

PUZZLED BY PENSIONS?

CO-OP GROUP – PACE COMPLETE DEFINED BENEFIT PENSION SCHEME – 10 THINGS YOU NEED TO KNOW

Pensions

1. What has happened to my Group Defined Benefit Scheme?

Following a pension consultation in 2015, the Group decided to close its Defined Benefit Pension Scheme (PACE Complete).



2. Can I continue to contribute?

No. Since 28 October 2015 the Defined Benefit Scheme closed and you are no longer able to pay any more contributions into the scheme.



3. What has happened to my Group Defined Benefit Pension?

Your pensions entitlement has been protected to the date of closure. Your pension amount will have been confirmed to you by the Group early in 2016.



4. Is my pension safe?

The Group will continue to pay into the Defined Benefit Scheme in the future, to make sure there is enough money in the pot to pay everyone's pensions.

If the Group was to go bust the Pension Protection Fund (PPF) would step in. The PPF acts like a kind of insurance scheme for Defined Benefit pensions.

5. Do I need to take any action?

No. Your pension will stay in the Group's pension scheme and will continue to be looked after by the Trustee.

Your pension is not 'frozen' as it will continue to receive inflationary increases.



Pensions



6. What happens if I die before retirement?

Your dependant's pension will be based on the pension you have built up. If you have joined the current PACE Defined Contribution Scheme and you contribute 4% or more, your family will also receive an extra lump sum equal to six times your pay plus the value of your retirement savings in the new PACE Defined Contribution Scheme. If you contribute less than 4%, a lump sum of four times your pay is available.



9. What will I get from the Defined Benefit Scheme when I retire?

When you retire the total amount of pension you have built up will be paid to you monthly for the rest of your life. You will also have the option to exchange some of your pension for a tax-free cash payment.

If you become seriously ill you will still be able to apply to take your pension even if it is before age 55.

If you join the PACE Defined Contribution Scheme, your savings will be paid in addition to your Defined Benefit pension.

7. Can I still apply for early retirement?

Yes. You can apply for early retirement any time from age 55 onwards but remember, your pension will be reduced to reflect the fact that it will be paid for longer.



10. Will I still be entitled to a State Pension?

Yes. As long as you have paid or been credited with National Insurance contributions you should be entitled to a State Pension.

The State Pension changed in 2016 - do you know at what age you can claim your State Pension and have you any idea how much this will be?

Check it out - the application for a State Pension statement is called BR19. Search for 'State Pension statement' at www.gov.uk or phone the Future Pension Centre on 0800 731 0175.



8. Can I join the current PACE Defined Contribution Scheme?

Yes. For full details please refer to the Usdaw factsheet, which gives lots of information about the PACE Defined Contribution Scheme.

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