

Leaving the Plan – your options

Section A/B members

Your pension benefits actually come from two different schemes. One is the Royal Mail Statutory Pension Scheme (RMSPS), which was set up by the Government on 1 April 2012 and is responsible for paying the benefits you earned before that date. The RMSPS is administered by Capita. The other scheme is the Royal Mail Pension Plan (RMPP), which covers any benefits you earned since then. The RMPP is administered by Royal Mail's Pensions Service Centre.



Is this guide for me?

Yes,

if you want to find out about your choices if you leave the RMPP without taking your pension immediately.

No,

if you want information about leaving the RMPP and taking your pension immediately.

For this information, visit the website
– royalmailpensionplan.co.uk
– and look under **'Planning your future'**
and **'Life events'**.

Please note that this guide generally applies to both Section A and B members. If you're a Section A member you can choose to receive Section B benefits instead of Section A benefits. We will tell you about this if you are affected when we write to you after you leave or opt out.

Normal Retiring Age is:

- Age 60 for 'Age60 benefits'.
- Age 65 for 'Age65 benefits' (although it's age 60 only for all Section A benefits).



What are my choices?

If you're leaving the RMPP because you're leaving employment or opting out of the RMPP and carrying on working, and not taking your pension, your choices are:

- Keep your pension with us, as a 'deferred benefit'.
- Transfer it to another pension arrangement.

If you're opting out of the RMPP but carrying on working, you may be interested in our 'Flexible Pension Guide'. Visit the website and look under **'Planning your future'**.



To find out more, visit the website's Library (under **'About your Plan'**) and look for the **'Guide to your pension benefits'**.

What happens if I keep my pension with you?

If you decide to keep your pension with us, it will remain in the RMPP until you retire. Your dependants may still receive the protection of a lump sum and pension payments, if you die before you begin to take your benefits.

For more information, see the 'Guide to your death benefits in the Plan' in the website's Library.

Will my pension increase?

Yes; your pension will be increased each year if there is inflation. The measure of inflation your benefits are linked to is called the 'Consumer Prices Index'.

For more details about the pension increases, visit the website and go to **'Leaving the Plan'**.

Every year we'll send you a 'current value' statement, showing you how much your deferred benefits are worth (including any increases we've added).

How do I claim my pension when I want to take it?

Taking your pension at your Normal Retiring Age

We'll write to you at least four months before you reach Normal Retiring Age, to explain what will happen next.

Please make sure you keep us up to date with any changes in your address, so that we can get in touch with you promptly when the time comes.

What if I want to take my pension and lump sum early?

You may be able to take your deferred benefits early, from age 55. If you do take them early, your pension will be reduced because it will be paid for longer. This means that your lump sum will be lower too.

Too ill to work?

If, after leaving the RMPP, you later find yourself too ill to work, you may be able to take your pension and lump sum early on the grounds of ill health, provided the Trustee of the RMPP approves your application after considering the medical evidence. In these circumstances, we'd start to pay you your Age60 and Age65 pensions at the same time, without any reduction, along with your lump sums. You will need to apply by contacting the Pensions Service Centre.

To find out more, visit the website and look under **'Leaving the Plan'**.

What happens to my Additional Voluntary Contributions (AVCs)?

If you've bought added years through Addplan, this extra service will form part of your deferred pension. If you've paid into Flexiplan, your AVC fund will also become 'deferred' and will remain with your AVC provider. When you take your other benefits, we can pay you your AVC fund as well.

For more information see the 'Your Guide to Additional Voluntary Contributions (AVCs)'. You can find it in the website's Library.

Transferring my pension

You may be able to transfer your deferred benefits to another pension arrangement. You don't have to decide at the point you become a deferred member. For benefits other than any AVC funds in Flexiplan, you have a legal right to transfer until you reach 59 (for Age60 benefits) and 64 (for Age65 benefits). After this time you may still be able to transfer if we agree.

If you have an AVC fund in Flexiplan, you can transfer that money at any time before you start to take these benefits.

You have choices as to where to transfer your pension. These include transferring to:

- Your new employer's scheme (if they'll accept it).
- A personal pension plan.
- A 'buy-out policy' with an insurance company.

You don't have to transfer all your benefits together. You can:

- Transfer your Age60 benefits and Age65 benefits separately.
- Transfer your AVCs independently of your other benefits.

To find out more, and how to apply for a transfer, visit the website and click on 'Leaving the Plan'.

Your next steps

- The Pensions Advisory Service (TPAS) has independent, professional people who can answer all sorts of questions about retirement and pensions. This is a free service; go to **pensionsadvisoryservice.org.uk** for more information.
- If you're thinking of transferring your pension benefits to another pension arrangement, we recommend you take independent financial advice from a firm or individual authorised to give advice on transferring a pension. In fact, if the 'transfer value' of your pension is greater than £30,000, and you're thinking about transferring to a defined contribution scheme, the Government now requires us to check that you've taken financial advice from such a firm or individual.

You can find a financial adviser by going to **moneyadvice.service.gov.uk** and looking in the 'Pensions and Retirement' section.

- Remember that neither the Pensions Service Centre nor your employer are allowed to give you financial advice, so we can't tell you what you should do, only explain the choices you have.

If you've got any defined contribution pension savings, for example if you have Flexiplan AVCs, and are 50 or over, the Government's free advice service 'Pension Wise' can help. Go to **pensionwise.gov.uk** to find out more.



Questions about your benefits and keeping in touch



Our website, royalmailpensionplan.co.uk, contains useful information and a series of guides about how the RMPP works. In this guide we've told you which sections of the website will be useful. If you want to ask us a question about your benefits or tell us about a change in your situation, then please get in touch with us at the Pensions Service Centre.

Please remember to tell us if you change your address, so that we can continue writing to you about your RMPP benefits. When you contact the Pensions Service Centre, please make sure you have your National Insurance or membership number handy.



pensions.helpline@royalmail.com



Pensions Service Centre,
PO Box 5863, Pond Street, Sheffield, S98 6AB



Member helpline - 0114 241 4545
Postline - 5456 4545

You can call any time from 8.30am to 5.00pm, Monday to Friday. We are usually busiest from 11:30am to 2.00pm and on Mondays.

Disclaimer

This guide tells you briefly about your options if you're thinking of leaving the RMPP but haven't yet started taking your benefits. For full details, visit the website – royalmailpensionplan.co.uk – and look under the section '**Leaving the Plan**'.

The RMPP is governed by formal legal documents known as the 'Trust Deed and Rules'. If there is a conflict between the Trust Deed and Rules and this guide, the Trust Deed and Rules will overrule this guide.

