

Baptist Union Staff Pension Scheme

Defined Benefit Plan

Explanatory Booklet
April 2016

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Baptist Pension Trust Ltd - A company limited by guarantee. Registered in England No 3481942

INTRODUCTION

This Booklet summarizes the main features of the closed Defined Benefit (DB) Plan of the Baptist Union Staff Pension Scheme (the Staff Scheme).

A separate arrangement, the Defined Contribution (DC) Plan within the Baptist Pension Scheme, provides defined contribution pensions for service from 1 January 2012 (the 'DC Plan').

Notes

1. A DC plan operates like a savings scheme. You and your employer make contributions which are invested on your behalf and the accumulated fund is used to provide your retirement benefits.
2. The Staff Scheme provides a pension which is normally related to Final Pensionable Salary at the time the member leaves service and to DB Pensionable Service up to the end of 2011. Additional benefits will have been acquired by any member's voluntary contributions made up to 31 December 2011.
3. The Staff Scheme provides pension benefits for its members and their dependents. Membership is voluntary although no longer open to new members. From the end of 2011 onwards, the cost of the Staff Scheme is met by contributions from the employers.
4. Accounts are prepared and audited annually and an actuarial valuation is made every three years, with annual actuarial reviews in the intermediate years, to monitor the financial progress of the Scheme and estimate the contributions required from employers to enable the Scheme to pay the benefits promised.
5. The Scheme is not contracted-out of the State Second Pension (S2P) and was not contracted-out of its predecessor the State Earnings Related Pension Scheme (SERPS), so that benefits provided from the Scheme are paid in addition to the Basic State Pension and the pension from S2P and SERPS.
6. Throughout this booklet certain phrases are used which have particular meanings and these are explained in the 'Glossary' section.
7. Members are provided with precise details of their benefits and options, on retirement or on leaving service. This booklet provides only an outline of those benefits.
8. Further details about the Scheme and your entitlements are available from the Scheme Administrators:

Broadstone Consultants & Actuaries Limited
Canard Court
23-25 St George's Road
Bristol
BS1 5UU

Telephone: +44 (0)117 937 8700 Email:

baptistpensions@broadstone.co.uk

9. As the Scheme is a 'registered' pension scheme, benefits are subject to the requirements of HM Revenue & Customs (HMRC) and the Pensions Regulator. Tax and legislative requirements change on a regular basis.
 10. Every effort has been made to ensure the accuracy of the information provided in this booklet. However it does not override any requirements of the Scheme's Trust Deed and Rules or any legislative requirements. Your legal rights under the Scheme are governed by the Rules. The Scheme's formal documents are available for inspection on application to the Trustee.
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GLOSSARY

There are several terms with special meanings used throughout the Booklet. The main terms are set out below:

Broadstone means the Scheme Administrators, Broadstone Consultants & Actuaries Limited.

DB Pensionable Service is normally the period up to 31 December 2011 as a Member during which contributions have been paid to the Staff Scheme and includes any other period of service recognised by the Trustee as pensionable which has been secured by a transfer payment or a special payment, or has been secured by additional voluntary contributions. However, if you left service or opted out of the Staff Scheme before 31 December 2011, your DB Pensionable Service will have ended at that time.

Final Pensionable Salary means the yearly average of your Pensionable Salaries on the three 1 Januarys immediately prior to the date on which you cease to be a Member in service.

Lifetime Allowance (LTA) is the overall amount of tax advantaged pension scheme savings an individual may have in all registered pension schemes. This amount is set by HMRC and may change over time. For the tax year 2016/2017 it is £1m.

Member means a person who has been admitted into membership of the Staff Scheme.

Normal Pension Date means the date that you attain age 65.

Pensionable Salary is your annual rate of remuneration at each 1 January.

Qualifying Service means service as a member of the Staff Scheme or of the DC Plan, plus service in any previous pension scheme from which you have brought a transfer into the Scheme.

Spouse means your widow or widower whom you married before you left service or retired. It includes a civil partner.

Trustee means the Baptist Pension Trust Limited which is responsible for the Staff Scheme's administration and the investment of its assets.

Union means the Baptist Union of Great Britain.

SUMMARY OF BENEFITS, CONTRIBUTIONS AND ELIGIBILITY

The Baptist Union Staff Pension Scheme provides:-

Retirement Pension

- at your Normal Pension Date, with the opportunity to retire before (with the consent of the Trustee) or after that date.

Tax Free Cash Sum

- in exchange for part of your pension.

Spouse's Pension

- on your death before or after you retire.

Incapacity Pension

- should you become too ill to continue in service.

Deferred Pension or Transfer Value

- if you leave the Staff Scheme after more than 2 years' membership, with a transfer value or refund of contributions available otherwise.

Examples of Benefits are included at the back of this Booklet.

Contributions

The contributions payable to the Staff Scheme are as follows:

From 1 January 2012 onwards, members' contributions are payable into the DC Plan and there are no members' contributions to the Staff Scheme. However, employers are still required to pay contributions to the Staff Scheme, as well as contributions to the DC Plan, for so long as there is a shortfall in the finances of the Staff Scheme. These shortfall contributions are reviewed at each actuarial valuation.

Eligibility

Membership of the Staff Scheme is restricted to those who were members of the Staff Scheme on 31 December 2011. While you remain in service, you will also be a member of the DC Plan, unless you opt out, so please see the DC Plan booklet for more details of the contributions and benefits under that Plan.

RETIREMENT BENEFITS

Your Pension

Your main pension will be calculated as follows:

$$\frac{1}{50} \times \frac{1}{12} \times \text{Final Pensionable Salary} \times \text{Complete months of Pensionable Service prior to 1 January 1987}$$

plus

$$\frac{1}{80} \times \frac{1}{12} \times \text{Final Pensionable Salary} \times \text{Complete months of Pensionable Service from 1 January 1987 to 31 December 1994}$$

plus

$$\frac{1}{70} \times \frac{1}{12} \times \text{Final Pensionable Salary} \times \text{Complete months of Pensionable Service from 1 January 1995 to 31 December 2011}$$

Subject to an overall maximum of

$$\frac{2}{3} \times \text{Final Pensionable Salary.}$$

Your pension will be payable monthly and will be taxed as 'earned income'.

If the capital value of your total pension benefits from all arrangements exceeds the Lifetime Allowance set by the Government, then the excess benefits would be subject to an additional tax charge.

Pension Increases

Pensions will be increased annually on 1 January by 5% or by the annual increase in the UK Index of Retail Prices for the previous September, if lower, in respect of benefits earned prior to 6 April 2006 and by 2.5% or by the annual increase in the UK Index of Retail Prices, if lower, in respect of benefits earned on or after 6 April 2006. Additional increases may be awarded at the discretion of the Trustee, with the consent of the Union, acting with the advice of the Actuary, if the finances of the Staff Scheme permit.

Alternative Pensions for your family

In addition to the spouse's pension described on page 4, when you retire, you can elect in writing with the consent of the Trustee to give up part of your pension in order to provide a pension or an additional pension for your Spouse or one or more named dependents, payable for life from the date of your death should you predecease such Spouse or other named dependents. If you are interested in this option you should apply to Broadstone before your retirement for full details.

Tax Free Cash Sum

When you retire, you may elect in writing to exchange some of your pension benefits for a tax free cash sum and receive a reduced pension. Generally, the maximum cash sum will be broadly the value of 25% of your pension. However, in some situations you may be able to commute more than 25% of your pension for a higher tax free lump sum. You will be given full details before you retire.

The actual amount of cash sum payable and the resulting reduced pension will be determined by the Trustee at the time of your retirement.

DEATH BENEFITS BEFORE RETIREMENT

If you should die in service before your Normal Pension Date whilst a member of both the Staff Scheme and the DC Plan, the following benefits would be payable from the Staff Scheme. Further benefits, including a lump sum, are payable from the DC Plan and these are described in the booklet for that Plan.

A lump sum representing your contributions to the Staff Scheme would be payable.

Spouse's Pension

A pension will be paid to your Spouse equal to one half of the pension you would have received on retirement at Normal Pension Date based on the pensionable service you would have completed at Normal Pension Date (not just DB Pensionable service to the end of 2011) and Pensionable Salary at the date of your death. If your Spouse is more than 10 years younger than you, the amount of the pension will be reduced to take account of longer life expectancy.

Dependent Children's Pension

In addition, if you have a child or children under the age of 16 (or 23 if still receiving full-time education) as well as a Spouse a pension will be payable in respect of each child of one third of the level of the Spouse's pension. Where there are more than three qualifying children the pension payable to each child will be reduced by an amount decided by the Trustee.

If you are not survived by a Spouse but are survived by a child or children under the age of 16 (or 23 if still receiving full-time education) pensions equal in total to the pension which would have been payable to a Spouse will be paid in such manner and proportion as the Trustee decides.

Dependent's Pension

If you are not survived by a Spouse or a dependent child, the Trustee has discretion subject to the consent of the Union to pay a pension, which would not exceed the Spouse's pension otherwise payable, to one or more person(s) who the Trustee agrees was financially dependent on you.

Pension Increases

A Spouse's pension or a dependent child's pension or a dependent's pension will be increased in a similar way to your pension, as described earlier in this Booklet (page 3).

DEATH BENEFITS AFTER RETIREMENT

Once you retire, your pension will be paid for the rest of your life. On your death after retirement the following benefits are payable:

Pension Guarantee

If you die before age 75 within five years of the commencement of your pension, a lump sum will be paid equal to the unpaid balance of five years' pension payments at the rate in force at the date of your death.

The Trustee has complete discretion as to whom this lump sum benefit will be paid. You are advised to complete a death benefit nomination form (or "Expression of wish" form) to assist the Trustee in this decision.

Spouse's Pension

A pension is payable immediately to your Spouse to whom you were married at the time of ceasing to be a contributing Member. This pension will be equal to one half of the pension you would have been receiving at the date of your death ignoring pension provided by voluntary contributions unless previously arranged otherwise or any reduction because you took a tax free cash sum or gave up part of your pension to provide extra pension for a dependent. If your Spouse is more than 10 years younger than you, the amount of the pension will be reduced to take account of longer life expectancy.

Dependent Children's Pension

In addition, if you have a child or children under the age of 16 (or 23 if still receiving full-time education) as well as a Spouse a pension will be payable in respect of each child of one third of the level of the Spouse's pension. Where there are more than three qualifying children the pension payable to each child will be reduced by an amount decided by the Trustee.

If you are not survived by a Spouse but are survived by a child or children under the age of 16 (or 23 if still receiving full-time education) pensions equal in total to the pension which would have been payable to a Spouse will be paid in such manner and proportion as the Trustee decides.

Dependent's Pension

If you are not survived by a Spouse or a dependent child, the Trustee has discretion to pay a pension subject to the consent of the Union, which would not exceed the Spouse's pension otherwise payable, to one or more person(s) who the Trustee agrees was financially dependent on you.

Pension Increases

A Spouse's pension or a dependent child's pension or a dependent's pension will be increased in a similar way to your pension, as described earlier in this Booklet (page 3).

EARLY RETIREMENT, FLEXIBLE RETIREMENT AND LATE RETIREMENT

Early Retirement

- a) Due to permanent incapacity for remunerative employment:

If you retire from service before Normal Pension Date because of permanent incapacity you will be entitled to receive an immediate pension, calculated by reference to your Final Pensionable Salary and DB Pensionable Service. The pension will not be subject to actuarial reduction because you have retired early.

Payment of pension will be subject to a medical report and the agreement of the Trustee. Incapacity pensions are subject to review (including possible reduction or termination of payment) from time to time to ensure that the recipient is still entitled to receive an incapacity pension.

PLEASE NOTE THAT IF YOU ARE A MEMBER OF THE STAFF SECTION OF THE DC PLAN FOR SERVICE FROM 1 JANUARY 2012, YOU ARE NORMALLY ELIGIBLE FOR THE INCOME PROTECTION SCHEME IF YOU ARE UNABLE TO WORK DUE TO LONG-TERM INCAPACITY, EVEN IF THAT INCAPACITY IS NOT PERMANENT. IT MAY BE MORE ADVANTAGEOUS FOR YOU TO RECEIVE THE INCOME PROTECTION BENEFIT THAN TO TAKE INCAPACITY RETIREMENT FROM THE STAFF SCHEME. PLEASE SEE THE LEAFLET ABOUT THE INCOME PROTECTION SCHEME OR CONTACT BROADSTONE FOR MORE DETAILS. YOU WILL NOT BE ABLE TO RECEIVE BOTH THE INCOME PROTECTION BENEFIT AND AN INCAPACITY PENSION FROM THE STAFF SCHEME SIMULTANEOUSLY. MEMBERS OF THE BASIC SECTION ARE NOT ELIGIBLE FOR THE INCOME PROTECTION SCHEME.

- b) Otherwise than due to permanent incapacity for remunerative employment:

You may retire at any time after attaining the age of 55 with the agreement of the Trustee. In these circumstances your pension will be based on completed DB Pensionable Service and Final Pensionable Salary at the date you actually retire. It will then be reduced to take account of the extra cost of earlier payment. The rate of reduction will be determined by the Trustee at the time of retirement. A reduction is required because your pension will be payable for a longer period. However, the pension of a female Member who joined the Staff Scheme prior to 1 January 1991 which was accrued in respect of DB Pensionable Service up to 31 December 1994 and the pension in respect of a male Member who entered service prior to 1 January 1991 which was accrued in respect of DB Pensionable Service from 17 May 1990 to 31 December 1994 will only be reduced to the extent that the Member retires before the 60th birthday.

Flexible Retirement

You are able to start to receive some or all of your pension whilst remaining in service and continuing to accrue further benefits under the DC Plan. It is envisaged this will be a particularly helpful facility for Members who wish to reduce their working hours prior to full retirement, by taking up a part-time position and supplementing income through their pension. The following guidelines apply:

- retirement taking a partial pension is permitted only with the agreement of the Trustee and you should apply for retirement at least 3 months before you wish to start drawing your pension
- you will only be permitted to receive your pension in 20% bands i.e. you may start to receive 20%, 40% etc of your accrued pension
- you can only increase the proportion of your pension taken once a year or when you reach Normal Pension Date (or if you need to retire early due to incapacity).

Broadstone will provide you with quotations for retiring with only part of your pension coming into payment. However, only one calculation quotation will be provided each year free of charge. A charge will be made to you for any additional quotations requested (Broadstone will provide details of the current charges on request).

You should note that the provisions of paragraph (b) on early retirement above will apply to any pension taken before Normal Pension Date.

Late Retirement

If you remain in service after Normal Pension Date you may have the option to start to receive your pension or to defer receipt of your pension until you actually retire, or your 75th birthday if this is earlier.

If you defer your retirement your pension will be increased between your Normal Pension Date and the date you actually retire. The rate of increase will be determined by the Trustee and will be given to you before you make a decision about your retirement options.

If you have deferred your pension and die whilst still in service, your pension benefits will broadly be calculated as if you had retired the day before you died.

LEAVING THE SCHEME

If you leave service before retirement (or have already done so) the benefits you have built up during your membership will be calculated and you will be advised of your entitlements. The following options will be available:

Deferred Benefits

You will be entitled to a deferred pension from the DB Plan in respect of benefits retained in the scheme. This will be payable from your Normal Pension Date and calculated by reference to Final Pensionable Salary and the period of DB Pensionable Service at the date you left. The deferred benefit will increase over the period from your date of leaving service to Normal Pension Date at the rate of 5% pa or the increase in the UK Index of Retail Prices over this period, whichever is lower.

A former member who has opted for deferred benefits and who has attained the age of 55 or would, in the opinion of the Trustee, have had to retire on grounds of permanent incapacity, may request payment of the deferred pension benefit before Normal Pension Date, but such pension will be reduced to allow for its early payment.

If you die before retirement with deferred benefits, a lump sum will be payable to your dependents or estate equal to the value of your deferred benefits.

Transfer to another Scheme

As an alternative to deferred benefits you may, at any time prior to retirement, transfer the value of your deferred benefits to another occupational scheme if it is willing and able to accept the transfer, or to a personal arrangement.

The transfer value represents the value of the deferred benefits which would remain in the Staff Scheme if you did not transfer them to another arrangement. Transfer values are calculated on the advice of the Actuary. The value of all your guaranteed benefits and guaranteed increases to pensions are included in the transfer value. The amount of your transfer value will depend on market conditions and so may go up or down over time.

If you want to investigate the possibility of transferring your benefits, please apply to Broadstone for a quotation. If you request your transfer value to be paid within 3 months of the quotation then the amount paid is guaranteed to be the amount of the quotation. If more than 3 months have passed then a new transfer value will be given and this may be higher or lower than the first quotation. You are entitled to request a quotation of your current transfer value up to once every 12 months.

Before requesting a transfer you should seek independent advice as to whether such transfer would be in your financial interests.

Opting out of the Staff Scheme

You must give one month's written notice to leave the Staff Scheme whilst remaining eligible for membership. In this case you will be entitled to the benefits as described above.

You should seek independent advice before choosing to opt out of the Staff Scheme.

GENERAL INFORMATION

GENERAL INFORMATION

The Scheme is administered by a Corporate Trustee, Baptist Pension Trust Limited, with Directors nominated by Members and by the Union. The assets of the Scheme are kept separate from other Baptist Union funds and are invested on the advice of professional investment managers.

Each year the Trustee produces an annual Report on the Staff Scheme. The Report contains audited accounts, a statement from the actuary, a review of the year's investment performance and various other items of information. Copies of the report are available on the BPS website or from Broadstone. An annual funding statement giving up-to-date funding information will also be produced.

Pensions Sharing on Divorce - legislative requirements to enable pensions sharing on divorce have been incorporated into the Staff Scheme rules. Further information, if required, can be obtained from Broadstone.

Pensions and tax - information regarding pensions and tax is included in the Baptist Pension Scheme DC Plan booklet.

Disputes - Any complaints about the Staff Scheme are generally resolved informally. However, if you are not happy with the result of the informal process, there is a formal procedure for resolving complaints. Details are available from Broadstone.

TPAS (The Pensions Advisory Service)

If you are not satisfied with the reply from the Trustee, you can contact TPAS (The Pensions Advisory Service) who will assist you with your complaint. TPAS is a free and confidential service and you should put your case in writing to them, together with correspondence from the Staff Scheme's formal process.

TPAS has developed its role as a conciliation service between Members and their pension schemes. It is available to assist Members and beneficiaries of pension schemes in connection with difficulties which they have failed to resolve with the trustees or administrators of the scheme.

The TPAS can be contacted at:

TPAS
The Pensions Advisory Service
11 Belgrave Road
London
SW1V 1RB

Website: www.pensionsadvisoryservice.org.uk

The Pensions Ombudsman

For disputes that cannot be settled with the assistance of TPAS, a Pensions Ombudsman has been established with powers of investigation similar to those of a county court.

The Pensions Ombudsman has the power to investigate and determine any complaint or dispute of fact or law concerning occupational and personal pension schemes. A complainant may appeal to the Pensions Ombudsman if they believe that they have been unfairly treated by the trustees or managers of an occupational or personal pension scheme.

The Pensions Ombudsman can be contacted at:

The Pensions Ombudsman
11 Belgrave Road
London
SW1V 1RB

Website: www.pensions-ombudsman.org.uk

The Pensions Regulator

The Pensions Regulator has been established to monitor the running of occupational pension schemes. The Regulator is able to intervene in the running of schemes where trustees, employers or professional advisers have failed in their duties.

The Pension Regulator can be contacted at:

Napier House
Trafalgar Place
Brighton
BN1 4DW

Website: www.thepensionsregulator.gov.uk

Pension Schemes Registry

The Staff Scheme has been registered with The Pensions Regulator at the Pension Schemes Registry and information concerning the Staff Scheme has been given to the Registry including an address where the Trustee may be contacted.

The purpose of the register of occupational and personal pension schemes is to help individuals who have lost touch with their previous pension scheme to trace their rights. Extracts from the register relating to a particular scheme are available to any person entitled to benefit under the scheme on written request to

Pension Schemes Registry
PO Box 1NN
Newcastle-Upon-Tyne
NE99 1NN

The Pensions Tracing Service

The Department for Work and Pensions offers a service to help people trace pensions with which they have lost touch, provided you have at least the name of your previous employer or pension scheme.

The Pensions Tracing Service can be contacted at:

The Pensions Service
Tyneview Park
Whitley Road
Newcastle-upon-Tyne
NE98 1BA

Website: www.thepensionservice.gov.uk

EXAMPLES

In all the examples, the Member may be able to elect to exchange part of his or her pension for a tax free cash sum, in accordance with HMRC rules applicable at the time

Example 1: Retirement at Normal Pension Date (service in both DB Plan and DC Plan)

A member retires at age 65 after 40 years' service. The personal and Pensionable Service details are as follows:

Date of birth	31 December 1972
Date joined Staff Scheme	1 January 1998
Normal Pension Date	31 December 2037
DB Pensionable Service Post 1994	168 months (up to 31 December 2011)
Assumed Final Pensionable Salary	£17,000 (as at 31 December 2037)

The pension at Normal Pension Date based a Final Pensionable Salary of £17,000 would be as follows

$$\frac{168}{840} \times 17,000 = \text{£}3,400 \text{ pa}$$

The benefits built up under the DC Plan for service from 1 January 2012 would also be payable.

Example 2: Retirement at Normal Pension Date

A member is retiring at age 65 on 31 December 2006 after 30 years' service. Pensionable Salary at retirement is £17,000. The personal and DB Pensionable Service details are as follows.

Date of birth 31 December 1941

Date joined Staff Scheme 1 January 1977

Pre 1987 service 120 months

1987 - 1994 service 96 months

Post 1994 service 144 months

Pensionable Salary history

at 1 January 2006 £17,000 pa

at 1 January 2005 £16,500 pa

at 1 January 2004 £15,750 pa

Final Pensionable Salary
(average of last three years) = $\frac{1}{3} \times 49,250$

= £16,417 pa

Pension entitlement is

$$\left[\frac{120}{600} \times 16,417 \right] + \left[\frac{96}{960} \times 16,417 \right] + \left[\frac{144}{840} \times 16,417 \right] = £7,739 \text{ pa}$$

Example 3: Ill health retirement benefit (service in both DB Plan and DC Plan)

A member retires 7 years early on 31 December 2030 at the age of 58 on account of ill health. The member is expected not to be able to work again. Pensionable Salary at the date of retirement is £17,000.

The personal and Pensionable Service details are as follows:

Date of birth	31 December 1972
Date joined Staff Scheme	1 January 1998
Retirement date	31 December 2030
Pensionable service	168 months (up to 31 December 2011)
Final Pensionable Salary	£17,000 pa

Pension entitlement is

$$\frac{168}{840} \times 17,000 = \text{£}3,400 \text{ pa}$$

The benefits built up under the DC Plan for service from 1 January 2012 would also be payable.

Example 4: Payments on death in service (service in both DB Plan and DC Plan)

A member dies in service on 31 December 2016 at age 60. Pensionable Salary at date of death is £17,000. The personal and Pensionable Service details are as follows:

Date of birth	31 December 1956
Normal Pension Date (NPD)	31 December 2021
Date joined Staff Scheme	1 January 1974
Pre 1987 service	156 months
1987 - 1994 service	96 months
Post 1994 Service - date of death	264 months
Post 1994 Service date of death - NPD	60 months

The member leaves a spouse entitled to a spouse's pension.

Spouse's pension

A pension equal to half the pension the member would have received had membership continued until Normal Pension Date, but based on Pensionable Salary at the date of death.

$$\left\{ \left[\frac{156}{600} \times 17,000 \right] + \left[\frac{96}{960} \times 17,000 \right] + \left[\frac{264 + 60}{840} \times 17,000 \right] \right\} = \frac{1}{2} \times £12,677 \text{ pa}$$
$$= £6,339 \text{ pa}$$

Children's pensions may also be payable.

Further benefits, including a lump sum, are payable from the DC Plan and these are described in the booklet for that Plan.

Example 5: Payments on death after retirement

A retired member dies 2 years after retirement but before age 75. At retirement the member had elected to commute some of the pension for a tax-free cash lump sum, leaving a residual pension at the date of death of £3,600 pa. The member leaves a spouse entitled to a full spouse's pension. The following benefits are payable:

Pension guarantee

A cash lump sum is payable equal to the balance of five years pension instalments

$$£3,600 \times 3 = £10,800$$

Spouse's pension

If the member had not chosen the cash option at retirement, the pension at that time would have been £4,000 pa. Including subsequent pension increases, this would have been £4,200 at the date of death. The spouse will receive a pension equal to half of this amount.

$$£4,200 \times 1 / 2 = £2,100 \text{ pa}$$

Example 6: Options on leaving service

Option 1 - Deferred pension

You will be entitled to a deferred pension at age 65, from the DB Plan in respect of benefits retained in the scheme (or see Option 2 below).

For example:

A member leaves the Staff Scheme on 31 December 2016. Final Pensionable Salary at the date of leaving is £16,500. The service details are as follows:

Pre 1987 service	12 months
1987 - 1994 service	96 months
Post 1994 service	204 months (up to 31 December 2011)

The deferred pension is

$$\left[\frac{12}{600} \times 16,500 \right] + \left[\frac{96}{960} \times 16,500 \right] + \left[\frac{204}{840} \times 16,500 \right] = \text{£5,987 pa}$$

The pension payable at age 65 will be higher because of the increases granted before the pension comes into payment. For example, if the member is 45 at the date of exit from the Staff Scheme and increases are at the rate of 3% pa, the pension payable at age 65 would be £10,813 pa.

The option of an early pension may be available, at the discretion of the Trustee, at any time from age 55.

The benefits built up under the DC Plan for service from 1 January 2012 would also be payable

Option 3 - Transfer of benefits to another pension arrangement

Regardless of the period of membership, the alternative of a transfer value (a cash payment) is available on request. Such a payment can be made to either a new employer's scheme, or a personal arrangement.

The transfer amount will depend on the member's service, deferred pension, age and investment conditions at the time of payment.