

Letter from the Secretary to the Trustee issued to APS Pensioners on 6 December 2018

Airways Pension Scheme Trustee (“the APS Trustee”) – member nominated trustee director vacancy

This is an opportunity to get involved in how your pension scheme is managed in this challenging and interesting role. A vacancy for an MND from the Pensioner constituency will arise on 1 April 2019 as Mr Stephen Mallett reaches the end of his term as an MND on 31 March 2019. The APS Trustee is seeking nominations for an APS MND to be elected from the current APS Pensioner constituency. Mr Mallett has indicated he intends to stand for re-election. The term of office of a Trustee Director is between five and five and a half years.

Who can apply

The vacancy is within the APS Pensioner constituency so APS Pensioners who are in receipt of their pension and who have previously been employee Members of the Scheme are entitled to seek election to become a Pensioner Trustee Director and to vote. APS Adult Survivors who are in receipt of a pension e.g. a widow or widower’s pension cannot seek election, they are however entitled to support a nomination and to vote in a ballot. We are writing to all pensioners, both those eligible to stand for election and also those in receipt of an Adult Survivor’s pension to make sure that all pensioners are aware of the election and able to participate in the nomination process.

How to apply

Please contact Monica Gupta at British Airways Pensions, Waterside, on 020 8538 2139 for an application pack if you are interested in the position. Completed applications must be received at British Airways Pensions, Waterside, no later than 5.00 pm on 17 January 2019.

About the APS Trustee

APS is managed by twelve Trustee Directors, six of whom are appointed by British Airways (as employer nominated directors – ENDs) and six are elected by the APS membership (as member nominated directors – MNDs). Of the six MNDs five are elected from the Pensioner constituency and one is elected from the combined Active Member/Pensioner constituency.

You can find out more about [the role of a Trustee Director](#) on our website.

The application process includes:

- ◆ preparation of an election statement
- ◆ completion of a declaration form
- ◆ completion of a nomination form (you will need to obtain the signatures of 10 supporters who are current APS pensioners eligible to vote in the Pensioner constituency).

If only one application is received for the vacancy, the nominated person will be appointed from 1 April 2019. If more than one application is received the vacancy, then a ballot will take place with the nominee receiving the highest number of votes being appointed from 1 April 2019. If no nominations are received, we will advertise the position at least once every three years.

Discretionary Increase Litigation

You should already be aware of the current litigation between the APS Trustee and British Airways (BA) in respect of the validity of the introduction of a Discretionary Increase power in 2011 and the grant of a 0.2% increase effective from 1 December 2013. This is an on-going matter with the Supreme Court appeal hearing provisionally listed to commence on 3 July 2019 with a time estimate of 1.5 - 2 days.

The litigation procedure is being managed by both the Trustee's and the Company's lawyers on behalf of the respective parties.

Trustee costs in respect of defending the claim were previously covered by a court order which provided that the costs be paid by BA. As the Court of Appeal ruled in favour of BA, this court order has fallen away and the Trustee is seeking permission from the Court (known as a "Beddoe Order") to use the Scheme assets to fund the appeal and to meet BA's costs should an appeal be unsuccessful. The High Court has listed a two-day hearing for this to take place in the week commencing 17 December 2018.

Further details of the background to the court proceedings can be found in the "[Other news](#)" section of the member website: www.mybapension.com/aps.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Fraser Smart', with a horizontal line extending to the right.

Fraser Smart
Secretary to the Trustee