled to this service credit;
- but when he found out in 2012 that Mr D T had received the additional service credit without having to provide documentary evidence, he complained to Allianz that he had been treated unfairly;
- in July 2014, Allianz informed him that there had not been “a blanket issue of five year credits to engineers on appointment” and having checked their records, they could not find any evidence that he had been granted this additional five year pensionable service;
- the Trustees decided not to award him the five years’ additional service credit because they incorrectly believed that he joined the Cornhill Fund on 1 April 1999;
- but in May 2015, Allianz confirmed to him that his employment with them commenced on 3 July 1989 and he had therefore joined at a time when Cornhill were still awarding the five years additional service to engineers;
- the testimonials (relevant paragraphs reproduced in the Appendix below) received from his former colleagues in support of his application prove that the service credit was offered verbally to engineers;
- the memo headed “Pensions, New Surveyors” dated 22 January 1998 (details of which are shown in the Appendix) is irrelevant to motor engineers such as him;
- his AGF pension was transferred into the Cornhill Fund on 1 April 1999, i.e. before the effective date of the Deed of Transfer; and
- some engineers were overlooked at retirement for this benefit by the Trustees but after complaining, received it

### **Summary of the position of the Trustees and Allianz**

23. The additional pensionable service available to Mr Vose on transferring his AGF benefits into the Cornhill Fund of 11.1786 years was a particularly generous offer. It is unusual for a member to be offered more pensionable service in the receiving scheme than he accrued in the transferring scheme.
24. Cornhill did operate a policy of awarding five years’ additional pensionable service to certain engineers who joined their employment after completing an apprenticeship in order to recognise the training they had undertaken before joining. Cornhill would notify the Trustees in writing of the identities of these individuals who qualified for this benefit in the Cornhill Fund.

25. They cannot agree to implement this valuable service enhancement without corroboratory documentation. They have carefully reviewed their records going back to the 1970s but cannot find any evidence that Mr Vose was awarded this benefit.
26. They are obliged to ensure that the Cornhill Fund is correctly administered in accordance with the Cornhill Fund Rules which stipulate that any service enhancement would need to be formally agreed by an appropriate authority connected to the Cornhill Fund such as the Secretary to the Trustees. As a Team Leader, Mr D N was not in a position to make promises with significant long-term financial implications to the Cornhill Fund.
27. The Cornhill Fund Actuaries have confirmed that no former AGF members who joined the Cornhill Fund in 1999 as part of the TUPE transfer were given service credits by Cornhill and that this practice stopped in the late 1980s. They are consequently satisfied that such AGF members were not given service credits beyond the already very generous transfer terms. This would explain why they have no record of a service credit being awarded to Mr Vose and the difference in treatment between him and his former colleagues.
28. Without written evidence of Cornhill's policy to award engineers up to five years' additional service credit and the members it applied to, they have to make decisions based on the documentary evidence available. Whilst Mr Vose may have received verbal assurances from Cornhill that he would receive this service credit on retirement, without the appropriate documentation signed by an authorised Cornhill signatory, they cannot award him this benefit in accordance with the Cornhill Fund Rules.
29. The former colleagues who he has named as having been granted the additional five years' credit by the Trustees were not TUPE transferred from AGF. In particular:
  - Mr D T joined the Cornhill Fund in 1973;
  - Mr D N joined the Cornhill Fund in 1978; and
  - Mr K B joined the Cornhill Fund after 1 January 1988 and so was not entitled to the five year service credit for his period of apprenticeship prior to joining Cornhill.
30. The fact that Allianz's records used to determine employment rather than pension rights showed Mr Vose's date of joining Cornhill/Allianz to be the date on which he joined his previous employer AGF is irrelevant in the calculations of his pension entitlements in the Cornhill Fund.
31. From 1 January 1988, Cornhill only offered pension credits to employees who transferred in benefits from their previous pension arrangements into the Cornhill Fund. Mr Vose's TUPE transfer was dealt with in this way and he received the appropriate pensionable service credit for his previous AGF employment.



32. Mr Vose signed an option form so the AGF Scheme Trustees could proceed with a bulk transfer of AGF members who opted to transfer to the Cornhill Fund. Neither the Trustees nor Allianz received a copy of Mr Vose's signed form because they did not need it to accept the bulk transfer. His personal statement showed the benefits available him following the bulk transfer. If Mr Vose had not signed the option form, he would have received the less valuable AGF deferred benefits instead.
33. Mr Vose's service with Cornhill/Allianz started on 1 April 1999 as shown on his personal statement. The Deed of Transfer dated 6 June 2000 related to his past service with AGF which he elected to transfer into the Scheme in 2000.
34. It is clear from Mr G L's employment offer letter dated 11 October 1991 (relevant paragraphs are shown in the Appendix) that the memo sent to new surveyors dated 22 January 1998 also applied to motor engineers.

## **Conclusions**

35. TUPE 2006 superseded TUPE 1981 on 6 April 2006. The provisions relating to occupational schemes in TUPE 2006 and TUPE 1981 are substantially the same.
36. In such a scenario, following the relevant transfer the transferring employees become the employees of the purchasing employer. Their employment contracts are not terminated and the rights and obligations under the contracts pass to the purchasing employer. In Mr Vose's case, his AGF employment rights were protected by TUPE and transferred to Cornhill/Allianz.
37. But until 6 April 2005, most rights under occupational pension schemes did not transfer as a result of an exclusion contained in TUPE 1981, regulation 7 (now TUPE 2006, regulation 10). However, any provisions of an occupational pension scheme which did not relate to benefits for old age, invalidity or survivors, were excluded from this regulation and would therefore pass to a purchaser.
38. Criticism of the exclusion of occupational pensions from the ambit of TUPE (except in relation to some type benefits) led to the introduction of limited protection for employees under the Pensions Act 2004 with effect from 6 April 2005.
39. Where an employer acquires employees on or after that date, as a result of a business purchase governed by TUPE, the new employer will be required to provide a minimum level of pension protection where the employee was an active member of, or eligible to become a member of the seller's occupational pension scheme.
40. Allianz were therefore offering pension protection to employees TUPE transferred to them before it was made compulsory from 6 April 2005.
41. Mr Vose's AGF employment was TUPE transferred to Cornhill on 1 April 1999. In accordance with TUPE, the date on which Mr Vose joined Cornhill/Allianz was backdated for employment rights to when he joined AGF, i.e. on 3 June 1989, in Allianz's employment records.

42. The TUPE requirements however only protect the terms and conditions relating to future pension rights for employees who are compulsorily TUPE transferred as part of a deal. Accrued pension rights are also protected but under preservation and not TUPE legislation.
43. In Mr Vose's case, the date on which he joined Cornhill for pension rights purposes, was therefore 1 April 1999 (as shown on the personal statement which he received back in April 2000) regardless of whether or not he transferred his AGF pension rights into the Cornhill Fund.
44. Mr Vose commenced accruing future service benefits in the Cornhill Fund from 1 April 1999 and received an additional pensionable service credit of 11.1786 years because he agreed to transfer his AGF benefits into the Cornhill Fund.
45. In my opinion, Mr Vose has therefore unfortunately confused his employment rights with his pension rights in relation to the TUPE transfer. The TUPE requirements only protect his future pension rights in the Cornhill Fund which commenced on 1 April 1999. By that time, I am satisfied from the available evidence that Cornhill had already ended their policy of awarding engineers who joined them after serving an apprenticeship, up to an additional 5 years' pensionable service years.
46. It is regrettable that Cornhill/Allianz did not set out this policy clearly in writing. Their failure to do so, in my view, was the main reason why the managers responsible for conveying the details of this policy to other employees (such as Mr Vose) did not provide them with the correct information.
47. From 1 January 1988, Cornhill only awarded pensionable service credits of up to five years if an employee transferred in benefits from his/her previous pension arrangement into the Cornhill Fund. Mr Vose's TUPE transfer was processed in this way by Cornhill and he received the appropriate pensionable service credit for his previous AGF employment.
48. It would therefore appear that Mr Vose has unfortunately been given misleading verbal assurances over the years from Cornhill/Allianz representatives who did not fully understand the correct position with regard to Cornhill's two distinct policies of awarding up to an additional five years' pensionable service credit in the Cornhill Fund, one of which no longer existed at the time of the TUPE transfer.
49. The TUPE regulations did not, as Mr Vose believes, entitle him to the additional discretionary pension benefit which was granted to a specific cohort of Cornhill's workforce at dates prior to the TUPE transfer on 1 April 1999.
50. Moreover, I agree with the view expressed by Allianz and the Trustees, that it is highly unlikely for favourable terms to have been given to transferring employees offered membership of the Cornhill Fund for future service such as Mr Vose, if the TUPE Regulations had also entitled him to Cornhill's discretionary practice of

awarding engineers up to an additional five years pensionable service for their period of apprenticeship.

51. There is, however, no doubt that Cornhill/Allianz provided Mr Vose with incorrect information about the service credit over the years which constitutes clear maladministration on their part. Although the maladministration identified has not, in my view, caused Mr Vose any injustice in the form of actual financial loss, it is clear that he has suffered a loss of expectation and also distress and inconvenience as a result
52. I therefore partially uphold Mr Vose's complaint against Allianz and make a direction below aimed at remedying that injustice.
53. The Trustees must comply with the Cornhill Fund Rules and as they did not receive written notification from Allianz to provide Mr Vose with an additional five years' service credit in the Cornhill Fund, they are not permitted to make such an award to him. I do not consider that there has been any maladministration on their part and do not uphold Mr Vose's complaint against the Trustees.

#### **Directions**

54. Within 28 days of the date of this Determination, Allianz shall arrange to pay Mr Vose £500 in recognition of the significant distress and inconvenience caused as a result of him being continually misinformed.

**Anthony Arter**

Pensions Ombudsman  
9 March 2016

**APPENDIX**

**Excerpts from the Written Testimonies Received from Mr Vose's former colleagues in support of his application**

Letter dated 19 July 2015 from Mr G H

When I was interviewed for my job in 1968 by Chief Engineer Mr F B and the Company Chairman, I was verbally given all the information regarding salaries and pension etc. I was assured that if I had completed a five year apprenticeship as a motor engineer the five years would be added to my pensionable years' entitlement. This was never confirmed in writing, however when I retired in 2002 I received my full entitlement, including my credit for my five year apprenticeship.

I interviewed Mr K B in the presence of the Senior Engineer Mr H S. The Chief Engineer gave Mr H S and me verbal details to give at the interview on how pension would be calculated to include his five year motor engineer apprenticeship. I can vouch he was given the same verbal details I was given at my interview in 1968. He was assured that he would have the five year apprenticeship added to his pensionable years' entitlement.

Unfortunately I was not involved in Mr Vose's interview as his job was transferred from AGF but as I was his Area Manager I was given to understand that he was given the details about his five year apprenticeship pension credit.

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E-mail dated 3 November 2015 from Mr G H

I am not able to comment on the Deed of Transfer relating to the AGF Scheme as I was not involved with any AGF engineers transfer to Allianz...I was employed by Cornhill Insurance/Allianz in 1968 and was employed continuously until I retired in 2002.

I cannot say if Mr Vose was entitled to the pension benefit in 1989. All I can say is that as far as I am aware the benefit entitlement was still running in 1989.

The memo from 1988 headed New Surveyors has nothing to do with Motor Engineers. Motor Engineers and Engineer Surveyors were completely separate teams carrying out completely different jobs.

I have already stated...when I interviewed engineers for my team with our Area Engineer and Chief Staff Engineer the interviewees were told that they would receive 5 years pension credit for their 5 year apprenticeship. I do not have documentary evidence to support this information.

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Letter dated 31 July 2015 from Mr D T

I can confirm I commenced employment with Cornhill Insurance Company in May 1973. I retired in June 2003. I was given the five years pensionable service credit in addition to my

thirty years employment. I never received any confirmation in writing regarding this allowance.

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E-mail dated 18 July 2015 from Mr K B

I had two interviews for the job as staff motor engineer and as told on both occasions that I would receive a five year pension enhancement. The reason for this was explained to me at the first interview by the Area and Senior Area Engineers Messrs G H and H S. It was also explained again at my second interview by the Chief Engineer/Manager of Motor Engineer Services Mr C T, just before I started my employment with Cornhill, as it was then on 14 March 1988.

Cornhill/Allianz staff had different TUPE meetings than the ones that AGF staff had. They were presented by Mr D L who was then the Manager of Motor Engineer Services and Mr D N who was the Regional Engineer for the northern region. At one of the meetings, I recall asking Mr D L if I would still be entitled to the pension enhancement and he stated that as far as he was aware, I would. Mr S V, who was a pension adviser at the time, said he would look into it and come back to me but I never received a satisfactory reply. I made further enquiries shortly before I retired in 2008 but was told that there was no documentation regarding this and nobody seemed to know much about it. I was fobbed off yet again.

I now know that former colleagues Messrs D T, D N and G H...all received the enhancement without being asked for any documentation. There was a long standing verbal agreement between the motor engineers and the company and no documentation existed.

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E-mail dated 24 August 2015 from Mr D M

When I joined the Cornhill Insurance I was under the age that we were allowed to enter the pension scheme, they subsequently lowered the entry age down to I think 18 years old, i.e. those starting work within the insurance industry. As it was not possible for Engineers to join the insurance industry at that age, as there were 5 year apprenticeships in those days, it was deemed that all Engineers should be allowed a further 5 years pensionable allowance to seek to treat all levels of staff equally and not penalise engineers for something they had no control over but need to be trained prior to joining.

As far as I understand it there are other Engineers who have retired with this entitlement but these were all Engineers who were originally employed by Cornhill Insurance.

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**Change to Company's Discretionary Policy from 1 January 1988**

**PENSIONS – NEW SURVEYORS**

It has been agreed that with effect from 1 January 1988 that new Engineer Surveyors and Head Office Engineers joining the Company should be treated in exactly the same way as other staff for pension purposes.

Such staff will qualify for a pension credit provided they can bring with them a transfer value payment from another company and demonstrate that they have sufficient appropriate experience on a one for two basis. Given that they can satisfy both these requirements they may receive a pension credit of up to a maximum of 5 years. This will only be exceeded where the transfer value payment that they can provide exceeds 5 years but no additional credit will be given. The question of existing Surveyors is currently under discussion...

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Letter dated 11 October 1991 from Cornhill to Mr G L

Further to your recent interviews, I am pleased to offer you the position of Staff Motor Engineer...responsible to Mr C T, the Chief Staff Engineer.

You are eligible to join the Cornhill Fund...

It is possible for staff joining the Fund to receive credit for experience gained before joining Cornhill. The terms generally are:

- (i) One year's credit granted for every two years continuous relevant experience;
- (ii) Credit granted may not exceed five years;
- (iii) A transfer payment from the previous pension scheme must be received;
- (iv) Credit is granted on a pro-rata basis with full credit applying only if staff stay until normal retirement age