



The Pensions Trust

in association with

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Flexible Retirement Plan

Benefits of the Scheme

The simple fact is that the younger you are when you join, the greater the benefits, and the higher the standard of living you and your family will enjoy when you do finish work. The Government is placing greater emphasis on individuals to make provisions for their retirement and not rely on the State.

The Benefits:

- **Your employer will contribute towards your retirement** - your employer is enrolling you in The Pensions Trust's Flexible Retirement Plan. Your employer is contributing 6% of your salary on your behalf.
- **Your Contribution Rate/Variable Contribution** - you decide the rate of contribution you can afford, although your employer may set a minimum level. Therefore, if your circumstances change you have the ability to increase or reduce your contributions (subject to notice periods and any minimum rate set by your employer).
- **The amount of tax you pay will be reduced** - the part of your salary that you pay into the pension plan is not taxed. For example: If your earnings are £15,000 and you contribute 6% currently you will save £15.00 a month in tax.

- **You can transfer your fund to another arrangement** - should you leave your present employer you have the option to transfer this fund to another employer scheme or a Personal Pension Plan.
- **You can provide security for your family or receive a higher pension** - you choose the type of pension you receive when you retire i.e. you may decide to opt for a smaller pension which provides for survivors/beneficiaries upon your death or alternatively, if you have no dependants/survivors you may wish to receive a higher pension.
- **You can plan when to start your pension** - unlike the additional State Pension (known as Second State Pension), which cannot be taken early, with the Flexible Retirement Plan you have a great deal of choice when it comes to taking your pension. You may currently choose to start receiving your pension at any time from age 50 (or earlier on the grounds of ill-health).

From 6 April 2010 onwards, your pension may only commence once you reach age 55. There is no requirement to leave employment before taking your pension (except on the grounds of ill-health).

In all cases you must start receiving your pension by age 75.

- **You are covered if you have to retire early** - should you have to retire early (at any age) due to ill-health you have the option to purchase an improved annuity on the open market (subject to medical evidence). This pension is enhanced when compared with a pension paid through normal early retirement.
- **You can opt for a tax-free lump sum when you retire** - you can choose to receive a lump sum payment of a quarter of your pension fund. Your pension would then be reduced to reflect this payment.
- **Your money will be in safe hands** - the Flexible Retirement Plan is administered by The Pensions Trust (a mutual organisation, accountable to its members), which specialises in providing pensions to the charitable, social, educational, voluntary and the not-for-profit sectors. All contributions and any Cash Equivalent Transfer Values made to this Plan will be ring fenced from all other assets of The Pensions Trust. Any shortfalls within other schemes operated by The Pensions Trust will not impact on the Flexible Retirement Plan.
- Over the years, The Pensions Trust has won numerous industry awards, and won Pension Scheme Administrator of the Year for the second year running in the 2006 UK Pensions Awards.

If you need any further information or help, contact the Flexible Retirement Plan Team at The Pensions Trust on 0845 121 7230. We will be pleased to help you.



The Pensions Trust

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