



THE SUN MICROSYSTEMS LIMITED  
RETIREMENT AND DEATH  
BENEFITS SCHEME

# **SUN MAIN SCHEME OPTIONS BOOKLET**

For Active Members following closure of the  
Scheme on 31 March 2011

29 JUNE 2011

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# SECTION 1

## INTRODUCTION

Sun Microsystems Limited Retirement & Death Benefits Scheme ('Sun Main Scheme') has been closed since 31 March 2011 to all new members and no further contributions will be paid. From 1 April 2011 employees of Oracle Corporation UK Limited ('Oracle') were eligible to join the Group Flexible Retirement Plan (GFRP) with Standard Life.

As a result, the Scheme Trustees have decided that the Sun Main Scheme should be wound-up. This means that the accumulated funds for all members must be transferred from the Sun Main Scheme, in line with the scheme rules and pension regulations.

This booklet sets out the options available to you regarding your existing pension funds held within the Sun Microsystems Limited Retirement & Death Benefits Scheme (Sun Main Scheme) and what action you need to take.

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*Aon Consulting Limited, part of Aon Hewitt ('Aon Hewitt') has prepared this document for Oracle Corporation UK Limited and the Trustees of the Sun Microsystems Limited Retirement & Death Benefits Scheme for the benefit of members. Aon Hewitt are the advisers to and administrators of the Sun Microsystems Limited Retirement & Death Benefits Scheme. Please note that Oracle Corporation UK Limited and Aon Hewitt are not able to provide financial advice to members about which option to choose. If you are unsure about which option to select, you should seek appropriate independent financial advice.*

## SECTION 2

# YOUR OPTIONS EXPLAINED

**There are five options available, although the availability of one of these options will depend on your period of membership.**

Active members of the Sun Main Scheme have the following options:

<b>Transfer your existing fund value to the Group Section 32 Buyout Plan with Fidelity (This is the Default option if you do not respond)</b>	<b>See Option 1</b>
<b>Transfer your existing fund value to an alternative pension arrangement of your choice</b>	<b>See Option 2</b>
<b>Take your pension benefits if you are over 55 years old</b>	<b>See Option 3</b>
<b>Take a refund (less tax) of the current value of the personal contributions you have paid *</b>	<b>See Option 4</b>
<b>Transfer your existing fund value to the Oracle GFRP with Standard Life</b>	<b>See Option 5</b>

*\*This option only applies if you had completed less than two years membership as at 31 March 2011.*

In order that the Trustees can provide you with a quotation or transfer pack before 29 September 2011 (the final date by which you must make your decision) please complete the Employee Options Form and return it to Aon Hewitt's administrative centre for pension wind-ups based in Leeds by 10 August 2011.

Please complete the Employee Options Form and return it to Stephen Walker, Aon Hewitt, 3 The Embankment, Sovereign Street, Leeds LS1 4BJ.

If you do not select an alternative option or do not complete and return any additional forms provided, your funds in the Sun Main Scheme will be bought out by the Trustees and placed in a Group Section 32 Buyout Plan (see Option 1), which is being established with Fidelity by the Trustees on your behalf, sometime after 29 September 2011 once all legal requirements have been met.

If you have any questions or require any further information, then please contact Aon Hewitt at the following email address [sun.windup@aonhewitt.com](mailto:sun.windup@aonhewitt.com) or telephone 01252 768552. There is no charge to you for this service.

# CONSIDERATIONS WHEN MAKING A DECISION

There are many things to think about when making a decision about your options, these include:

A – The charges applicable to your funds

B – Where you want to invest your funds

C – Flexibility & Retirement Options

D – Tax Free Cash entitlement above 25% of your fund value

## A – The charges applicable to your funds

The Annual Management Charges (AMC's)/Total Expense Ratio's (TERs) under the Sun Main Scheme, the Group Section 32 Buyout Plan with Fidelity and the Oracle Group Flexible Retirement Plan (GFRP) are different as set out below. For further information relating to the charges applying to the Group Section 32 Buyout Plan and the Oracle GFRP, please refer to the sections relating to Options 1 and 5 respectively.

### Sun Main Scheme

Members are currently invested in one of the eight funds available. The AMC's applicable to these funds range between 0.10% and 0.75%.

SUMMARY OF FUNDS AND CHARGES	
Fund name	Annual Management Charge (AMC)
Fidelity Multi Asset Growth Fund	0.47%
BlackRock DC Diversified Growth Fund	0.65%
Newton Real Return Fund	0.75%
BlackRock Aquila Life UK Equity Index Fund	0.10%
BlackRock Aquila Life World Equity (ex-UK) Index Fund	0.25%
BlackRock Aqua Life (60:40) Global Equity Index Fund	0.15%
BlackRock Aquila Life Over 15 Years Gilt Index Fund	0.10%
BlackRock Aquila Life Cash Fund	0.15%

You should check your recent pension statement for confirmation of which funds you are currently invested in. In addition, please note that you are only able to switch your funds under the Sun Main Scheme up until 10 August 2011, as the priority thereafter is to deal with option requests during this wind-up process.

## Group Section 32 Buyout Plan with Fidelity

On transfer to the Group Section 32 Buyout Plan your funds will be invested in the equivalent funds with Fidelity. The TERs for those funds range between 0.14% to 0.92%.

SUMMARY OF FUNDS AND CHARGES		
Fund name	Total Expense Ratio (TER)*	Fund Management Style
Fidelity Multi Asset Growth Fund	0.63%	Active
Fidelity BlackRock Diversified Growth Fund	0.92%	Active
Fidelity Newton Real Return Fund	0.90%	Active
Fidelity BlackRock UK Equity Index Fund	0.14%	Passive
Fidelity BlackRock World (ex-UK) Fund	0.15%	Passive
Fidelity BlackRock Long Term Fund#	0.15%	Passive
Fidelity BlackRock Over 15 Years Gilt Index Fund	0.14%	Passive
Fidelity BlackRock Cash Fund	0.18%	Active

# This fund invests approximately 60% UK 40% Overseas.

The above noted funds with Fidelity under the Group Section 32 Buyout Plan are the equivalent to the corresponding funds under the Sun Main Scheme. As a result your investment selection will be replicated.

\* The Total Expense Ratio (TER) encompasses charges made to funds typically including the Annual Management Charge, custody fees and other legal expenses e.g. audit fees. The TERs for these eight funds are unfixed and are typically sourced from the underlying funds' financial year end reports.

## Adviser Remuneration

Aon Hewitt will not receive any commission from Fidelity in respect of the Group Section 32 Buyout Plan.

## Oracle GFRP with Standard Life

Oracle have established three Lifestyle Profiles with Standard Life:

- > Cautious
- > Balanced
- > Adventurous

The Balanced Lifestyle Profile is the default option if an employee does not select an alternative investment option.

Please see the enclosed 'Description of Funds' leaflet from Standard Life which provides more detailed information of the funds that make up these 'Lifestyle' profiles and the gradual phasing into lower risk funds as you approach retirement.

The cost of your pension investment depends upon the funds chosen by you. An Annual Management Charge (AMC) is applied to the money you have invested in each fund and for the Oracle Lifestyle Profiles the AMC is 1.00%.

Oracle has negotiated enhanced terms for you, which means Standard Life will rebate part of the AMC by adding extra units to your fund each month. The rebate is 0.75% of the fund value per year which reduces the effective AMC on the Oracle Lifestyle Profiles to 0.25%.

If you leave Oracle, the rebate will reduce to 0.55% of the fund value per year, so the effective AMC on the Oracle Lifestyle Profiles will be 0.45%.

## Adviser Remuneration

SecondSight are the independent financial adviser appointed by Oracle. For their services you will be charged a percentage of your fund each month, at a yearly rate of 0.25%. This is in addition to the AMCs stated above.

## B – Where you want to invest your funds

Members in the Sun Main Scheme invest in a range of funds including the Pre-2009 Default Lifestyle Investment Option and Post-2009 Default Lifestyle Investment Option. However, you may have invested in funds other than the Default Lifestyle Investment Options, which are known as Self-Select.

The Group Section 32 Buyout Plan (with Fidelity) and the new Oracle GFRP (with Standard Life) have a much wider range of funds and fund managers than the Sun Main Scheme, although some of these funds may have higher charges than outlined above.

Further details on the investment options for both the Group Section 32 Buyout Plan with Fidelity and the Oracle GFRP with Standard Life are outlined in the respective sections of this Options Booklet.

## C – Flexibility & Retirement Options

### Group Section 32 Buyout Plan with Fidelity

The Group Section 32 Buyout Plan is your own policy and as detailed above you are able to invest in a range of funds however, you are unable to make further contributions to this pension arrangement.

At retirement you will have the option to take part of your fund as a tax free cash sum with the remainder used to purchase an annuity.

The online functionality of the Group Section 32 Buyout Plan enables you to undertake online switching and your policy will be updated automatically. There is no cost for switching and you may do this as frequently as you wish. You are also able to check the value of your current fund online.

### Oracle GFRP with Standard Life

The Oracle GFRP is your own policy and therefore you are in control of when you take pension benefits and how you plan for your retirement. At retirement you will have the option to take part of your fund as a tax free cash sum with the remainder used to purchase an annuity. You are also able to take partial pension benefits, phase your retirement or utilise income drawdown.

The online functionality under the Oracle GFRP enables you to undertake online switching and your policy will be updated automatically. There is no cost for switching and you may do this as frequently as you wish. You are also able to check the value of your current fund online.

## D – Tax Free Cash entitlement above 25% of your fund value

Members in the Sun Main Scheme who transfer their funds on a 'bulk' basis to the Group Section 32 Buyout Plan with Fidelity or the Oracle GFRP with Standard Life will have any tax free cash sum above 25% of their fund value protected, if applicable.

Members who transfer their funds to an alternative pension arrangement on an individual basis, would not have their tax free cash protected and so this would revert to 25% of your fund value.

Further details are included later in this Options Booklet.

# OPTION 1

## Transfer your existing fund value to the Group Section 32 Buyout Plan with Fidelity

The Trustees are establishing a Group Section 32 Buyout Plan with Fidelity on behalf of members who select this option or do not choose to take any action. Aon Hewitt has recommended to the Trustees that Fidelity is the most suitable provider of the Group Section 32 Buyout Plan having taken into account factors such as financial strength, charges and administration capabilities, among other things.

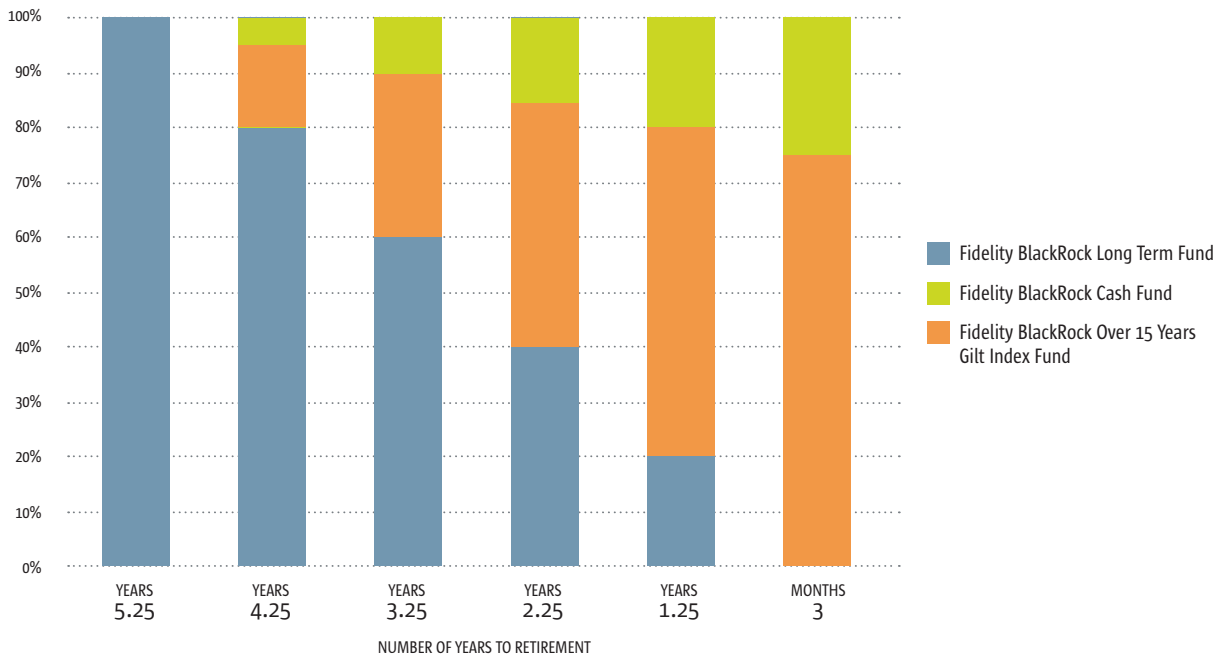
### What is the Group Section 32 Buyout Plan?

A Group Section 32 Buyout Plan is often used to buy out members' funds on the wind up of a pension scheme. It is an individual contract between the member and the provider much like a personal pension or a stakeholder pension. However, it is important to note that no further contributions can be made to a Group Section 32 Buyout Plan, although you can transfer your funds out.

On transfer to the Group Section 32 Buyout Plan your funds will automatically be invested in the equivalent funds that you are currently invested in. For those members who currently have contributions invested in the Pre-2009 and/or Post-2009 Default Lifestyle Investment Options, your funds will be invested on the basis outlined below.

Currently, there are two lifestyle strategies available under the Scheme. Firstly, one for funds built up from Pre-April 2009 contributions which has a 5.25 year lifestyle approach. Under the Group Section 32 Buyout Plan the funds will transfer from the Fidelity BlackRock Long Term Fund to the Fidelity BlackRock Over 15 Years Gilt Index Fund and the Fidelity BlackRock Cash Fund, as illustrated below:

### Pre-April 2009 Regular Contributions – Default Lifestyle Investment Option



These are the funds that will be used by Fidelity under the Group Section 32 Buyout Plan.

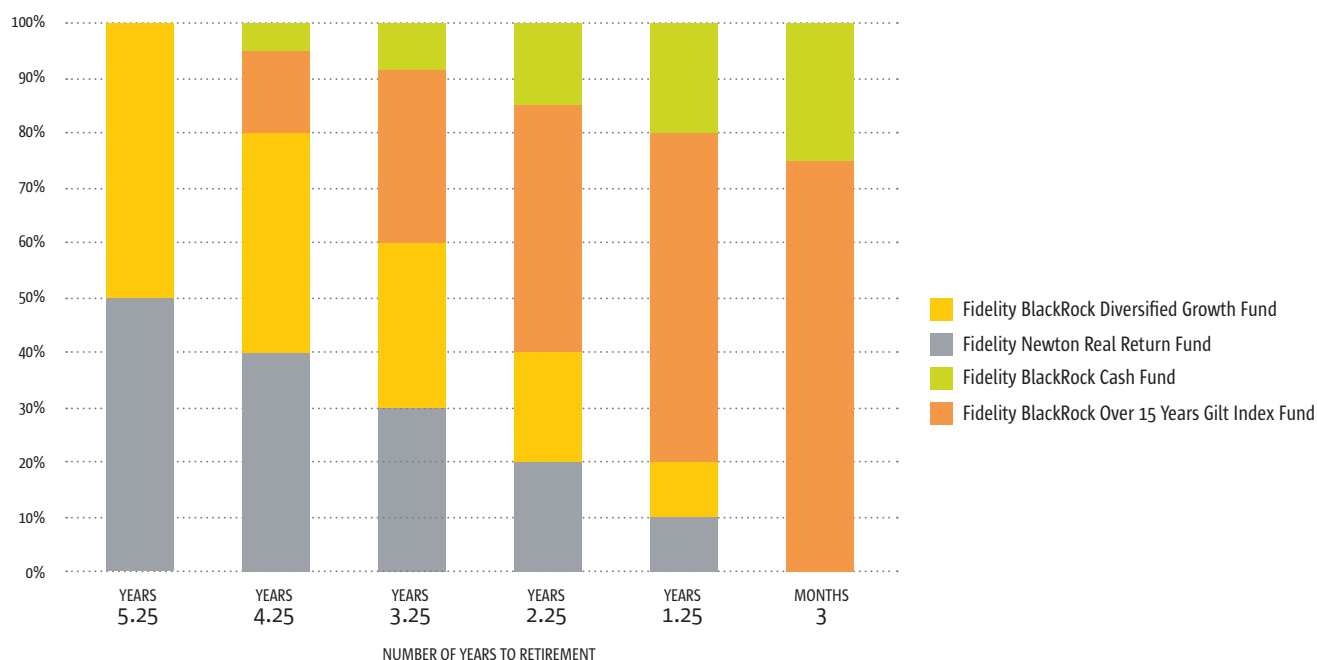
The above table indicates the annual position, although please note that under the Group Section 32 Buyout Plan with Fidelity, that the switching actually takes place on a quarterly basis.

Source: Aon Hewitt



The second lifestyle option is for funds accrued from contributions paid Post-April 2009. It also has a 5.25 year lifestyle switching stage. However, the 'growth' phase (i.e. before 5.25 years) is invested 50% in the Fidelity Newton Real Return Fund and 50% in the Fidelity BlackRock Diversified Growth Fund, as illustrated below:

### Post-April 2009 Regular Contributions – Default Lifestyle Investment Option



These are the funds that will be used by Fidelity under the Group Section 32 Buyout Plan.

The above table indicates the annual position, although please note that under the Group Section 32 Buyout Plan with Fidelity, that the switching actually takes place on a quarterly basis.

**Source: Aon Hewitt**

The Total Expense Ratio (TER) applicable to the various funds are outlined in the Summary of Funds and Charges table below:

SUMMARY OF FUNDS AND CHARGES		
Fund name	Total Expense Ratio (TER)*	Fund Management Style
Fidelity Multi Asset Growth Fund	0.63%	Active
Fidelity BlackRock Diversified Growth Fund	0.92%	Active
Fidelity Newton Real Return Fund	0.90%	Active
Fidelity BlackRock UK Equity Index Fund	0.14%	Passive
Fidelity BlackRock World (ex-UK) Fund	0.15%	Passive
Fidelity BlackRock Long Term Fund#	0.15%	Passive
Fidelity BlackRock Over 15 Years Gilt Index Fund	0.14%	Passive
Fidelity BlackRock Cash Fund	0.18%	Active

# This fund invests approximately 60% UK 40% Overseas.

The above noted funds with Fidelity under the Group Section 32 Buyout Plan are the equivalent to the corresponding funds under the Sun Main Scheme. As a result your investment selection will be replicated.

\* The Total Expense Ratio (TER) encompasses charges made to funds typically including the Annual Management Charge, custody fees and other legal expenses e.g. audit fees. The TERs for these eight funds are unfixed and are typically sourced from the underlying funds' financial year end reports.

**You should check your recent pension statement for confirmation of which funds you are currently invested in. In addition, please note that you are only able to switch your funds under the Sun Main Scheme up until 10 August 2011, as the priority thereafter is to deal with option requests during this wind-up process.**

Please remember that you can access your personal account details via the Sun pension website at [www.sunppc.co.uk](http://www.sunppc.co.uk). If you have not visited the site before, you will need your enrolment number which is your old Sun ID number. If you do not have this or have any problem logging onto the Sun PPC site, please call the administration helpline on 0141 222 7286.

## Adviser Remuneration

Aon Hewitt will not receive any commission from Fidelity in respect of the Group Section 32 Buyout Plan.

## Self-Select Members

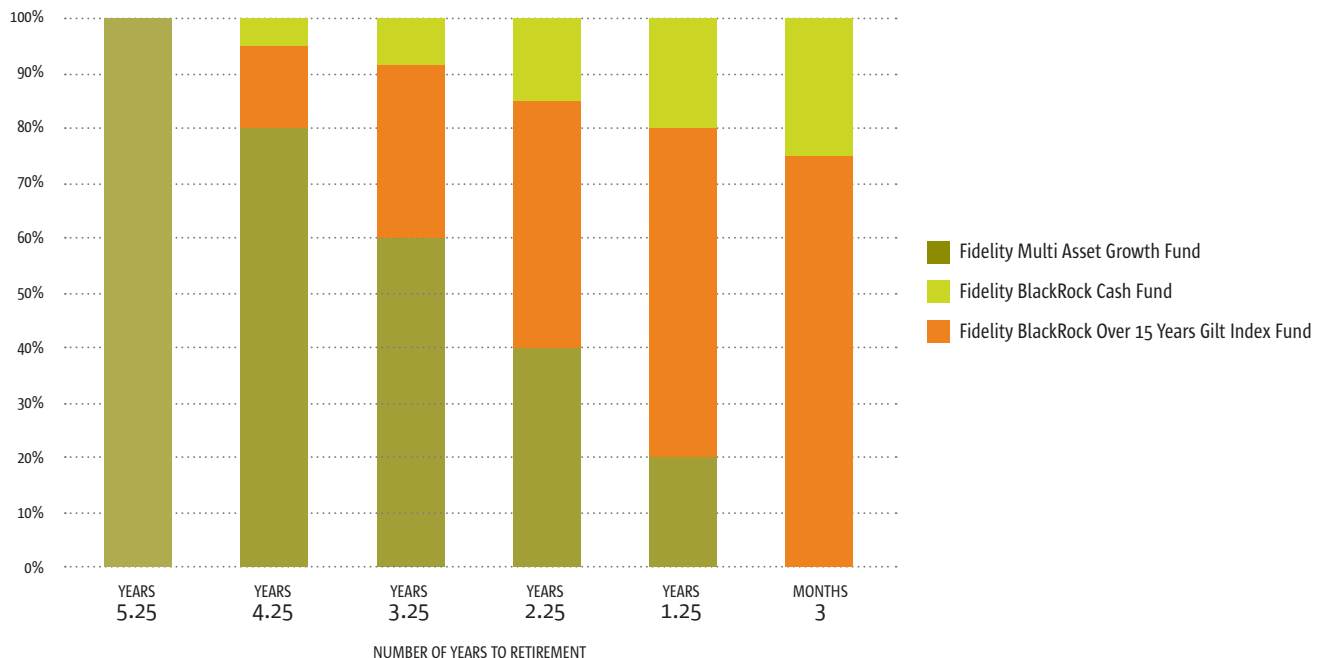
For those members who are currently invested on a Self-Select basis, the funds from the Sun Main Scheme will be invested in the Group Section 32 Buyout Plan with Fidelity in the equivalent funds.

You will be given the option to change the investment of your Group Section 32 Buyout Plan once the transfer has been completed. Under the Group Section 32 Buyout Plan around 100 funds are available and the Total Expense Ratios (TERs) range from 0.14% to 1.79%. Further details can be obtained from Fidelity by calling their Pension Service Centre on 08457 234 235 or by emailing them at [pensions.service@fil.com](mailto:pensions.service@fil.com)

Further information is also available on a Microsite provided by Fidelity which can be accessed at [www.fidelitypensions.co.uk/sunmicrosystems](http://www.fidelitypensions.co.uk/sunmicrosystems)

## New Additional Default Lifestyle Investment Option

In addition to the two existing Lifestyle profiles, you will also have the ability to invest in a new Lifestyle profile which invests in the Fidelity Multi Asset Growth Fund. This will be available for members to switch into once the transfer of funds to Fidelity, has been completed.



These are the funds that will be used by Fidelity under the Group Section 32 Buyout Plan.

The above table indicates the annual position, although please note that under the Group Section 32 Buyout Plan with Fidelity, that the switching actually takes place on a quarterly basis.

**Source: Aon Hewitt**

## Is there any ‘out of market risk’ in making a transfer from the Sun Main Scheme to the Group Section 32 Buyout Plan

Members of the Sun Main Scheme whose funds are transferred to the Group Section 32 Buyout Plan will have the whole of their fund protected against the ‘out of market’ risk (see below). Aon Hewitt has arranged for any members who have their benefits transferred from the Sun Main Scheme funds to the Group Section 32 Buyout Plan, to have their transfer undertaken on a bulk basis via the re-registration of funds with Fidelity. This will remove the ‘out of market’ risk when your fund is moved from the Sun Main Scheme to your Group Section 32 Buyout Plan with Fidelity.

Transfer on a bulk basis will also protect any tax free cash entitlements in excess of 25% of your fund value, which may be applicable to some members. This protection will be lost on any subsequent transfer out of the Section 32 Buyout Plan, meaning your tax free cash would revert to 25% of your fund value.

## Selected Retirement Age

If your funds are transferred to the Group Section 32 Buyout Plan with Fidelity, your funds will be invested using your Selected Retirement Age that is currently applicable under the Sun Main Scheme. You can change this in the future once the transfer is complete by contacting Fidelity.



### WHAT DO I NEED TO DO?

In order that the Trustees can note your selection before 29 September 2011 (the final date by which you must make your decision) please complete the Employee Options Form

(Option 1) and return it to Aon Hewitt before this date. Your funds will be transferred sometime after 29 September 2011 once all legal requirements have been met.

*‘Out of market’ – this means that period of time between funds being ‘sold’ under one arrangement and funds being ‘bought’ in another arrangement. This may only be a period of 5-10 working days, but market movements could impact on the unit price of the funds you invest in, within your selected pension arrangement.*

## OPTION 2

### Transfer your existing fund value to an alternative pension arrangement of your choice

You can transfer your funds to another approved pension arrangement of your choice e.g. an existing personal pension. You should ensure you understand the charges levied by your chosen provider and it is suggested you obtain appropriate independent financial advice.

You will be exposed to an 'out of market' risk (see below). In this period, if the markets move positively, you might miss out on an element of investment growth. The opposite is also true in that markets could fall between the funds being sold and the investment of their value into another arrangement.

In addition, it should be noted that any tax free cash entitlement in excess of 25% of your fund value, which may be applicable to some members, will be lost on the transfer to an alternative arrangement as this is not being undertaken on a bulk basis. This means that the tax free cash would revert to 25% of your fund value.

#### > WHAT DO I NEED TO DO?

If you decide to transfer your funds to an alternative pension arrangement, i.e. a personal pension or stakeholder pension, please select Option 2 on the Employee Options Form. Before returning your Options Form, please check with your chosen pension provider that they will accept a transfer payment, so as to ensure your request can be completed without delay.

In order that the Trustees can provide you with a transfer pack before 29 September 2011 (the final date by which you must make your decision) please complete the Employee Options Form and return it to Aon Hewitt by 10 August 2011. You will then be sent a Transfer

pack to complete and return to Aon Hewitt who will then liaise with you and the provider of your chosen arrangement to process the transfer.

If you do not take action or do not complete and return the additional forms provided, your funds will automatically be transferred to the Group Section 32 Buyout Plan with Fidelity (see Option 1) sometime after 29 September 2011 once all legal requirements have been met. You will then need to make arrangements with Fidelity to transfer your funds out of the Plan at a later date, if you so wish.

*'Out of market' – this means that period of time between funds being 'sold' under one arrangement and funds being 'bought' in another arrangement. This may only be a period of 5-10 working days, but market movements could impact on the unit price of the funds you invest in, within your selected pension arrangement.*

## OPTION 3

### Take your pension benefits if you are over 55 years old

You are able to take pension benefits if you are over 55. You do not need to leave the employment of Oracle to do this. However, you should be aware that the pension benefits you could secure now may be considerably lower than those you may expect at normal pension age.

If you are thinking about this option, you should consider taking appropriate independent financial advice.

#### > WHAT DO I NEED TO DO?

If you are over 55 and wish to take your benefits from the Sun Main Scheme you can do so by selecting Option 3 on the Employee Options Form and returning this to Aon Hewitt in the pre-paid envelope provided.

In order that the Trustees can provide you with a quotation before 29 September 2011 (the final date by which you must make your decision) please complete the Employee Options Form and return it to Aon Hewitt by 10 August 2011. You will then be sent a retirement pack to complete and choose how you wish to take your benefits. Aon Hewitt will then arrange the appropriate payments.

You are strongly urged to seek appropriate independent financial advice when deciding when and how to take your benefits. You should also note that you are not obliged to purchase a pension (i.e. an annuity) via Aon Hewitt; more competitive rates may be available elsewhere.

If you do not take action or do not complete and return the additional forms provided, your funds will automatically be transferred to the Group Section 32 Buyout Plan with Fidelity (see Option 1) sometime after 29 September 2011, once all legal requirements have been met.

## OPTION 4

### If you are a member of the Sun Main Scheme with LESS THAN 2 YEARS' MEMBERSHIP and wish to take a refund of the current value of your personal contributions

Under the rules of the Sun Main Scheme if you have less than 2 years' membership of the Sun Main Scheme, you have the option to:

- Take a refund of the current fund value of your own contributions less tax. Please note that if you do this you will not benefit from the contributions paid on your behalf by Sun Microsystems Limited/Sun Microsystems Scotland Limited or Oracle Corporation UK Limited.
- or
- Transfer your fund (based on both employee and employer contributions) to an alternative pension arrangement i.e. the Oracle GFRP with Standard Life, an alternative pension arrangement of your choice or the Group Section 32 Buyout Plan with Fidelity.
- or
- If you are over 55 years old you are able to take your pension benefits (see Option 3).

The Sun Main Scheme Trustees and Oracle would strongly urge you to carefully consider the advantage of transferring your funds – to gain the benefit of the contributions paid by your Employer for your period of membership in the Sun Main Scheme (this could be up to 2 years).



#### WHAT DO I NEED TO DO?

If you are a member of the Sun Main Scheme with LESS THAN 2 YEARS' MEMBERSHIP and wish to take a refund of the current value of your own contributions less tax you can do so by selecting Option 4 on the Employee Options Form to Aon Hewitt in the pre-paid envelope provided.

In order that the Trustees can provide you with additional forms before 29 September 2011 (the final date by which you must make your decision) can you please complete the Employee Options Form and return it to

Aon Hewitt by 10 August 2011. You will then be sent further documents to complete.

Please note that if you do not take action or do not complete and return the additional forms provided, you will not be able to receive a refund and your fund value will automatically be transferred to the Group Section 32 Buyout Plan with Fidelity sometime after 29 September 2011, once all legal requirements have been met.

## OPTION 5

### Transfer your existing fund value to the new Oracle Group Flexible Retirement Plan with Standard Life

In order to select this option you must be an Active member of the Oracle Group Flexible Retirement Plan (GFRP) with Standard Life.

If you decide to transfer your existing Sun Main Scheme funds to the Oracle GFRP, you will need to complete an additional application form. There will be a separate communication from Second Sight once you have returned your option form.

Standard Life will automatically invest the transfer payment in the same funds that you have selected for your regular contributions, unless you elect to invest the transfer payment in an alternative way.

Once your funds have been transferred to Standard Life, they will notify you in writing of the amount received and the fund(s) it has been invested in. This confirmation will be sent directly to your home address.

The actual transfers are currently scheduled to take place before 31 October 2011. This means your transferred funds will show in your GFRP during the course of October 2011.

In order that the Trustees can provide you with a transfer pack before 29 September 2011 (the final date by which you must make your decision) please complete the Employee Options Form and return it to Aon Hewitt by 10 August 2011. If you do not take action your funds will automatically be transferred to the Group Section 32 Buyout Plan with Fidelity sometime after 29 September 2011, once all legal requirements have been met.

If your funds are transferred to the Group Section 32 Buyout Plan, you will still retain the right to transfer your funds to the Oracle GFRP at a later date, although it should be noted that any entitlement to a protected tax free cash sum in excess of 25% of your fund value will be lost.

### Is there a Default Lifestyle Investment Option under the Oracle GFRP?

Oracle have established three Lifestyle Profiles with Standard Life:

- > Cautious
- > Balanced
- > Adventurous

The Balanced Lifestyle Profile is the default option if an employee does not select an alternative investment option.

Please see the enclosed 'Description of Funds' leaflet from Standard Life which provides more detailed information of the funds that make up these 'Lifestyle' profiles and the gradual phasing into lower risk funds as you approach retirement. Further information is also available on the Oracle pension website – [www.oraclepensions.co.uk](http://www.oraclepensions.co.uk) which is hosted by Standard Life.

### What are the charges under the Oracle GFRP?

The cost of your pension investment depends upon the funds chosen by you. An Annual Management Charge (AMC) is applied to the money you have invested in each fund and for the Oracle Lifestyle Profiles the AMC is 1.00%.

Oracle has negotiated enhanced terms for you, which means Standard Life will rebate part of the AMC by adding extra units to your fund each month. The rebate is 0.75% of the fund value per year, which reduces the effective AMC on the Oracle Lifestyle Profiles to 0.25%. If you leave Oracle, the rebate will reduce to 0.55% of the fund value per year, so the effective AMC on the Oracle Lifestyle Profiles will be 0.45%.

Under the Oracle GFRP with Standard Life around 160 funds are available and the AMCs range from 1.00% to 2.00%. As outlined, Oracle has negotiated enhanced terms for you which is in the form of a 0.75% rebate, so this means the effective AMCs for Oracle employees range from 0.25% to 1.25%. If you leave Oracle, the rebate reduces to 0.55% so this means the effective AMCs range from 0.45% to 1.45%.

For more detailed information on the effective charges, on a fund by fund basis, with Standard Life under the Oracle GFRP please refer to the 'Finding the right fund for your pension' document on the GFRP pension plan website [www.oraclepensions.co.uk](http://www.oraclepensions.co.uk).

Alternatively, further details can be obtained from SecondSight by calling them on: 0845 60 66 057 or by emailing them at: [oracle@second-sight.com](mailto:oracle@second-sight.com).

Please note that unlike Stakeholder pension plans, the Oracle GFRP does not offer a charge that is capped by legislation.

## Adviser remuneration

SecondSight are the independent financial adviser appointed by Oracle. For their services you will be charged a percentage of your fund each month, at a yearly rate of 0.25%. This is in addition to the AMCs stated above.

## Is there any 'out of market risk' in making a transfer from the Sun Main Scheme to the Oracle GPP?

'Out of market' – this means that period of time between funds being 'sold' under one arrangement and funds being 'bought' in another arrangement which could be a period of 5-10 working days. In this period, if the market moves positively, you might miss out on an element of investment growth. The opposite is also true in that markets could fall between the funds being sold and the investment of their value into another arrangement.

Members who wish to transfer their funds to the Oracle GFRP with Standard Life will not be protected against the 'out of market' risk, although Standard Life will work with all parties to ensure any 'out of market' period is kept to a minimum.

Standard Life has arranged for any members who elect to transfer their Sun Main Scheme funds to the Oracle GFRP to have their transfer undertaken on a 'bulk' basis, which will protect any tax free cash entitlements in excess of 25% of your fund value, which may be applicable to some members. This protection will be lost on any subsequent transfer out of the Oracle GFRP that is not carried out on a bulk basis, meaning the tax free cash would revert to 25% of your fund value.

There will be a separate communication from Standard Life/SecondSight once you have returned your Option Form selecting a transfer to the GFRP, advising next steps.

## What is the Default Retirement Age under the Oracle GFRP?

Your retirement date will automatically be set to age 65, however, you are able to change this at anytime by contacting Standard Life.

## How will I know how the Oracle GFRP is performing?

The level of your benefits will depend on the value of the fund in your plan. Details of your contributions, current fund value and a projection of your total benefits, based on your current contribution rate, are available online at [www.employeezone.co.uk](http://www.employeezone.co.uk)

In addition, you will receive a written benefit statement each year.



### WHAT DO I NEED TO DO?

If you decide to transfer your existing Sun Main Scheme funds to the Oracle GFRP, please select Option 5 on the Employee Option Form.

In order that the Trustees can provide you with a transfer pack before 29 September 2011 (the final date by which you must make your decision) please complete the Employee Options Form and return it to Aon Hewitt by 10 August 2011. You will then be sent a transfer form from SecondSight to complete.

If you do not take action or do not complete and return the additional forms provided, your funds will automatically be transferred to the Group Section 32 Buyout Plan with Fidelity (see Option 1) sometime after 29 September 2011, once all legal requirements have been met. You will then need to make arrangements with Fidelity to transfer your funds out of the Plan at a later date.



## SECTION 3

# THE ACTION THAT YOU NEED TO TAKE

When you have read all the enclosed information, (also referring to the additional information from Standard Life and Fidelity), on each of the options available to you, please follow the guidelines below:

- 1** Choose one of the options that you believe meets your individual needs.
- 2** Complete the **Employee Options Form**.
- 3** Return the completed form in the enclosed pre-paid envelope to Aon Hewitt. In order that the Trustees can provide you with a quotation or transfer pack before 29 September 2011 (the final date by which you must make your decision) please complete the Employee Options Form and return it to Aon Hewitt by 10 August 2011.

Once you have made and notified us of your decision, we may write to you again enclosing any additional forms that you will need to complete, to finalise certain options.

The Scheme Trustees wish to make the payments required in line with all members' selected options as soon as possible once all decisions have been notified.



### WHERE CAN I GET MORE INFORMATION?

For questions regarding your options please contact Aon Hewitt:

**EMAIL:** sun.windup@aonhewitt.com

**TELEPHONE:** 01252 768552

For questions regarding the Oracle GFRP with Standard Life please contact Second Sight:

**EMAIL:** oracle@second-sight.com

**TELEPHONE:** 0845 60 66 057

**WEBSITE:** [www.mysecond-sight.com/client/oracle](http://www.mysecond-sight.com/client/oracle)

Or visit the Oracle pension website hosted by Standard Life [www.oraclepensions.co.uk](http://www.oraclepensions.co.uk)

For questions regarding the Section 32 Buyout Plan with Fidelity:

**EMAIL:** [pensions.service@fil.com](mailto:pensions.service@fil.com)

**TELEPHONE:** 08457 234 235

Visit the microsite provided by Fidelity at [www.fidelitypensions.co.uk/sunmicrosystems](http://www.fidelitypensions.co.uk/sunmicrosystems)

Or alternatively you can write to Fidelity at the following address:

**ADDRESS:** Fidelity Pensions Service Centre, Beech Gate, Millfield Lane, Lower Kingswood, Tadworth KT20 6RP.

Please complete the attached Employee Options Form and return it to Aon Hewitt. If you do not take action, your Sun Main Scheme funds will automatically be bought out by the Scheme Trustees via the Group Section 32 Buyout Plan with Fidelity sometime after 29 September 2011, once all legal requirements have been met.

## Important comments regarding investments

Several funds invest in one particular sector, with the assets within each sector being chosen by the investment manager. In general, it is suggested that members only invest in these more specialist funds if they have knowledge of these markets or are fully aware of the type of risks involved.

If the fund you choose invests in overseas markets, changes in rates of exchange between currencies may cause the value of your holding to fall. Some overseas funds invest in developing markets where arrangements in relation to regulation, dealing, liquidity and custody may be less secure than in the UK. Such funds can therefore carry greater risk.

If you invest in property funds these carry additional risks in that they can suffer from problems with liquidity due to the delays and expenses that can arise with property transactions. This may result in increased volatility and, in extreme circumstances, can delay the encashment of investments in these funds.

Some cash and/or deposit funds do not actually hold only cash on deposit; they can be money market funds that invest in different types of securities within the money markets. Such funds are potentially more volatile than funds that hold cash on deposit. As such, you should be aware that, in certain economic conditions, unit prices can fluctuate significantly and the value of your assets within such funds can go down as well as up and therefore the value of your capital is not guaranteed.

## Status of this notice and information about Aon Hewitt

**The Trustees of the Sun Microsystems Limited Retirement and Death Benefits Scheme, Aon Consulting Limited (Aon Hewitt) and Fidelity are not providing you with any advice in respect of your existing funds held in the Sun Main Scheme.**

If you transfer funds to Fidelity as part of the bulk-transfer exercise, this will be done on a 'Direct Offer' basis (i.e. Aon Hewitt would facilitate the transfer on your behalf without advice being given).

Under the Financial Services & Markets Act 2000, the Trustees are not permitted to give individual advice and neither they nor Aon Hewitt or Fidelity will be providing advice to individual employees at any stage during the process.

*If you are in any doubt about the course of action you should take, you should consider seeking appropriate independent financial advice.*

For a list of Independent Financial Advisers (IFAs) local to you visit the IFA Promotion website at: [www.unbiased.co.uk](http://www.unbiased.co.uk)

Aon Hewitt cannot give you any financial advice on your options, but would be more than happy to explain the process in more detail should you wish. Please email [sun.windup@aonhewitt.com](mailto:sun.windup@aonhewitt.com) or telephone 01252 768552 with any questions.

This announcement was approved by Aon Consulting Limited (part of Aon Hewitt) whose registered office is Briarcliff House, Kingsmead, Farnborough, Hampshire GU14 7TE, a company authorised and regulated by the Financial Services Authority.

Aon Consulting Limited's registration number, as detailed on the Financial Services Authority's Register, is 184915. You can check this by visiting [www.fsa.gov.uk/register/](http://www.fsa.gov.uk/register/) or by contacting the Financial Services Authority Consumer Helpline on 0845 606 1234. Further information regarding Hewitt can be found at [www.aonhewitt.com](http://www.aonhewitt.com).

Aon Consulting Limited offers investment products from the whole market as well as offering insurance products from a range of insurers for life assurance and income protection insurance. In this instance, Aon Consulting Limited's advice is to the Trustees. Aon Consulting Limited is not providing and will not provide any advice to individual employees of Oracle Corporation UK Limited with regard to this matter.

If you have a complaint about Aon Hewitt, please contact the Compliance Director for Aon Consulting Limited at 3 The Embankment, Sovereign Street, Leeds, LS1 4BJ or by telephone on 0113 245 3445.

If you cannot settle your complaint with Aon Hewitt, you may be entitled to refer it to the Financial Ombudsman Service.

Aon Consulting Limited and Fidelity are covered by The Financial Services Compensation Scheme (FSCS). You may be entitled to compensation from the FSCS if Aon Consulting Limited or Fidelity cannot meet their obligations.

This depends on the type of business and the circumstances of the claim. Most types of investment business are covered for 100% of £50,000, with deposits covered up to £85,000. Insurance advising and arranging is protected for 90% of the claim, without any upper limit.

For further information about compensation scheme arrangements please contact the FSCS direct at:

7th Floor  
Lloyds Chambers  
Portsoken Street  
London E1 8BN

Tel: 0800 678 1100 or 0207 741 4100

[www.fscs.org.uk](http://www.fscs.org.uk)



**THE SUN MICROSYSTEMS LIMITED**  
**RETIREMENT AND DEATH**  
**BENEFITS SCHEME**