

Occupational Pension Schemes

Employee is retiring early



Please fill in this form where an employee is retiring before normal retirement date. To qualify for early retirement an employee must have reached the age of 55 or the minimum retirement age as specified in the scheme rules or be retiring due to serious ill health or incapacity.

1 Personal details

Pension scheme name	<input type="text"/>
Scheme number	<input type="text"/>
Employee's surname	<input type="text" value="Mr/Mrs/Miss/MS/title"/>
Employee's forename(s)	<input type="text"/>
Employee's member number See explanatory details – Note 1	<input type="text"/>
Is the employee covered by any other Aviva Pension Policy connected with this employment?	yes <input type="checkbox"/> no <input type="checkbox"/>
Please list policy numbers	<input type="text"/> <input type="text"/>
Employee's proposed retirement date	<input type="text" value="day month year"/>

2 Reason for retiring

Is the employee retiring because of serious ill health?	yes <input type="checkbox"/> no <input type="checkbox"/>	Serious ill health means that the employee's expectation of life is less than one year See explanatory details – Note 2
Is the employee retiring because of incapacity?	yes <input type="checkbox"/> no <input type="checkbox"/>	Incapacity means physical or mental impairment which prevents the employee from following his/her normal employment and that the employee has in fact ceased to carry on their occupation. See explanatory details – Note 3
If 'yes' to either of the above questions. For this employment only, is the member now, or has he/she ever been a controlling director?	yes <input type="checkbox"/> no <input type="checkbox"/>	See explanatory details – Notes 2 & 3

3 Employee's contributions to the scheme and final remuneration

During the current scheme year, how much has been deducted from the employee's pay to contribute to the scheme?	<input type="text"/>
Do not include voluntary contributions	<input type="text" value="£"/>
What is the employee's final remuneration? See explanatory details – Note 4	<input type="text" value="£"/>

continued

4 Scheme limits

For this employment only, is the member now, or has he/she ever been a 'controlling director'? See explanatory details – Note 4	yes <input type="checkbox"/>	no <input type="checkbox"/>	If 'yes' please provide details of relevant dates
<input type="text"/>			
<input type="text"/>			
<input type="text"/>			
For this employment only, has the member changed from part-time to full-time employment or vice versa? See explanatory details – Note 5	yes <input type="checkbox"/>	no <input type="checkbox"/>	If 'yes' please provide details of relevant dates
<input type="text"/>			
<input type="text"/>			
<input type="text"/>			

5 Details of spouse / civil partner - If widow's, widower's or surviving civil partner's benefits are not provided, please ignore this section.

Please indicate the member's legal relationship status.

Single Married Civil Partnership

Spouse's / civil partner's surname

Forename(s)

Spouse's / civil partner's date of birth

Have you seen the spouse's /civil partner's birth certificate?
See explanatory details – Note 6

yes no

Have you seen the marriage /civil partnership certificate?

yes no

If neither of these certificates can be produced for you to verify the spouse's / civil partner's date of birth, please enclose any relevant documentation as this may suffice

Please list any documents enclosed

It is important that these details are provided as quickly as possible so that benefits can be set up accurately.

6 Quotations

Are you asking for this quotation for information only? yes no

Would you like to consider giving the employee improved benefits? yes no

If a quotation is required giving the employee improved benefits, we shall contact you to discuss your requirements.

On the day that the employee leaves your employment on a pension income, 'death in service' benefits cease automatically.

7 Authorised signature

Authorised and signed on behalf of the Employer/Trustees

Signature

Print name

Position

Date

When you have answered all the questions and signed the form, please return it to Aviva.

A copy of this completed form will be available on request.

Explanatory details

Employee is retiring early

You should complete this form when an employee, who is a member of the pension scheme, is retiring earlier than the normal retirement date. We can then assess the employee's benefits and send you the relevant quotations. To qualify for early retirement an employee must have reached the age of 55, or the minimum retirement age as specified in the scheme rules. However if retirement is due to serious ill health or incapacity there is no age qualification, but you should obtain medical evidence before requesting quotations. (See 2. and 3. below.)

Please ensure that you fill in all the relevant boxes on the form and tick either 'yes' or 'no' whenever they occur; make sure too, that the form has been signed. This will help us to deal with your enquiry as rapidly as possible.

Please note that members of UK Schemes must receive a quotation of their benefits within a reasonable period, normally 2 months, of early retirement from the Scheme. Failure to meet this timescale may result in a report being made to The Pensions Regulator.

This does not apply for Schemes operating outside the UK.

1. Employee's member number

You can find this in the last renewal tabulation which we sent to you.

2. Serious ill-health

A serious ill health lump sum may be available if the member is expected to survive for less than one year irrespective of the member's age and sex. Where an employee is retiring under these circumstances, the scheme may allow for commutation of the employee's pension. However, this does not apply to any pension income payable to a widow or dependant. Higher benefits than those normally provided by the scheme can be given. The Scheme Rules will provide further details.

The trustees should satisfy themselves that the member is in exceptional ill health by obtaining and retaining adequate medical evidence from a registered medical practitioner to support this decision.

Note: If someone who receives a serious ill-health lump sum was, either in the year of payment or any of the previous six years:-

- in relation to the sponsoring employer or an associated company of that employer, a director or a person connected with a director, or
- whether alone or with others, the sponsoring employer, or
- a person connected with the sponsoring employer

then the trustees should complete an event report to HMRC. Please refer to your "A Guide to Trustees' Duties" for further information.

Connected persons are defined in section 839 of ICTA 1988. A person is connected with an individual if that person is the spouse of the individual, a relative of the individual, a relative of the individual's spouse, the spouse of a relative of the individual, or the spouse of a relative of the individual's spouse. Any reference to 'spouse' includes Civil Partners in a civil partnership registered under the Civil Partnership Act 2004.

3. Incapacity

Retiring under these circumstances the employee can be granted benefits payable immediately, regardless of age. In addition, it is possible to pay the pension income and/or tax free cash sum that the employee could have received had he/she remained at work until normal retirement date. The Scheme Rules will provide further details.

The trustees should satisfy themselves that the member is incapacitated by obtaining and retaining adequate medical evidence from a registered medical practitioner to support this decision.

Note: If someone who receives an incapacity benefit was, either in the year of payment or any of the previous six years:-

- in relation to the sponsoring employer or an associated company of that employer, a director or a person connected with a director, or
- whether alone or with others, the sponsoring employer, or
- a person connected with the sponsoring employer

then the trustees should complete an event report to HMRC. Please refer to your "A Guide to Trustees' Duties" for further information.

4. Employee's final remuneration

Where applicable, this can be calculated as follows:

- a. Remuneration for any one of the five years preceding the early retirement date. For this purpose remuneration means basic pay, eg. wages or salary, for the year in question, plus the average over a suitable period (usually three or more years) ending on the last day of the basic pay year of any fluctuating emoluments.
Director's fees may rank either as basic or fluctuating emoluments according to the basis on which they are voted.
- b. The average of total emoluments for any three or more consecutive years ending not earlier than ten years before the early retirement date.

See benefits in kind and profit related pay notes below.

Basis b, is the only definition available for:

- i. a 'controlling director' or
- ii. any employee whose remuneration for the purpose of calculating benefits exceeds the relevant scheme limits.

A 'controlling director' is a director who on his own or with associates, owns or controls 20% or more of the ordinary share capital of the employing company, or has done so at any time on or after 17 March 1987 and within 10 years of retirement or leaving service or pensionable service. The control can be direct, indirect or through other companies.

'Associates' are defined as: any close relative (spouse, forebear, issue or sibling); or partner; or trustee of certain legal settlements in which the director has an interest or is the settlor.

For directors who left or retired before 17 March 1987, 20% is defined as a proportion of voting rights rather than share capital, and the 10 year retrospective period is not taken into account. The Scheme Rules will provide further details of the final remuneration used for calculating your benefits.

Explanatory details – continued

Benefits in kind may be taken into account when they are assessed for Income Tax as emoluments under Section 7 (2) ITEPA 2003, and will normally be regarded as 'fluctuating emoluments'. If benefits are not assessable they may not be included as part of final remuneration except with the agreement of the Employer.

Profit-related pay (whether taxable or non-taxable) can be included as remuneration. However this must be pay and not anything from share option schemes or share incentive schemes.

Remuneration arising from the acquisition or disposal of shares or any interest in shares or a right to acquire shares (eg. from employee share options or share incentive schemes) may only be included if assessed to tax under Section 7 (2) ITEPA 2003 and the shares or rights to shares have been acquired before 17 March 1987.

Any sums chargeable to tax under Section 148 of the Income and Corporation Taxes Act 1988 must be excluded.

5. Part-time employment

Employment is regarded as part-time where less than 30 hours per week are worked.

6. Birth certificate

If, for some reason, this cannot be produced we can accept other documents in lieu eg. a Passport or Certificate of Naturalisation.

Remember, if you have any problems call us on the help desk
Tel: 01603 684196.

7. Commutation of Pension benefits

Unless we are advised otherwise, where the member has an Additional Voluntary Contribution Policy, commutation of pension benefits for tax free cash will be based on 25% of the value of each policy unless transitional tax free cash applies.

8. Contact Details

Help desk Number - 01603 684196

DB Administration e-mail address - LPADMIN@aviva.co.uk

Website: www.aviva.co.uk/pensions-and-retirement/trustees.html