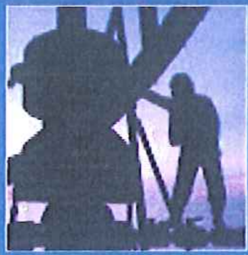
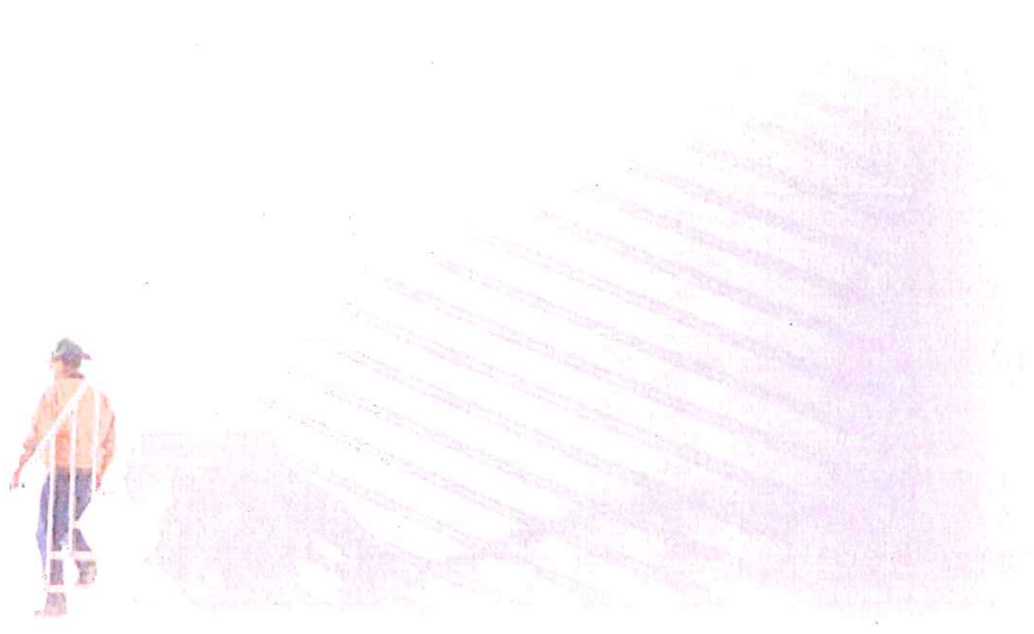



A Guide for Members of the Defined Benefit Section

Perenco UK Pension Plan

Contents



Definitions

Certain technical terms used throughout the Guide are described below.

Beneficiaries

This means a wide range of people, including your spouse and children, other relatives, dependants, former spouses, persons named in a legally recognised will and any nominee named in a document signed by you (such as an Expression of Wish Form) and given to the **Trustee Company** before your death.

Company

Perenco UK Limited.

Earnings Cap

The Inland Revenue imposes an upper limit, or 'cap', on earnings for pensions purposes for members who joined the BP Pension Fund after 31 May 1989 or any members who were allowed to join the **Plan** after 1 January 2004 in exceptional circumstances. The limit is normally increased each year by the Government in line with the rise in the **RPI**. If you joined the BP Pension Fund after this date and your earnings exceed this amount, your contributions and benefits may have to be restricted.

Final Remuneration

This is the earnings figure used by the Inland Revenue to limit benefits. The full definition is complex.

Typically, it is the highest taxable remuneration in any one of the five years preceding the date of your retirement, leaving **Pensionable Service** or death, and is normally calculated as follows:

- basic pay for the year in question; plus
- the yearly average, over three or more consecutive years up to the end of this basic pay year, of any fluctuating payments, except that the fluctuating payments of a year other than the basic pay year may be adjusted for inflation according to the rise in the Retail Prices Index. However, if your total earnings, including non-pensionable elements, have exceeded £100,000 in a year, then the three-year averaging requirements applies to all your earnings, including your basic salary.

Final Salary

This means your **Pensionable Salary** at the date of retirement, date of leaving service or at the date of your death, whichever occurs first.

If your **Pensionable Salary** exceeds £100,000 a year, your benefits will be calculated using a figure not exceeding total earnings averaged over the three years leading up to the calculation date (or £100,000 if greater).

If your **Pensionable Salary** has been reduced prior to retirement or leaving service, your **Final Salary** for the purposes of calculating your pension in respect of **Pensionable Service** to the date of reduction will, unless this would exceed Inland Revenue benefits limits, be taken as the higher salary – your "peak" salary. Your peak salary is then increased to take account of increases granted to pensions from the date of reduction – a process known as "dynamisation". This basis of calculation only applies to pensions and not to lump sum benefits.

If any event, your **Final Salary** cannot exceed the **Earnings Cap** unless you joined the BP Pension Fund before 1 June 1989 (or you can be treated as such for Inland Revenue limit purposes).

Guaranteed Minimum Pension (GMP)

For those members who transferred their benefits from the BP Pension Fund to the **Plan** on 1 January 2004, this means a minimum level of benefit which the **Plan** must provide in respect of your membership of the BP Pension Fund before 6 April 1997, during which you were contracted-out of SERPS.

- Your **Plan** pension from State Pension Age must be at least equal to your **GMP**.
- On your death before or after retirement, the pension for your spouse must be at least equal to half the **GMP** you earned for BP Pension Fund membership before 6 April 1997. Female members will not have a spouse's GMP for service in the BP Pension Fund before 6 April 1988.
- The amount of tax-free cash you can take at retirement may have to be restricted to ensure that the remaining pension is at least equal to your **GMP**.

Definitions (cont)

- You may not be able to retire and draw your pension as early as you wish if your early retirement pension would be less than the **GMP** which the Plan must pay you from State Pension Age.

Those members who do not transfer their benefits from the BP Pension Fund to the Plan on 1 January 2004 should note that any GMP they are entitled to in respect of their service in the BP Pension Fund up to 5 April 1997 is payable by the BP Pension Fund. This is because you chose to leave the benefits which you earned before 1 January 2004 in the BP Pension Fund.

Normal Retirement Age

Your 60th birthday (unless otherwise determined by your contract of employment).

Notional Pension

- Following death in service;

  A pension calculated in a manner similar to a normal retirement pension, using your **Final Salary** at the date of death and the **Pensionable Service** you could have completed had you lived until **Normal Retirement Date.** In calculating the **Notional Pension,** it will be assumed that you would have remained in the core benefits level/**Regular Contributions** arrangement (as applicable) that you were in at the date of your death until **Normal Retirement Age.**

- Following death in retirement:

  Your pension at retirement, including any increases granted between the date of your retirement and the date of your death, but ignoring any reduction made in exchange for tax-free cash at retirement, in exercising the levelling option or due to early payment.

- Following death after leaving service but before drawing pension:

  The pension you were entitled to at the date of your death, including any increases granted between the date you left and the date of your death.

Notional Service

This means the total of the **Pensionable Service** you would have worked had you stayed in the **Plan** until **Normal Retirement Age,** excluding any **Pensionable Service** granted as a result of a transfer payment, unless the **Company** and the **Trustee Company** decide otherwise, but including any past service credited to you as a result of the transfer of your benefits from the BP Pension Fund to the **Plan** on 1 January 2004.

Pensionable Dependants

This means your spouse and, if the **Trustee Company** decides a financial dependant who is either dependent on you or who is financially interdependent with you and who does not qualify for a children's pension.

Pensionable Salary

This means your annual rate of basic salary from the **Company** and shall include any other element of salary as notified by the **Company** from time to time. It excludes area allowance, overtime and any other payments whether or not fluctuating payments. The decision of the **Company** shall be final as to the amount of a member's **Pensionable Salary.**

Pensionable Service

Normally, the number of complete years and days you have been a member of the **Plan,** plus any service credited to you as a result of the transfer of your benefits from the BP Pension Fund to the **Plan** on 1 January 2004, plus such other service as the **Company** declares to be **Pensionable Service,** as notified to you, subject to a maximum of 40 years.

Plan

The Perenco UK Pension **Plan.**

Regular Contribution

This is a percentage of your **Pensionable Salary** which you agree to contribute to the **Plan.**

RPI

The Retail Prices Index or any replacement index adopted by the **Trustee Company** which would not prejudice the approval of the **Plan.**

Trustee Company

Perenco UK Pension Trustee Limited.

Membership of the Perenco UK Pension Plan (the **Plan**) is one of the most important and valuable benefits offered by Perenco UK Limited (the **Company**). It aims to provide financial security for you and your family on your retirement and death.

The **Plan** provides core benefits. However, its extensive range of choice and flexibility allows you to select a level of benefits which best suits your own personal circumstances.

Your pension is linked to your salary and the length of time you are a **Plan** member, so you can estimate the level you will receive well in advance of retirement and plan your finances accordingly.

The Defined Benefit Section of the **Plan** is contracted-out of the State Second Pension (S2P, formerly known as SERPS) on a defined benefit (final salary) basis.

The assets of the **Plan** are held under trust by Trustee Directors of the **Trustee Company** (Perenco UK Pension Trustee Limited) and are wholly separate from the **Company's** finances. At least every three years, a valuation of the fund will be carried out by an actuary appointed by the **Trustee Company** to ensure that, based on the funding strategy developed for the **Plan**, the assets will be sufficient to cover the benefits promised. The **Plan's** investments are held by independent professional custodians. Financial procedures and controls are checked by external auditors. In these ways, your interests and those of your family are protected.

The **Company** is fully committed to the **Plan** and intends to maintain it for the foreseeable future. However, it does reserve the right to amend the **Plan's** terms and conditions at any time. You will be notified should any amendments be made which significantly affect your right to benefits under the **Plan**.

This Guide tells you about the range of benefits that apply to those members who join the Defined Benefit Section of the **Plan** on 1 January 2004. Whilst every effort has been made to ensure its accuracy, this Guide is not a legal document and does not cover every aspect of the **Plan**. Full details are set out in the formal Trust Deed and Rules which will always overrule this Guide if there is any difference between the two.

If you want to see a copy of the Trust Deed and Rules, if there is anything in the Guide you are not clear about or you need more information, please ask Human Resources at Perenco UK Limited, 29 Duke of York Square, London SW3 4LY.

This Guide is based on current understanding of tax, pension scheme and employment law and is subject to change in the future.

For ease of reference, terms with special meanings are shown in bold print throughout the Guide and are explained in the glossary at the back of the booklet.

February 2004

YOU SHOULD KEEP THIS GUIDE AND ANY OTHER PAPERS YOU ARE GIVEN ABOUT THE **PLAN** IN A SAFE PLACE FOR FUTURE REFERENCE

Membership and contributions

If you were a member of the BP Pension Fund on 31 December 2003 you can join the Defined Benefit Section of the **Plan** (Defined Benefit Section) with effect from 1 January 2004. No other employees will be eligible for membership of the Defined Benefit Section without the consent of the **Company**.

Any former BP Pension Fund member who decides not to join the Defined Benefit Section may instead join the Defined Contribution Section of the **Plan**. A separate Guide covering the benefits provided by the Defined Contribution Section of the **Plan** is available from Human Resources.

On joining the **Plan**, you will automatically become a member of the core benefits level. Your pension builds up at a rate of 1/60th of **Final Salary** for each year of **Pensionable Service** with a proportionate amount for any part year (subject to a maximum of 2/3rds of **Final Salary**).

The **Company** meets the full cost of the core benefits level provided under the **Plan**. You are not required to contribute. However, the **Plan** does give you the opportunity to build your pension at a faster rate. There are two ways of doing this:

- you can pay a **Regular Contribution** into the **Plan**; and/or
- you can pay money purchase voluntary contributions, known as MPAVCs.

Again, the maximum pension that can be paid to you under the **Plan**, including any additional benefits through **Regular Contributions** or MPAVCs, is 2/3rds of **Final Salary**. The **Company** pays the balance of the cost of the supplementary benefits provided to you if you decide to pay **Regular Contributions** to the **Plan**.

Your contributions will qualify for tax relief at the highest rate of tax you pay (provided you are resident is the UK for tax purposes).

Regular Contributions

This option, which is consistent with the "Defined Benefit Voluntary Contributions" option under the BP Pension Fund, allows you to build your pension at a faster rate by agreeing to pay **Regular Contributions.**

Under this arrangement, you agree to pay a percentage of your **Pensionable Salary** for a minimum period of one year. In return for these **Regular Contributions** the **Company** meets the balance of the costs required to ensure your pension builds up at a faster rate. Your pension will continue to build up on a defined benefit (final salary) basis in the same way as under the core benefits level (see Membership and Contributions), but at a higher rate depending on your chosen level of **Regular Contributions.**

Your **Regular Contributions** qualify for tax relief at the highest rate of tax you pay (provided you are resident in the UK for tax purposes).

For example, if you pay basic rate tax (22% for 2003/4), and you contribute £50 per month, your take home pay will only fall by £39. The other £11 is effectively paid by the Inland Revenue.

Similarly, if you pay the higher rate of tax (40% for 2003/4) and you contribute £100 per month, your take home pay will only fall by £60. The other £40 is effectively paid by the Inland Revenue.

You may choose the level of your **Regular Contributions** from the table set out below. The minimum level is 2% of your **Pensionable Salary,** and the maximum is 15% of your **Pensionable Salary.**

When you join the **Plan** on 1 January 2004, you will continue to pay **Regular Contributions** at the same level as your Defined Benefit Voluntary Contributions under the BP Pension Fund. You can change the level once a year on 1 January. You can, if you wish to, change back to the core benefits level at this time.

Contribution option	Your Regular Contributions (% of Pensionable Salary)	Pension build-up rate (fraction of Pensionable Salary)
2:54	2	1/54
3:51	3	1/51
5:45	5	1/45
10:40	10	1/40
15:35	15	1/35

If you choose to pay **Regular Contributions,** the lump sum benefit payable on your death whilst a member of the **Plan** will also be increased.

Money purchase additional voluntary contributions

You can pay Money Purchase Additional Voluntary Contributions (MPAVCs) in addition to paying **Regular Contributions.**

MPAVCs provide you with a fund which is used to buy benefits when you retire, or if earlier, on your death. Your contributions are invested with one or more of the **Trustee Company's** external investment managers.

You can make MPAVCs based on your total gross earnings (see limits below and page 29) including overtime, area allowances, bonuses and other taxable earnings.

MPAVCs have a number of important features:

- Your contributions qualify for tax relief at the highest rate of tax you pay (provided you are resident in the UK for tax purposes).

  For example, if you pay basic rate tax (22% for 2003/4), and you contribute £50 per month, your take home pay will only fall by £39. The other £11 is effectively paid by the Inland Revenue.

  Similarly, if you pay the higher rate of tax (40% for 2003/4) and you contribute £100 per month, your take home pay will only fall by £60. The other £40 is effectively paid by the Inland Revenue.

- Investment growth receives tax relief.
- You decide how much to pay, provided that the total MPAVCs and **Regular Contributions** you make in each tax year do not amount to more than 15% of your total gross earnings. Total gross earnings for this purpose is subject to a maximum of the Government **Earnings Cap** (£99,000 for 2003/4). Your MPAVCs will attract full tax relief (see above).

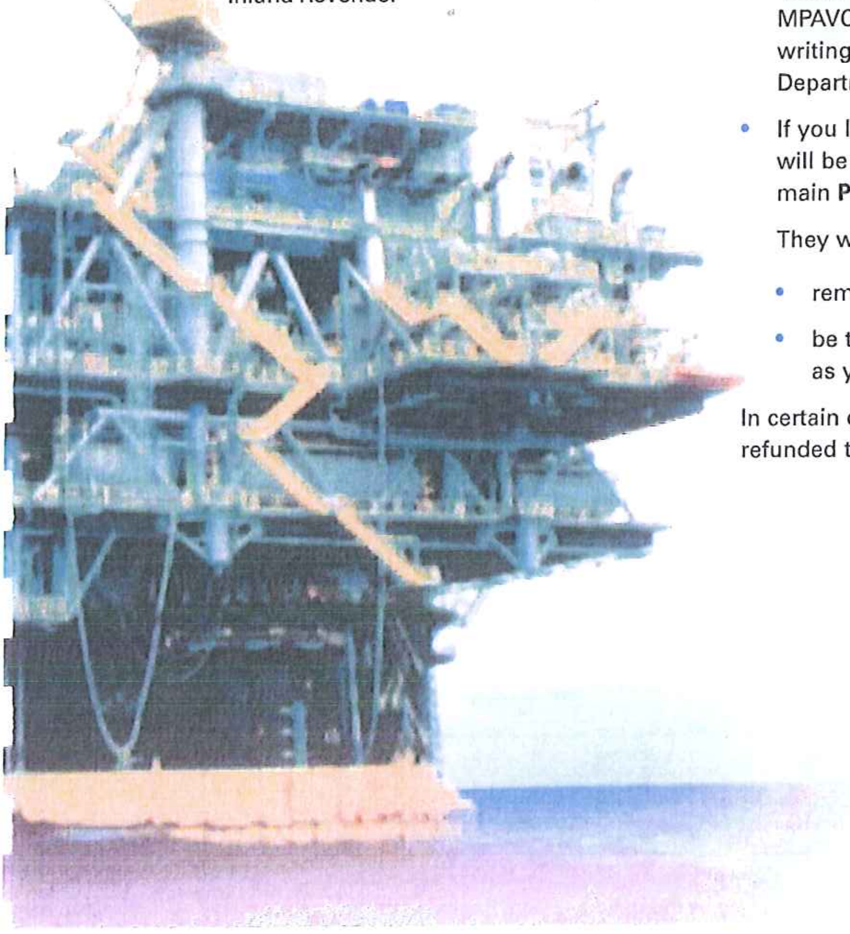
  You should note that for those members of the Plan who joined the BP Pension Fund before 1 June 1989, total earnings may not be subject to the Earnings Cap. Such members should contact Human Resources for details of the Inland Revenue limits that apply to them.

- You may start, increase, reduce or stop your MPAVCs at any time by giving notice in writing to the Human Resources Department.
- If you leave the **Plan**, your MPAVC savings will be treated in the same way as your main **Plan** benefits.

  They will either:

  - remain invested until you retire; or
  - be transferred to the same arrangement as your main **Plan** benefits.

In certain circumstances, your MPAVCs may be refunded to you. This may incur a tax charge.



Money purchase additional voluntary contributions (cont)

At retirement, you agree with the **Trustee Company** how you want to use your MPAVCs. The total value of your MPAVC fund arising from MPAVCs transferred from the BP Pension Fund can be used to increase your pension under the **Plan**, provide extra pension for your dependants or provide annual increases to any pension being paid from the **Plan**. Alternatively, the proceeds of your MPAVC fund arising from a transfer from the BP Pension Fund can be used to purchase an annuity from an insurance company (see below).

The balance of your MPAVC fund including MPAVCs made into the **Plan** from 1 January 2004 must be used to buy additional pension by purchasing an annuity from an insurance company. The annuity must be paid monthly in advance. You will need to choose the right type of pension to suit your own circumstances. If you want to choose additional features such as a spouse's pension, annual increases or a guarantee period, this will be reflected in the amount of pension you will receive. Additionally, the amount of pension your MPAVC fund can buy will depend upon annuity rates available at the time of your retirement. These will vary depending on the annuity market at the time.

When making your decision at retirement, you should contact an Independent Financial Adviser.

When considering MPAVCs, it is important to bear in mind that they are long-term savings and cannot be drawn upon until you retire. Furthermore, you cannot take any of your MPAVC savings as tax-free cash at retirement unless you started to pay MPAVCs before 8 April 1987.

For additional information, contact the Human Resources Department.

If you are likely to require access to your savings before retirement, you may wish to consider other tax-efficient methods of saving. For advice on this, you should contact an Independent Financial Adviser.

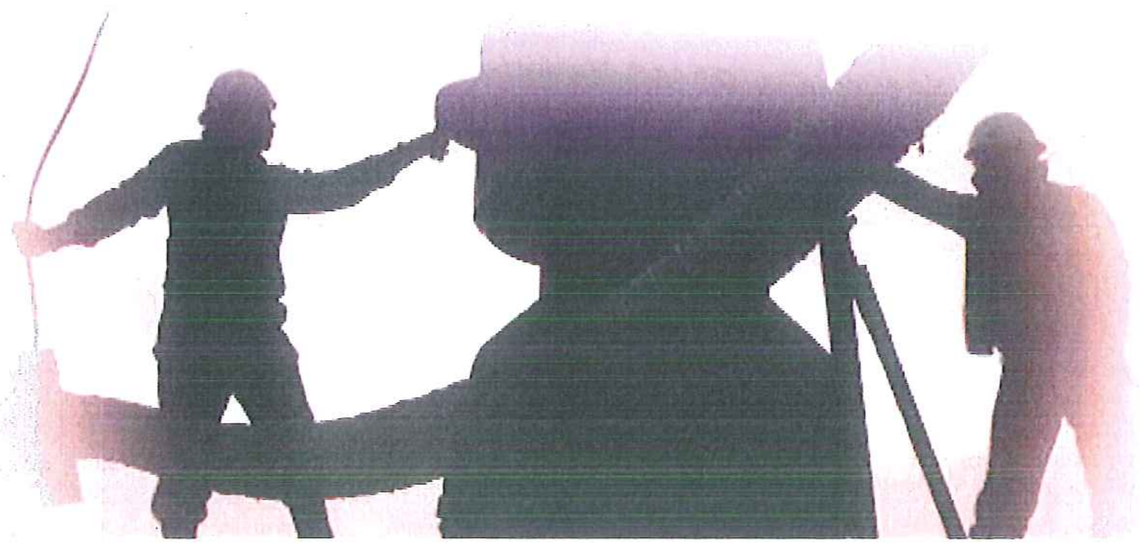
Free Standing Additional Voluntary Contributions

Insurance companies, building societies, banks, and other financial institutions offer Free Standing Additional Voluntary Contribution arrangements (FSAVCs). You can set up one of these arrangements for yourself, completely separate from the **Plan**, although the contributions paid and the benefits acquired must be taken into account by the **Trustee Company** when assessing Inland Revenue benefit limits from the **Plan**. When making any decision regarding FSAVCs, you should contact an Independent Financial Adviser.

Sales commission may be deducted from your FSAVC contributions or investment earnings which reduces the amount of money available to buy your extra benefits. Administration charges are likely to be higher than those under the **Plan**.

FSAVCs can only be used to buy extra pension at retirement. You cannot take any part of them as a cash sum.

If you have an existing FSAVC, you may be able to transfer its value into the **Plan**. However, the policy provider may charge you for doing this. For advice on this, you should contact an Independent Financial Adviser.



Financial protection

The **Plan** provides a comprehensive range of benefits for you and your family.

Incapacity

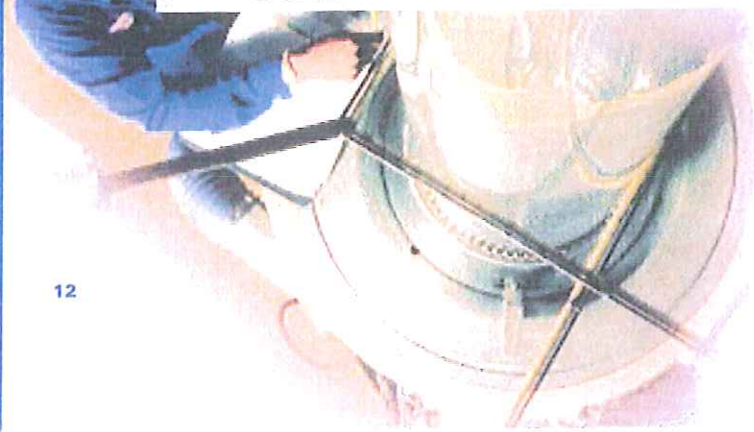
If you become unable to work because of ill-health or injury before **Normal Retirement Age**, you may receive an incapacity pension from the **Plan.** There are two types of incapacity pension.

Total incapacity

If the **Company** after considering the advice of the **Company's** Chief Medical Officer decides that you are unable to work due to physical or mental incapacity to such an extent that it is unlikely you will ever obtain employment again, the **Trustee Company** may agree to pay you a total incapacity pension. A total incapacity pension can only be granted at the date you leave the **Company's** service. The pension is based on your **Notional Service** and the date you joined the BP Pension Fund.

Even if you choose not to transfer your benefits under the BP Pension Fund to the **Plan** on 1 January 2004, your **Notional Service** shall include any pensionable service you completed in the BP Pension Fund up until 1 January 2004. However, the total incapacity pension payable to you under the **Plan** will be reduced by an amount equal to the incapacity pension which you could receive from the BP Pension Fund as if you had successfully applied for one under the rules of that scheme, and it had commenced on the same day as your **Plan** total incapacity pension.

	Pension as 1/60th of Final Salary	
Years of Notional Service	Joined BP Pension Fund before 17.03.87	Joined BP Pension Fund after 16.03.87
1-5	1 for each year	1 for each year
6	8	8
7	16	14
8	24	16
9	32	18
10	40	20
11	40	22
12	40	24
13	40	26
14	40	28
15	40	30
16	40	32
17	40	34
18	40	36
19	40	38
20 or more	40	40



Financial protection (cont)

Partial incapacity

If the **Company** after considering the advice of the **Company's** Chief Medical Officer decides that you are unable to work due to physical or mental incapacity which makes if impossible for you to continue in your current employment and seriously impairs your earnings capacity, but which is not so great as to qualify for a total incapacity pension, the **Trustee Company** may agree to pay you a partial incapacity pension. A partial incapacity pension can only be granted at the date you leave the **Company's** service. The pension will be based on a rate of 1/60th of **Final Salary** for each year of **Notional Service** unless you are paying **Regular Contributions** immediately prior to your retirement. If so, your higher build-up rate under the **Regular Contributions** arrangement will apply to all your future **Notional Service.**

Even if you choose not to transfer your benefits under the BP Pension Fund to the **Plan** on 1 January 2004, your **Notional Service** shall include any pensionable service you completed in the BP Pension Fund up until 1 January 2004. However, the partial incapacity pension payable to you under the **Plan** will be reduced by an amount equal to the incapacity pension which you could receive from the BP Pension Fund as if you had successfully applied for one under the rules of that scheme, and it had commenced on the same day as your **Plan** partial incapacity pension.

This pension will not exceed the amount which would have been paid if you had been granted a total incapacity pension but, subject to this, will not be less than 1/3rd of your **Final Salary.**

A tax-free cash option

You can normally exchange some of your incapacity pension on retirement for tax-free cash. If you do this, your incapacity pension will be reduced on a basis determined by the **Plan's** actuary. The maximum lump sum will be based on actual **Pensionable Service** to the date of retirement.

Review of incapacity pension

From time to time, the **Trustee Company** may review your incapacity pension. The **Trustee Company** will consider the advice of the **Company's** Chief Medical Officer or such other medical officer designated by the **Company.** Should the advice indicate that you are no longer suffering from total or partial incapacity (as applicable), or if you move from partial to total incapacity, the **Trustee Company** may increase, reduce or stop the pension for any period before **Normal Retirement Age.** If the pension is reduced or stopped, the pension payable on or after **Normal Retirement Age** may be less than the incapacity pension that had been in payment. If the pension is stopped, the period for which the pension was paid will count as **Pensionable Service** for the purpose of calculating the pension subsequently becoming payable under the Rules. The **Trustee Company** may adjust any benefits becoming payable on your death as it sees fit.

Lump sum death benefit

If you die whilst a member of the **Plan,** a lump sum death benefit will be payable equal to:

- three times **Final Salary** if you are in the core benefits level; or
- four times **Final Salary** if you are paying **Regular Contributions** immediately prior to the date of your death.*

* or if you would otherwise be eligible for membership of the **Plan** but had opted out of the **Plan** and die in service before **Normal Retirement Age.**

The **Trustee Company** has discretion to decide which of your **Beneficiaries** should receive the lump sum death benefit. To guide the **Trustee Company,** please complete a copy of the confidential Expression of Wish Form which you can find at the back of this Guide. Although the **Trustee Company** will take your wishes into account, it cannot be bound by them. You should always complete a new form if your personal circumstances change. Further forms can be obtained from Human Resources.

Financial protection (cont)

A pension for your spouse or dependants

A survivor's pension will be paid if you die in service and leave **Pensionable Dependants.**

Such pension will be equal to 2/3rds of your **Notional Pension** based on **Final Salary** at the date of death.

It can also be apportioned between **Pensionable Dependants** where the **Trustee Company** considers this to be appropriate. If not a spouse, the dependant must have been financially dependent on or interdependent with you at the date you died.

If your spouse or dependant is more than 20 years younger than you, the pension will be reduced by an amount determined by the **Trustee Company,** after taking advice from the **Plan** actuary. This reduction allows for the likely additional cost to the **Plan** of paying the pension over a prolonged period.

If your spouse or other **Pensionable Dependant** remarries or cohabits after your death, at the discretion of the Principal Employer and the **Trustee Company** the pension will continue to be paid in full.

Pensions for your children

If you are survived by your children and they are aged under 18 or (provided the child is receiving full-time education or vocational training which started before the child reached age 22) are over the age of 18 and have not reached age 23, they will each receive an annual pension equal to the greater of:

- 10% of your **Notional Pension**; or
- £300.

If a pension is not paid to a **Pensionable Dependant** or it comes into payment and the **Pensionable Dependant** subsequently dies, the annual pension for each child will be equal to the greater of:

- 20% of your **Notional Pension**; or
- £300.

In total, children's pensions will not exceed 1/3rd of your **Notional Pension** if you leave a **Pensionable Dependant** or 2/3rds if there is no **Pensionable Dependant.**

Pensions for incapacitated children

If the **Trustee Company** is satisfied that a child who was, or became, so severely incapacitated before reaching age 18 (or before reaching age 23 if the child is receiving full-time education or vocational training which started before the child reached age 22) that is has no realistic prospect of being able to obtain gainful employment, the **Trustee Company** may continue to pay a children's pension for life. The **Trustee Company** may require continued evidence of incapacity from time to time. In the light of that evidence, it may continue, reduce or discontinue the pension.

Member away from work

In certain circumstances, you may be able to continue your membership of the **Plan** while temporarily absent from your employment with the **Company.** The **Company** and the **Trustee Company** may agree special provisions to apply to your benefits and contributions in respect of your period of absence.

Temporary absence

If you are absent from work, you will normally remain a member of the **Plan,** so long as you are receiving contractual pay or statutory sick pay and there is a definite expectation that you will return to work.

Maternity Leave

Ordinary maternity leave

During your ordinary maternity leave of 26 weeks your membership of the **Plan** will continue as though you are working normally.

You will automatically continue to pay **Regular Contributions** and MPAVCs to the **Plan.** These contributions will be based on the amount of pay you receive during your leave. If however you do not want to pay **Regular Contributions** please contact Human Resources. You should however be aware that if you do not continue to pay **Regular Contributions,** your pension will build up at the core benefits level (see page 7).

Additional maternity leave

If, at the end of ordinary maternity leave you go on to take additional maternity leave for up to 26 weeks your membership of the **Plan** will continue as though you are working normally, in the same way as during ordinary maternity leave (see above) provided you receive pay from the **Company.**

If you do not receive pay from the **Company** during any period of additional maternity leave your **Regular Contributions** and MPAVCs to the **Plan** will not continue and you will not build up any pension for this period of service.

On your return to work, any contributions you were paying before your maternity leave started will begin again at the same level and your two periods of service will be treated as continuous. If you do not return to work, your date of leaving the **Plan** is taken as the date your employment finishes.

Adoption Leave

Ordinary adoption leave

If you adopt a child and are entitled to ordinary adoption leave of 26 weeks your membership of the **Plan** will continue as though you are working normally.

You will automatically continue to pay **Regular Contributions** and MPAVCs to the **Plan.** These contributions will be based on the amount of pay you receive during your leave. If however you do not want to pay **Regular Contributions** please contact Human Resources. You should however be aware that if you do not continue to pay **Regular Contributions,** your pension will build up at the core benefits level (see page 7).

Additional adoption leave

If, at the end of your ordinary adoption leave you go on to take additional adoption leave for up to 26 weeks your membership of the **Plan** will continue as though you are working normally, in the same way as during ordinary adoption leave (see the paragraph above) provided you receive pay from the **Company.**

If you do not receive any pay from the **Company** during any period of additional adoption leave, your **Regular Contributions** and MPAVCs to the **Plan** will not continue and you will not build up any pension for this period of service.

On your return to work, any contributions you were paying before your adoption leave started will begin again at the same level and your two periods of service will be treated as continuous. If you do not return to work, your date of leaving the **Plan** is taken as the date your employment finishes.

Member away from work (cont)

Paternity Leave

If you qualify for statutory paternity leave your membership of the **Plan** will continue on the same basis which would have applied to you had you been working normally.

However, you will automatically continue to pay **Regular Contributions** and MPAVCs to the **Plan**. These contributions will be based on the amount of pay you receive during your leave. If however you do not want to pay **Regular Contributions** please contact Human Resources. You should however be aware that if you do not continue to pay **Regular Contributions** your pension will build up at the core benefits level (see page 7).

Parental Leave

If you qualify for statutory parental leave your membership of the **Plan** will continue on the same basis which would have applied to you had you been working normally provided that you are paid from the **Company**.

However, if you are not paid during any period of parental leave, your **Regular Contributions** and MPAVCs to the **Plan** will not continue and you will not build up any pension for this period of service.

On your return to work, any contributions you were paying before your parental leave started will begin again at the same level and your two periods of service will be treated as continuous.

Secondment

If you are on secondment, the **Trustee Company** and **Company** may agree to treat you as remaining in **Pensionable Service** for up to 10 years (or longer if the Inland Revenue permits) provided that there is a definite expectation you will return to work for, or retire with, the **Company** in the UK.

Full details regarding the various types of leave available to you can be obtained from Human Resources.

Benefits at retirement

Normal retirement benefits

A pension at Normal Retirement Age

If you leave service at **Normal Retirement Age** you will receive a pension for life. The amount of your pension will be based on:

- the **Pensionable Service** you have completed in the core benefits level or each **Regular Contributions** option you have taken part in, and your **Final Salary**; and
- the pension which can be bought with any money purchase additional voluntary contributions you have paid (MPAVCs).

The Inland Revenue restricts the maximum pension you can receive from all sources (see page 29). It cannot exceed 2/3rds of **Final Remuneration**. If your benefits need to be restricted to take into account Inland Revenue maximum benefits, you will be told by Human Resources.

A tax-free cash option

You can normally exchange some of your pension on retirement for tax-free cash. If you do this your pension will be reduced on a basis determined by the **Plan**'s actuary.

The maximum cash sum you can take is subject to Inland Revenue limits. An indication of the formula used for the maximum lump sum is as follows, but please see page 29 of this Guide for further details regarding Inland Revenue limits:

- if you joined the BP Pension Fund before 1 June 1989, the formula is normally 3/80 x **Pensionable Service** x **Final Salary**; or
- If you joined the BP Pension Fund on or after 1 June 1989, the formula is normally 2¼ times your annual pension, calculated at the date you retire, or 3/80 x **Pensionable Service** x **Final Salary** if greater.

If you joined the BP Pension Fund between 17 March 1987 and 31 May 1989, the calculation of your tax-free cash sum may differ from that described above as your **Final Salary** is restricted for these purposes to a maximum of £100,000. Further details can be obtained from Human Resources.

If you joined the BP Pension Fund before 17 March 1987 the calculation of your tax-free cash sum may differ from that described above due to the different Inland Revenue rules which apply to you. Further details can be obtained from Human Resources.

If you joined the BP Pension Fund on or before 5 April 1979, the calculation of your tax-free cash may also differ from that described above. Further details can be obtained from Human Resources.

Early retirement

You can retire earlier than **Normal Retirement Age** in the following circumstances:

- At your own request if you are aged 55 or over and have at least 30 years' **Pensionable Service** which has built up as a member of the **Plan**.
- At the **Company's** request if you are aged 50 or over with at least 10 years' **Pensionable Service** which has built up as a member of the **Plan**. (Special note: at the time of printing, there are Government proposals under consideration to raise this minimum pension age of 50 to 55. If this happens, you will be notified.)

For those members who do not transfer their benefits under the BP Pension Fund to the **Plan** on 1 January 2004, **Pensionable Service** will include any pensionable service completed in the BP Pension Fund up until 1 January 2004, but only for the purposes of deciding if a member qualifies to retire earlier than **Normal Retirement Age.**

Your early retirement pension in the above circumstances will be calculated in the same way as at **Normal Retirement Age**, based on your **Final Salary** and **Pensionable Service**, at the date you actually retire. In either of the circumstances outlined above, your pension will not be reduced for early payment (other than on that part of the pension which you transferred into the **Plan** from a previous employer's pension arrangement, except that that part of the pension which you transferred into the **Plan** from the BP Pension Fund before 1 January 2004 which relates to actual service in the BP Pension Fund will not be reduced for early payment).

Benefits at retirement (cont)

You may retire from age 50 at your own request. If you do so, your pension will normally be reduced for early payment on a basis determined by the **Company** on the advice of the **Plan** actuary.

The levelling option

If you retire and draw your pension before you reach State Pension Age, you may feel you need some extra income before your State pension comes into payment. If so, the **Trustee Company** may allow you to exercise the levelling option. This allows you to choose an increased level of **Plan** pension before State Pension Age (see page 23) and a reduced level once the State pension becomes payable. The aim is to try to provide you with a pension from the **Plan** and the State which remains at a reasonably steady level throughout the period of payment.

Please note that levelling is a once only decision. You cannot change your mind once your pension has come into payment.

The **Plan** actuary will determine the basis for calculating your pension if you choose the levelling option. When you die, any pensions payable to your spouse, dependants or children will be calculated as if this choice had not been made.

If you would like to find out more about the levelling option, please contact Human Resources. However, if you require specific financial advice on the best option for your own circumstances, you should contact an Independent Financial Adviser.

Death after retirement

If you die after you retire, the **Plan** provides:

A 5 year guarantee

If you die before you have received 5 years' instalments of your pension, the outstanding balance of your pension payments to the end of that period, based on the current level of pension in payment, will be paid as a lump sum.

The **Trustee Company** has discretion to decide which of your **Beneficiaries** should receive the lump sum. To guide the **Trustee Company,** please complete and return a copy of the confidential Expression of Wish Form. Although the **Trustee Company** will take your wishes into account, it cannot be legally bound by them. You should always complete a new form if your personal circumstances change. Forms can be obtained from Human Resources.

Benefits at retirement (cont)

A pension for your spouse or dependants

A survivor's pension will be paid if you leave **Pensionable Dependants.** Such pension will be equal to 2/3rds of your **Notional Pension.** For this purpose, your **Notional Pension** is your pension at retirement, including any increases granted since you retired, but ignoring any reduction made in exchange for tax-free cash at retirement, in exercising the levelling option or due to early payment.

It can also be apportioned between **Pensionable Dependants** where the **Trustee Company** considers this to be appropriate. If not a spouse, the dependant must have been financially dependent on or interdependent with you at the date you died.

If you die whilst in receipt of a total or partial incapacity pension, your spouse or other **Pensionable Dependant** will be paid a pension equal to 2/3rds of the pension you would have received if you had remained on the core benefits level or had continued to pay **Regular Contributions** at the previous level from the date of your retirement until **Normal Retirement Age.** This will be based on your **Final Salary,** uplifted to reflect increases to pensions granted by the **Trustee Company** between the date you retired and the date of death, or **Normal Retirement Age** if earlier.

If your spouse or dependant is more than 20 years younger than you, the pension will be reduced by an amount determined by the **Trustee Company,** after taking advice from the **Plan** actuary. This reduction allows for the likely additional cost to the **Plan** of paying the pension over a prolonged period.

If your spouse or other **Pensionable Dependant** remarries or cohabits after your death, at the discretion of the **Company** and the **Trustee Company** the pension will continue to be paid in full.

Pensions for your children

If you are survived by your children and they are aged under 18 or (provided the child is receiving full-time education or vocational training which started before the child reached age 22) are over the age of 18 and have not reached age 23, they will each receive an annual pension equal to the greater of:

- 10% of your **Notional Pension;** or
- £300.

If a pension is not paid to a **Pensionable Dependant** or it comes into payment and the **Pensionable Dependant** subsequently dies, the annual pension for each child will be equal to the greater of:

- 20% of your **Notional Pension;** or
- £300.

In total, children's pensions will not exceed 1/3rd of your **Notional Pension** if you leave a **Pensionable Dependant** or 2/3rds if there is no **Pensionable Dependant.**

Pensions for incapacitated children

If the **Trustee Company** is satisfied that a child who was, or became, so severely incapacitated before reaching age 18 (or before reaching age 23 if the child is receiving full-time education or vocational training which started before the child reached age 22) that it has no realistic prospect of being able to obtain gainful employment, the **Trustee Company** may continue to pay a children's pension for life. The **Trustee Company** may require continued evidence of incapacity from time to time. In the light of that evidence, it may continue, reduce or stop the pension.

Payments and increases

Pension payments

Pensions are payable monthly in advance. Income tax is deducted from pensions in the same way as from salary.

Pension increases

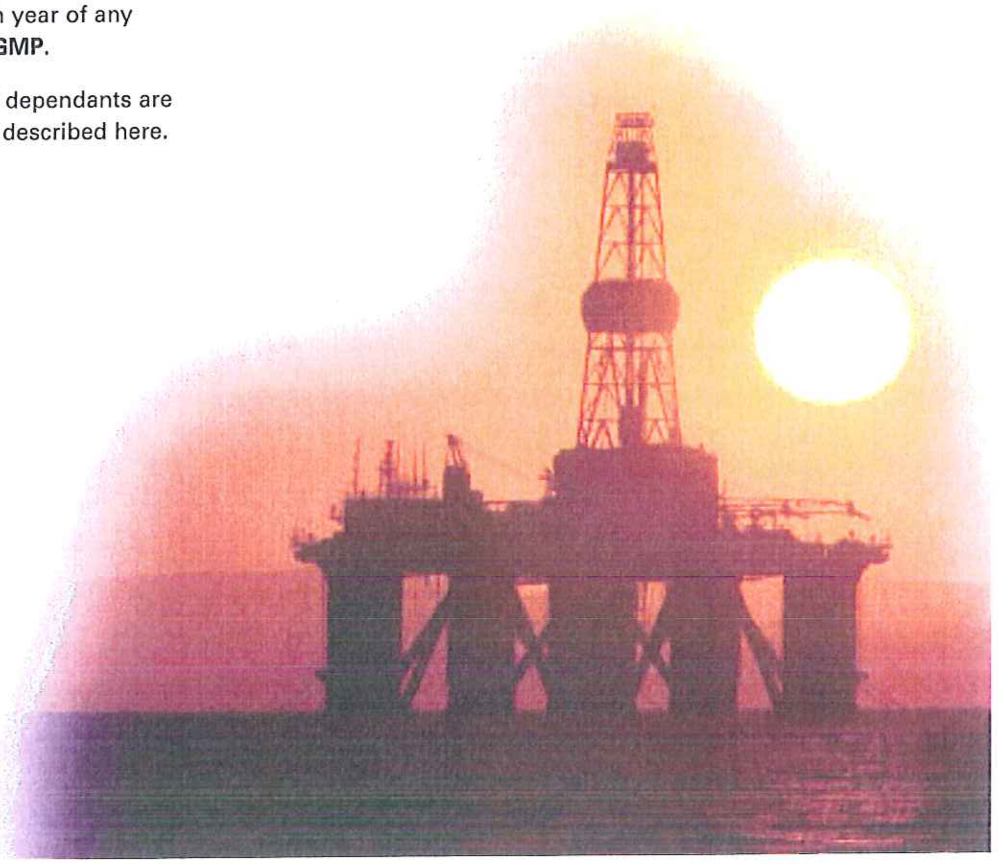
Pensions payable from the **Plan** are reviewed in April each year and are guaranteed to increase in line with the cost of living, as measured by the rise in the **RPI** in the year ending in the previous September, up to a maximum of 5% a year. Proportionate increases may be made to pensions which have been in payment for less than a year.

The increases referred to above do not apply to any **Guaranteed Minimum Pension (GMP)** which has been transferred into the **Plan**, and relates to your membership of the BP Pension Fund from 6 April 1988 to 5 April 1997. Your **GMP** for this period is increased by the State in accordance with legislation, with the exception of the first 3% of any increase, which is paid by the **Plan**.

Your **GMP** relating to your membership of the BP Pension Fund prior to 6 April 1988 is not subject to any increases.

The State will advise you each year of any increase that applies to your **GMP**.

Pensions for your spouse and dependants are increased in the same way as described here.



Leaving

Leaving the Plan

If you leave the **Plan** you will have the option of:

- leaving your pension in the **Plan** until **Normal Retirement Age** (in certain circumstances you may be able to draw your pension earlier than this). Your pension will be calculated in the same way as at **Normal Retirement Age,** based on your **Final Salary** and **Pensionable Service** when you leave. During the period up to the date of your retirement, your deferred pension will be increased annually in line with increases in **RPI** up to a maximum of 5% each year, or by such greater amount as the **Trustee Company,** with the consent of the **Company,** decides; or

  - transferring the value of your **Plan** benefits to another approved pension arrangement, such as your new employer's pension scheme, a personal pension, a stakeholder pension or an individual insurance buy-out contract.

Transferring your benefits

If you choose to transfer your benefits to another pension arrangement, the **Plan**'s actuary will calculate their value for you. This is done by assessing the current cash value of your benefits, including guaranteed increases for each year up to **Normal Retirement Age,** based on current investment conditions. As investment conditions change, so do transfer values – they can therefore increase or decrease over time. You can only transfer your benefits to a suitable pension arrangement approved by the Inland Revenue. The transfer can only be made if the trustees or managers of the other arrangement agree to accept the transfer. If you are entitled to a transfer, you must take this option at least one year before **Normal Retirement Age.**

Active and deferred members of the **Plan** can obtain a statement of the current cash value of their **Plan** benefits by contacting the **Trustee Company** via Human Resources. You can do this once in any 12 month period.

By law, the statement must be provided within 3 months of your request. Transfer values are guaranteed for 3 months from the date on which they are calculated and, if accepted within that period, must be paid within 6 months of this date.

If the estimate is needed because of a divorce settlement, you should tell the **Trustee Company** this when asking for the estimate as the **Trustee Company** may need further information from you.

If you die before you start to draw your pension

If you leave your pension in the **Plan,** but die before you start to draw it, the **Plan** will provide:

- A survivor's pension if you leave **Pensionable Dependants.** Such pension will be equal to 2/3rds of your **Notional Pension.** For these purposes your **Notional Pension** is the pension you were entitled to at the date of your death, including any increases granted between the date you left and the date of your death. It can also be apportioned between **Pensionable Dependants** where the **Trustee Company** considers this to be appropriate. If not a spouse, the dependant must have been financially dependent on or interdependent with you at the date you died.

  If your spouse or dependant is more than 20 years younger than you, the pension will be reduced by an amount determined by the **Trustee Company,** after taking advice from the **Plan** actuary. This reduction allows for the likely additional cost to the **Plan** of paying the pension over a prolonged period.

Leaving (cont)

If your spouse or other **Pensionable Dependant** remarries or cohabits after your death, at the discretion of the **Company** and the **Trustee Company** the pension will continue to be paid in full.

- Subject to Inland Revenue limits, a tax-free cash sum equal to five times the value of your deferred pension at the date of your death, paid to your **Beneficiaries** in the same way as the lump sum death benefit described on page 13 (subject to Inland Revenue limits, see page 29).

Pensions for your children

If you are survived by your children and they are aged under 18 or (provided the child is receiving full-time education or vocational training which started before the child reached age 22) are over the age of 18 and have not reached age 23, they will each receive an annual pension equal to the greater of:

- 10% of your **Notional Pension**; or
- £300.

If a pension is not paid to a **Pensionable Dependant** or it comes into payment and the **Pensionable Dependant** subsequently dies, the annual pension for each child will be equal to the greater of:

- 20% of your **Notional Pension**; or
- £300.

In total, children's pensions will not exceed 1/3rd of your **Notional Pension** if you leave a **Pensionable Dependant** or 2/3rds if there is no **Pensionable Dependant**.

Pensions for incapacitated children

If, on the advice of the **Company's** Chief Medical Officer, the **Trustee Company** is satisfied that a child who was, or became, so severely incapacitated before reaching age 18 (or before reaching age 23 if the child is receiving full-time education or vocational training which started before the child reached age 22) that is has no realistic prospect of being able to obtain gainful employment, the **Trustee Company** may continue to pay a children's pension for life. The **Trustee Company** may require continued evidence of incapacity from time to time. In the light of that evidence, it may continue, reduce or discontinue the pension.

Opting out of the Plan

If you wish to leave the **Plan** whilst continuing to work for the **Company**, you must give one month's notice to the **Company** and the **Trustee Company** by writing to Human Resources. Normally, your options will be the same as those available on leaving the **Company**. However, if you opt out within three months of joining the **Plan**, the **Company** and the **Trustee Company** may treat you as never having been a member of the **Plan**.

Please note: if you opt out, you will cease to be covered for the valuable range of benefits provide by the **Plan** at no cost to you, including a pension for your dependants if you die and a pension for you if you become too ill to work. You will, however, continue to be covered for the lump sum death benefit described on page 13. If you do consider opting out, please give this matter very careful thought and if necessary, consult an Independent Financial Adviser before making this decision.

If you opt out of the **Plan**, you cannot re-join the Defined Benefit Section of the **Plan** later.

However, you could join the Defined Contribution Section of the **Plan**. A separate Guide covering the benefits provided by the Defined Contribution Section of the **Plan** is available from Human Resources.

Other forms of pension provision

State Schemes

There are two parts to the State Pension Scheme:

- The State Basic Pension.
- The State Second Pension (S2P) (formerly known as the State Earnings Related Pension Scheme (SERPS)).

State Pension Age

State pensions are payable from State Pension Age which is currently 65 for men and 60 for women but which will be equalised at 65 for both. This change will be phased in over a 10-year period from the year 2010 with the following effect:

All women born before 6 April 1950	Will still get their State pension at age 60.
Women born between 6 April 1950 and 5 April 1955	Will receive their State pension between age 60 and 65. To calculate the State Pension Age, a woman should add one month to age 60 for each month or part-month that her date of birth falls after 5 April 1950. For example, if a woman was born on 6 April 1952, then her date of birth falls 24 months after 5 April 1950. Therefore, for this woman State Pension Age = 60 years + 24 months = 62 years.
All women born after 5 April 1955	Will get their State pension at age 65.

State Basic Pension

The State Basic Pension is a flat-rate amount paid to everyone who has a full National Insurance contribution record. If you do not have a complete record, you may be entitled to a proportion of the full State Basic Pension.

For 2003/2004, the full State Basic Pension is £77.45 a week (£4,027.40 a year) for a single person and £123.80 a week (£6,437.60 a year) for a married couple.

You can obtain a forecast from the Department for Work and Pensions (DWP) of how much pension you are likely to receive from the State. This can be done at any time by completing Form BR19, available from your local Benefits Agency office, and returning it to the DWP.

Your entitlement to the State Basic Pension is not affected by your membership of the **Plan**.

Women paying reduced National Insurance contributions

If you are a married woman or widow who, prior to April 1977, elected to pay National Insurance contributions at the special reduced rate, you will not earn any State Basic Pension in your own right for the period during which you contributed at the reduced rate. However, your husband may be entitled to an additional State pension for you. You will qualify for the full range of benefits from the **Plan**, as described in this booklet.

Other forms of pension provision (cont)

State Second Pension (S2P)

S2P is an additional State pension based partly on earnings. However, because the **Plan** meets certain statutory requirements and provides benefits in place of S2P, it is contracted-out of S2P. This means that many members do not earn the S2P benefit while a member of the **Plan**. As a result, you pay a lower rate of National Insurance contributions.

This rebate in your National Insurance contributions amounts to 1.6% of your Upper Band Earnings. The **Company** also receives a rebate. For 2003/04, Upper Band Earnings are your earnings between £77 and £595 a week, or between £334 and £2,579 a month if you are monthly-paid.

Contracting-out

In order to be able to contract-out, the **Plan** must meet certain statutory requirements.

For pensionable service in the BP Pension Fund between 6 April 1978 and 6 April 1997 (but only in respect of those members who transferred their benefits from the BP Pension Fund on 1 January 2004 to the **Plan**), this involves the **Plan** paying you a pension which is at least equal to your **Guaranteed Minimum Pension (GMP).** The **GMP** is broadly equivalent to the pension you would otherwise have received from SERPS (the name of the additional State pension which S2P replaced in 2002) for that period of pensionable service.

It is no longer a statutory requirement for the **Plan** to provide a **GMP** in respect of contracted-out service, although any **GMP** earned for service in the BP Pension Fund will remain in force and will still form part of your pension.

Instead, the **Plan** is contracted-out on what is called the "Reference Scheme" basis. What this means is that the **Plan** is compared with a statutory model scheme. The **Plan's** actuary has to certify that the benefits from the **Plan** are, for most members, at least as good as those provided by this model scheme.

Those members who do not transfer their benefits from the BP Pension Fund to the Plan on 1 January 2004 should note that any GMP they are entitled to in respect of their service in the BP Pension Fund up to 5 April 1997 is payable by the BP Pension Fund. This is because you chose to retain your benefits earned before 1 January 2004 in the BP Pension Fund.

State Basic Pension not affected

Contracting-out does not affect your entitlement to the State Basic Pension.

Other forms of pension provision (cont)

Personal and stakeholder pension arrangements

A personal or stakeholder pension is an independent arrangement between you and a pension provider (insurance company, bank, building society or unit trust company). Contributions to a personal or stakeholder pension are invested in an individual account and, together with interest or investment returns, build up a fund which is used to buy retirement benefits.

In certain circumstances, you may be able to contribute to a personal or stakeholder pension and be a member of the **Plan** at the same time. You should contact your personal or stakeholder pension provider to check whether this is possible. Broadly speaking, you may be a member of the **Plan** and contribute to a personal or stakeholder pension scheme if the following conditions apply:

- you have earnings which are not pensionable under the **Plan**; or
- you are covered for lump sum death benefits only under the **Plan**; or
- your gross earnings (all earnings before tax) from all sources during any of the previous five tax years (not including tax years prior to 2000/2001) were less than £30,000 a year.

If you would like to make additional retirement savings outside the **Plan**, it is important that you give consideration to which method best suits your own circumstances. The **Company** will not make payroll deductions for stakeholder or personal pension arrangements. If you wish to investigate these options further, you should seek Independent Financial Advice, as neither the **Company** nor the **Trustee Company** is authorised to give financial advice.

If you have benefits from a personal or stakeholder pension of which you were a member before joining the **Plan**, it may be possible to transfer these into the **Plan**. Please contact Human Resources for further details.

The legal framework

This Guide provides a summary of the benefits available from the **Plan**. However, it is only one of a number of documents available to you which contain information about the **Plan**. The following can be obtained, on request, from the Human Resources Department:

- **Trust Deed and Rules** – These are the formal documents which govern the running of the **Plan**.
- **Benefit statement** – Again, these are available from Human Resources. If you retire or leave the **Plan**, you will be sent details of your entitlement to benefits and your options. If you die, your dependants will be contacted and advised of any benefits that are payable under the **Plan**.
- **Trustee's Annual Report & Accounts** – Each year, the Trustee Company produces a formal Report and Accounts, which includes an investment report, audited accounts for the fund, and details of the **Trustee Company** and its professional advisers. A copy can be obtained from Human Resources.
- **Actuarial Valuation** – The **Plan** actuary will carry out a formal valuation of the **Plan's** fund at least once every three years. The results of this valuation are summarised in the Trustee's Report and Accounts.

You may ask to see a copy of the latest valuation report, the **Plan's** Schedule of Contributions and its Statement of Investment Principles by writing to Human Resources.

Legal requirements

How the Plan is run

The **Plan** is set up and run in accordance with its Trust Deed and Rules, which contain the detailed provisions of the **Plan**. Nothing contained in this Guide can override the Trust Deed and Rules. If there is an inconsistency between the information provided here and the Trust Deed and Rules, the Deed and Rules will prevail.

Changing or winding-up the Plan

The **Company** and the **Trustee Company** aim to maintain a high level of security for your benefits. The **Company** has the absolute right to stop contributing to the **Plan** but at the moment has no intention of doing so. In the event of the **Plan** being discontinued, the **Plan's** assets will be applied for the provision of benefits in accordance with the Trust Deed and Rules. Winding-up procedures are described in the Trust Deed and Rules. The **Plan** may only be amended or its provisions altered in accordance with the Trust Deed and Rules. You will be notified of any material changes to the **Plan** when they take place.

Your Plan benefits are not assignable

Your **Plan** benefits are strictly personal and cannot be assigned or promised to any other person, or used as security for a loan. To attempt to do so will mean that you will forfeit your benefits.

The legal framework (cont)

Pension from a previous job

You may be able to have the value of any pension benefits you have earned in a previous job transferred into the **Plan** to provide additional benefits. Human Resources can give you more information.

The **Trustee Company** decides whether or not transfers may be accepted. The **Trustee Company** considers each case on its merits and there may be circumstances where they cannot accept a transfer value.

Before making any decisions about whether you want to transfer the value of any pension benefits you have earned in a previous job into the **Plan**, you should seek the advice of an Independent Financial Adviser.

You should let Human Resources know about any benefits you are entitled to from previous pension arrangements, even if you decide not to transfer them.

Divorce

If you get divorced your benefits under the **Plan** may become subject to a court order requiring the **Trustee Company** to allocate part of your retirement and death benefits under the **Plan** to your ex-spouse. Normally, benefits will be allocated to your ex-spouse as a proportion of the cash equivalent of your **Plan** benefits. Your S2P benefits may also be affected.

If a court order applies to your **Plan** benefits, you will be given details of the reduced benefits applicable to and in respect of you under the **Plan**. However, you may be able to increase your benefits by paying MPAVCs (see page 9) or, if you pay them already, by increasing them. The allocation of part of your benefits to your ex-spouse may affect some of the Inland Revenue benefit limits that apply to you (see page 29).

The **Trustee Company** will transfer the pension assets allocated to your ex-spouse in the **Plan** to your ex-spouse's employer's pension scheme, a personal pension scheme or to an individual insurance policy. However, if your ex-spouse does not tell the **Trustee Company** where to transfer the allocated pension assets, the **Trustee Company** may decide to keep them in the **Plan**. If the assets are kept in the **Plan**, the **Trustee Company** will use them to provide benefits payable on your ex-spouse's retirement or death and on terms and conditions notified to your ex-spouse.

If your ex-spouse is also a member of the **Plan** as an employee or ex-employee of the **Company**, the **Trustee Company** will keep the pension assets allocated to your ex-spouse in the **Plan**. The **Trustee Company** will use the assets to provide benefits payable on your ex-spouse's retirement or death and on terms and conditions notified to your ex-spouse. The **Trustee Company** will keep the pension assets allocated to your ex-spouse separate from your ex-spouse's other benefits provided under the **Plan**. Although no Inland Revenue limits (see page 29) will apply to a pension payable from the **Plan** to your ex-spouse that derives from your benefits, there are limits on cash and death benefits. If these apply, the **Trustee Company** will notify your ex-spouse.

On divorce, you should tell the **Trustee Company** about the changes in your personal details. You should also consider changing any Expression of Wish Form you previously completed (see page 13).

If you request an estimate of the cash value of your **Plan** benefits for divorce purposes, you should make this clear to the **Trustee Company**.

It should be noted that the **Trustee Company** reserves the right to recover from you, or where a court order specifies, from your ex-spouse, certain costs they incur in relation to providing information and any activity by them in connection with an intended divorce or complying with a court order concerning your benefits under the **Plan**. They will normally do this by a further deduction from your benefits, although you have the right to make payment direct to the **Trustee Company** if you prefer.

The legal framework (cont)

The security of personal information

In order to administer the **Plan**, it is necessary for information about you and your entitlements to be held by the **Trustee Company** (or other parties who act on behalf of the **Trustee Company** such as the **Plan's** administrators). The information is kept secure and only disclosed in limited circumstances. For example, information may be disclosed to your employer and other companies in the same corporate group in connection with the operation of the **Plan**, insurance companies to arrange particular entitlements, actuaries and other advisers of the **Trustee Company** and your employer, any future potential employers and their advisers, and if the **Trustee Company** is obliged to do so, to government or regulatory organisations.

The **Trustee Company** is the data controller under the Data Protection Act 1998.

It is important that you tell the **Trustee Company** of any changes in your personal details to ensure the information held is accurate.

Tax and Social Security

The **Plan** has been approved by the Inland Revenue under Chapter I of Part XIV of the Income and Corporation Taxes Act 1988. All benefits payable under the **Plan** are subject to the limits imposed on approved schemes by the Inland Revenue.

Benefits and contributions to the **Plan** may be limited by reference to the **Earnings Cap** (see page 29).

The Defined Benefit Section of the **Plan** also meets the contracting-out requirements set out in the Pension Schemes Act 1993 for contracting-out on a defined benefit basis.

Inland Revenue limits

Tax approval of the **Plan** brings important tax advantages for you and the **Plan** but, at the same time, sets maximum limits on the benefits that can be paid. The main limits are set out below. These limits do not confer any actual entitlement to benefits under the **Plan**. Normally, your benefits are paid without restriction and you will be notified if any limits apply to you.

You should note that, for those members of the Plan who joined the BP Pension Fund before 1 June 1989, the Inland Revenue limits described may differ. Such members should contact Human Resources for details of the limits that apply to them.

Contributions

Your total contributions to the **Plan**, i.e. **Regular Contributions** or MPAVCs and any payments to a free-standing additional voluntary contributions scheme, must not exceed 15% of your gross earnings in any year. These contributions are also subject to the overall maximum of 15% of the **Earnings Cap**.

If, when you retire, the value of your MPAVCs cannot be used to provide increased benefits because your benefits exceed Inland Revenue limits, the excess part of your MPAVCs will be refunded to you, less tax. The amount of tax will reflect the tax relief you received on your MPAVCs.

Earnings Cap

The Inland Revenue sets an upper limit on the amount of earnings used for calculating contributions to and benefits from employers' pension schemes. This limit increases each year in line with prices. For the tax year beginning 6 April 2003 the **Earnings Cap** is £99,000 a year. You will be notified if your contributions or benefits are affected.

Lump sum death benefit

The maximum lump sum benefit payable on death before retirement is 4 times your **Final Remuneration** up to a maximum of 4 times the **Earnings Cap**, plus a refund of your own contributions to the **Plan** with interest.

Pension

The maximum pension is two-thirds of your **Final Remuneration** near retirement or two-thirds of the **Earnings Cap**, whichever is less, provided you complete 20 years' service or more.

Tax-free cash sum

The maximum tax-free cash sum is 2¼ times your pension at retirement or, if greater, 3/80ths of your **Final Remuneration** near retirement up to the **Earnings Cap** for each year of service completed up to a maximum of 40 years. Your **MPAVCs** cannot be used to provide a tax-free cash sum.

Help and advice

Queries and problems

The **Trustee Company** aims to administer and manage the **Plan** to high standards but there may be times when you are unhappy about something concerning your benefits or your membership of the **Plan** in general.

Most queries and problems stem from a misunderstanding of information and normally can be quickly and informally sorted out without the need to use any formal procedures. You should first of all refer any query or problem to the HR Manager at Human Resources, Perenco UK Limited, 29 Duke of York Square, London SW3 4LY.

If you are still unhappy about the matter, you may then wish to consider making a formal complaint through the internal dispute resolution procedures.

Internal dispute resolution procedures

If you have not been able to resolve any complaint about the **Plan** informally, there is a two-stage formal procedure you may use. Full details can be obtained from Human Resources.

Stage 1 – You should put your case in writing to the Payroll and Pensions Administrator at Human Resources, Perenco UK Limited, 29 Duke of York Square, London SW3 4LY. The Payroll and Pensions Administrator is specially appointed by the **Trustee Company** to fully consider your complaint and will normally give you a decision within two months.

Stage 2 – If you are not satisfied with the decision, you can appeal to the **Trustee Company** to consider your complaint. You will normally receive a decision from them within two months.

Special application forms are available to make a complaint or appeal. If you wish, you may use a representative to act on your behalf.

The internal dispute resolution procedures apply to matters concerning the **Plan** that affect members and others who may have an interest in the **Plan**. They do not apply to disputes between employees and the **Company**, nor do they apply to disputes where court proceedings have started or that are being investigated by the Pensions Ombudsman.

Occupational Pensions Regulatory Authority

The Occupational Pensions Regulatory Authority (Opra) is a regulatory body that is responsible for overseeing the running of occupational pension schemes and is able to intervene where trustees, employers or professional advisers have failed in their duties. Opra may be contacted at Invicta House, Trafalgar Place, Brighton, East Sussex, BN1 4DW.

OPAS (The Pensions Advisory Service)

OPAS (The Pensions Advisory Service) is an independent voluntary service that provides free help and advice to members and other beneficiaries of occupational and personal pension schemes. OPAS is available at any time to assist members and other beneficiaries under the **Plan** in connection with any pensions query they may have or any difficulty they have failed to resolve with the **Trustee Company** or administrators of the **Plan**. If you want to contact OPAS the address is 11 Belgrave Road, London, SW1V 1RB.

Help and advice (cont)

Pensions Ombudsman

The Pensions Ombudsman may investigate and decide upon any complaint or dispute of fact or law in relation to an occupational pension scheme referred to him. However, the Pensions Ombudsman normally insists the matter is first dealt with through the **Plan's** own internal dispute resolution procedures and raised with OPAS. If you have any complaint or dispute that cannot be resolved by the internal dispute resolution procedures or by OPAS, you can refer it to the Pensions Ombudsman at 11 Belgrave Road, London, SW1V 1RB.

Pensions registry and tracing service

The **Trustee Company** have given information about the **Plan**, including details of an address at which it can be contacted, to the Registrar of Occupational and Personal Pension Schemes.

A tracing service run by the Registrar may be of help to you if you need to contact the trustees of a previous employer's pension scheme and cannot trace them yourself.

The Registrar can be contacted at Opra, Pension Schemes Registry, PO Box 1NN, Newcastle Upon Tyne, NE99 1NN.

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