

MERCHANT NAVY RATINGS PENSION FUND

DEFERRAL OF PENSION FORM

Notes on Completion

- a) Please fill in ALL sections of the form using ink and block capitals
b) Only complete this form if you do not wish to take your pension benefits from your normal retirement age (62).
c) Should you sign and return this form, your pension when you do subsequently take your benefits will be enhanced for late retirement. Should you die in deferment prior to retiring, you shall be treated as though you retired on the day immediately preceding your death and a lump sum would be payable, at Trustee discretion, representing the pension you would have received over a period of 5 years. A pension will then be paid if you leave a spouse or civil partner.

Personal Details

Surname:.....

First Names:.....

Address:.....

.....

.....

Postcode:.....

Membership No:

National Insurance No:

Date of Birth: .../.../...

Marital Status: married/civil partnership/single

If married or civil partnership, spouse's date of birth:

If married or civil partnership, spouse's full name:

Please sign here to confirm that you DO NOT want to take your benefits from your normal retirement age (62).

Signed.....Date.....

When you have signed and dated this Form, please send it to us at the address shown on the cover letter. If you have any problems in completing this Form, please ring our Member Liaison Service on 01372 200385 quoting your Name and Membership Number, and one of our staff will be pleased to help you

Members over Normal Pension Age (NPA) and death benefits payable

If you did not claim your pension at your NPA, and you then die before starting your pension, you will be treated as if you had retired at your NPA.

Alternatively, if you did not claim your pension at your NPA, and if you tell the Fund that you wish to defer your pension, you will be treated as if your pension had started the day before your death (rather than at your NPA).

The benefits payable in these two scenarios are different.

What if I do nothing?

Should you die after age NPA but before starting pension, your estate will receive back payments of pension from your NPA to your date of death. These back payments will then be paid to your estate and may be subject to inheritance tax. If you are survived by a spouse or civil partner, they will receive a pension calculated by reference to the pension you would have been receiving at date of death, had your pension started at your NPA. (In other words, the spouse's pension will be a proportion of your pension at your NPA, increased by the pension increases between your NPA and the date of your death.)

What if I actively choose to defer my retirement and then die before I take my pension?

Should you die after NPA but before starting pension, you will be treated as though you retired on the day immediately before your death. The Fund will pay a lump sum equal to 5 years' of pension. The Trustees will choose who gets the lump sum, from amongst your beneficiaries (although the Trustee would usually take account of your expression of wish form). As the law stands at the moment, this lump sum will not be subject to inheritance tax. The Trustee would also pay a pension to your spouse or civil partner. This pension will be uplifted by the application of an actuarial factor between your NPA and your date of death. This factor can change over time.

What is the best option for me?

It is not possible to say, before somebody dies, which is better. This is because it depends on:

- how old you are when you die;
- what actuarial factors are in force at the time;
- what proportion of your pension is guaranteed minimum pension; and
- whether you have a spouse or registered civil partner at the date of your death.

Neither the Trustee nor JLT can advise you on which option would be better for you.

If you have any queries, please contact JLT.

We are also providing details of SAIL, a dedicated UK-wide Citizens Advice Bureau service providing free and independent advice to seafarers and their families.

SAIL is operated by Greenwich Citizens Advice Bureau on behalf of the Seafarers Hospital Society and funded in partnership with Seafarers UK and Greenwich Hospital.

SAIL provides information, advice and support on a wide range of issues including debt, welfare benefits and tax credits, employment and pensions. All members, and other seafarers, can contact SAIL if they need advice or support in any of these areas.

Members may wish to consider contacting SAIL should they require any further information or independent advice on the options available to them. They cannot act as Financial Advisers but can provide free generic information.

SAIL can be contacted as follows:

30 King William Walk
Greenwich
SE10 9HU

Telephone: **0800 160 1842**

Email: advice@sailine.org.uk

Website: www.sailine.org.uk

Facebook: www.facebook.com/SeafarersAdvice