



Alstom Pension Scheme – Leaving Service & Retirement

Presentation by JLT Employee Benefits – Questions and Answers

Q1 - If I take a pension with my Additional Voluntary Contributions (AVCS), is it single or joint life and does it increase?

AVC pensions will be single life unless otherwise requested, and any AVC pension would increase annually by in line with the Retail Prices Index (RPI), to a maximum of 2.5%.

Q2 - Are there any penalties for transferring out?

There are no direct transfer penalties although due to the current funding level of the Scheme the Trustee is currently reducing transfer values to 80% of the full value.

Q3 - If I leave, can I take my benefits at any time or do I have to wait until age 65?

If you cease contributing you will become entitled to a deferred pension. At any time from age 55 to age 65 you can take your benefits. You do not have to wait until age 65 although an early retirement factor will be applied if you take your benefits early. If you would like an early retirement estimate all you need to do is request this from the Scheme administrator, JLT.

Q4 – How will my pension be taxed?

Your pension will initially be taxed using the emergency tax code as JLT will not have received a notification from HMRC as to the code to apply at the outset. Shortly after your pension goes into payment HMRC will inform JLT of the correct tax code to use and this will be applied (this may take a couple of months).

Q5 – Where can I find details of my Pensionable Earnings?

If you want to pay AVCs and want to check your Pensionable Earnings in the tax year to date you can find details on your payslip. Pensionable Earnings are defined as your basic salary plus certain fixed allowances as confirmed by the Company. Overtime, bonuses and redundancy payments are not pensionable.

Q6 – How will my deferred pension increase after I leave?

Your 2006 Section benefits will increase in line with the Consumer Prices Index (CPI) capped according to your period of pensionable service. Full details will be provided on the statement of deferred benefits that you will receive after leaving. You will also receive an annual benefit statement and this will include details of the increases in deferment on the benefits you have built up before 6 April 2006 (under one of the former Sections of the Scheme).

Q7 – How will my pension increase when it is in payment?

Your pension will increase on 1 May each year broadly in line with the Retail Prices Index (RPI), capped at 2.5% a year on benefits built up after 5 April 2006, and capped at 5% a year on benefits built up before 6 April 2006. Full details of how your pension will increase once in payment will be set out in the statement of deferred benefits on leaving and in the annual benefit statement. Details will also be included in any retirement estimate you request and in the pension increase letter that is issued to pensioners each year.

Q8 – What benefits are paid if I die?

Death benefits vary depending on the section of the Scheme you have benefits in. Full details of the death benefits can be found on your annual benefit statement and on any retirement estimate you request.

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