

Direction of lump sum death benefit form – Section A/B

Before completing this form, please read the attached notes.

You should only complete this form if you have never completed a 'Direction of lump sum death benefit' form before. If you have previously completed a direction and selected Option 2, and simply wish to change or re-confirm a previous nomination, please ONLY complete the 'Lump sum death benefit nomination' form overleaf and do not complete this direction form. Once you have chosen one of the options below, you cannot change to the other or withdraw your direction.

1. Member personal details (please complete in BLOCK CAPITALS)

Full name			
Date of birth		NI number	
Home address			
	Postcode		

2. To the Plan Trustee (tick only ONE of the options below)

I hereby direct that, on my death, any lump sum amount payable in respect of my membership of the Royal Mail Pension Plan:

<p>Option 1</p> <input type="radio"/> Shall only be paid to my personal representative at the discretion of the Trustee; or	<p>Option 2</p> <input type="radio"/> Shall be paid to the 'Special Trustees', appointed by the Trustee.
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- I fully understand that this direction is irrevocable and binding on me, my estate and all persons interested therein;
- I and my beneficiaries agree to the processing of sensitive personal data in the administration of my pension benefits and the Plan as a whole; and
- I declare that to the best of my knowledge I am in good health (please delete if not applicable).

Please note: If you are unable to declare that you are in good health, this may give rise to a claim to Inheritance Tax on your completing this form and you may be obliged to notify HM Revenue & Customs. You should consider taking specific tax advice in relation to your own circumstances. The Trustee is not authorised to provide you with Inheritance Tax advice.

Signature of member or pensioner		Date	
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Please note: occupation and second witness required only in Scotland.

Witness 1

Signed	
Name	
Address	
Occupation	
Date	

Witness 2 (Scotland only)

Signed	
Name	
Address	
Occupation	
Date	

If you have selected Option 1 above, this form is now complete. Please send it along with any other relevant documents to:

Pensions Service Centre, PO Box 500, CHESTERFIELD, S49 1WX

Lump sum death benefit nomination form – Section A/B

Before completing this form, please read the attached notes about Option 2.

Note: You should only complete this form if you are now selecting (or have previously selected) Option 2 (Special Trustees) on the 'Direction of lump sum death benefit' form.

1. Member personal details (please complete in BLOCK CAPITALS)

Full name			
Date of birth		NI number	
Home address			
		Postcode	

2. To the 'Special Trustees' appointed by the Trustee under Rule 9(2)(b) of Schedule 1 or Rule 16(2)(b) of Schedule 2 of the Rules of the Royal Mail Pension Plan

In the event of any lump sum benefit becoming payable under the Plan on my death, I would like the payment to be made to the following individual(s) and if more than one, in the following shares.

Please read the attached notes to ensure that the people you nominate on this form are eligible to receive any lump sum death benefit.

Name and address	Relationship (if any)	Share of benefit %

Signature		Date	
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When completed, this form, along with any other relevant documents, should be sent to:

Pensions Service Centre, PO Box 500, CHESTERFIELD, S49 1WX

Notes on making a lump sum death benefit direction and nomination – Section A/B

If you need help in completing the form you can:

- Phone the Pensions Service Centre on Postline **5456 4545** or **0114 241 4545** – please have a pen and paper ready; or
- E-mail them, either via pensions.help@royalmail.com or via the website at www.royalmailpensionplan.co.uk.

Please quote your full name, date of birth and either your National Insurance number or your Plan membership number.

Q How do I make a direction of death benefit?

You have a choice of two options when you make a direction. A reason for making the direction is to enable your lump sum death benefit to fall outside your estate for Inheritance Tax purposes. Please note however that, even having completed the direction, it may be that the benefit will not fall outside your estate for these purposes, or may otherwise be subject to Inheritance Tax, for example because you are not in good health. The Trustee is not authorised to provide Inheritance Tax advice and you should consider whether you wish to take tax advice in relation to your own circumstances before making a direction.

Please note that Inheritance Tax laws may change from time to time and neither the Trustee nor the Pensions Service Centre can provide advice on Inheritance Tax. For further information you should contact your local tax office or visit the HM Revenue & Customs (HMRC) website at www.hmrc.gov.uk. You could also contact an Independent Financial Adviser. You can find a local Independent Financial Adviser by visiting www.unbiased.co.uk.

The flowchart overleaf may help you to understand the options more clearly.

Please note: Once you have chosen one of the following options, you cannot change to the other or withdraw your direction.

Option 1

You can give the Trustee discretionary power to pay your lump sum to your personal representative(s) (such as the executors of your will), who will pay it in accordance with your will. If you don't leave a will, the lump sum will be distributed under intestacy law. Please note that Court Orders may override your will or normal intestacy law.

Option 2

You can ask the Trustee to pay your lump sum to 'Special Trustees' it appoints, who will normally distribute the money to people nominated by you. They can only be:

- Your husband, wife or civil partner;
- Your descendants (children, grandchildren, great-grandchildren, etc);
- Each of your grandparents, your husband's, wife's or civil partner's grandparents, the grandparents of any previous or deceased husband/wife/civil partner and the descendants of each of the grandparents (e.g. your parents, brothers, sisters, nieces, nephews, parents-in-law, ex-wife, etc);
- Someone for whom you acted as a parent or guardian; or
- Any person who, in the opinion of the Special Trustees, was partly or totally financially dependent on you when you died (such as a long-term partner).

You should not choose this option if you would like your lump sum to be paid to a charity, or to an unrelated friend who is not financially dependent upon you. If this is the case, you should choose Option 1 and make a will.

Q If I choose Option 2, can I be sure that the Special Trustees will give the money to the right people?

The Special Trustees have complete discretion when selecting beneficiaries but they will normally follow the wishes expressed on your nomination form. It is important that your wishes are clear to the Special Trustees. Therefore, if your personal circumstances change, please ensure you complete a new nomination form straight away (for example, when you marry, divorce or separate), even if you wish to re-confirm the existing nominees. The Special Trustees may choose not to follow a nomination and may do this if your circumstances have changed and you have not completed a new nomination form.

The Special Trustees will select one or more of any of the persons listed above to receive the death benefit, if you do not make a nomination at all or if they do not follow your nomination. The Special Trustees will consider any subsequent will you have written. Also, Court Orders can affect death benefit payments.

Q What shall I do now?

If you have never made a direction of lump sum death benefit before, once you have decided whether you wish to select Option 1 or 2, you should complete the 'Direction of lump sum death benefit' form attached to these notes.

Please note that once you have chosen an option on the 'Direction of lump sum death benefit' form, you cannot change to the other option or withdraw your direction. However, if you choose Option 2, you can change your nomination or update it at any time.

A person who is not entitled to receive the death benefit from you must witness the completed 'Direction of lump sum death benefit' form. Members in Scotland must have two witnesses.

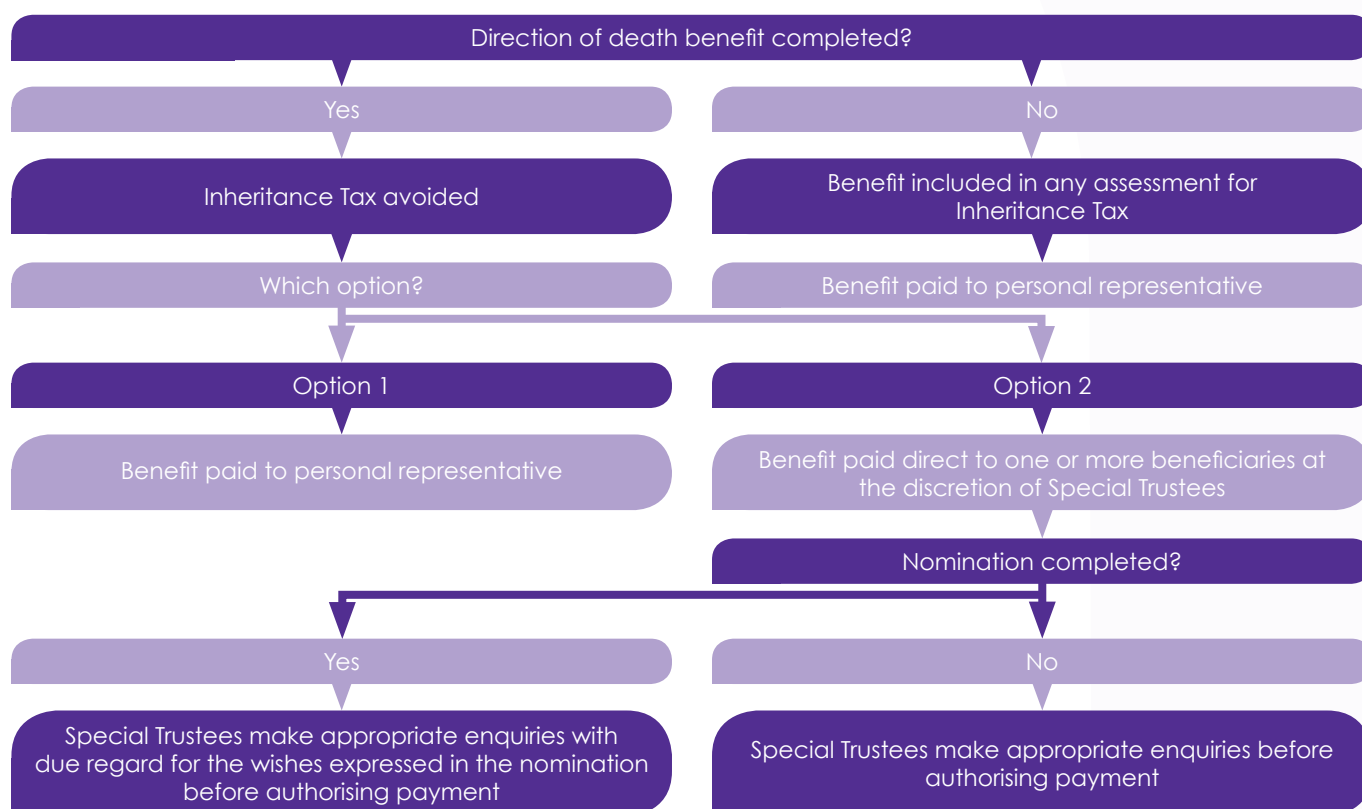
If you have selected Option 2, you should also complete the 'Lump sum death benefit nomination' form to indicate to whom you would like the death benefit to be paid and, if to more than one person, how much to each (for example: 50% to your mother and 25% to each of your two sisters; or 100% to your wife).

If you have previously selected Option 2 on a 'Direction of lump sum death benefit' form and simply wish to update your nomination, you can do this at any time by completing the 'Lump sum death benefit nomination' form attached.

Please do not complete the direction form again.

Please send your completed 'Direction of lump sum death benefit' form and, if you have selected Option 2, your completed 'Lump sum death benefit nomination' form to:

Pensions Service Centre, PO Box 500, CHESTERFIELD, S49 1WX



Data Protection Act

The Trustee of the Plan and its advisers and administrators (as detailed in the Annual Plan Report and Accounts), will need to process certain data about you:

- To calculate and pay benefits;
- For statistical purposes;
- For reference purposes; and
- To administer the Plan as a whole.

This may include 'sensitive' data, such as medical details or information about your nominee(s) for death benefit nominations, dependant's pensions etc. Where 'sensitive' data is to be processed, you will need to confirm in writing (by signing the relevant nomination and/or direction forms) that you, and your nominee(s), agree to the processing of this data for these purposes and that the data may be shared with the Plan administrators, the *Company*, the Plan Actuary, the Plan advisers and other third parties, as may be necessary.