

Canada Life UK Division Staff Pension Fund

Member FAQs

1. Can I take my DB pension and leave my DC benefit with LifeSight?

Yes you can. It is your choice when you take your benefits as long as you are over the age of 55. From 1 April 2028, this will rise to age 57.

2. Do I have to stop working to take my DB or DC benefits?

No, you can continue to work once you've taken your benefits should you wish to do so

3. Do I have to take my DB benefit at 60 or can I leave it and just take my DC pot with LifeSight?

You don't have to take your DB pension at 60 and you can just take your DC pension pot

4. Can I use my DC pot towards my 25% tax-free pension commencement lump sum (PCLS)?

Yes you can. If you want to pursue this, contact Hymans for further details.

Telephone: 0141 227 9743

Email: canadalifepensions@hymans.co.uk

5. Can I use part of my DC pot as my PCLS and leave the rest invested?

Yes, you can. If you want to pursue this, contact Hymans for further details.

6. What happened to my AVCs?

When the DC section moved to LifeSight, your AVCs went with it. If you would like any further information please contact LifeSight directly using the contact details below.

Telephone: 01737 227503

Email: lifesightsupport@willistowerswatson.com

7. Can I take part of my DB pension and leave the rest or take my tax-free PCLS only and leave the rest of my DB benefit?

No, once you decide to take your DB benefit, it must be taken in full.

8. If I take all my benefits and continue to work, will the Company continue to pay into my pension pot at LifeSight?

Yes, they will continue to pay for as long as you remain in pensionable service to a maximum age of 75. You should check your position regarding the Lifetime Allowance.

9. I am getting close to my Lifetime Allowance and think I may exceed it. What are my options?

If you are still employed by Canada Life, please contact the PX department to find out further information on this.

10. If I have already taken my DB pension and then die while still working for Canada Life, what would my death-in-service benefit be?

A life assurance payment of 4 x salary will be provided you are below 65 or State Pension Age (whichever is the higher), due plus the value of your DC pot

If you have a spouse they will receive 50% of your DB pension

If you die without leaving a spouse or dependants and within 5 years of taking your DB benefit, if the aggregate of the pension payments already made is less than five years' pension, the balance outstanding will be paid to your estate as a single cash sum.

11. Will I be notified if I am getting close to my Lifetime Allowance?

No, it is your responsibility to check this, based on all your pension savings

12. I will be 60 next year, when will I be contacted about my options at the Scheme normal retirement date?

You will receive a "wake-up" letter 6 months in advance of your retirement date and then a full retirement pack will be sent to you 3 months before your retirement date. If you want to get details at any time before this, please register with the online service PRISM at Hymans below.

<https://secure.canadalifepensions.co.uk/>

13. If I take my pension early i.e. at 55 instead of 60, what will the reduction be?

Early retirement factors are applied by the Actuary for each year you take the benefit before the normal retirement age. As these factors are subject to change, if you require a quotation then please access the online service PRISM or contact Hymans who will be happy to provide figures for you.

14. Will my DB pension increase if I don't take it at 60?

Yes, in the same way that early retirement factors reduce your pension if taken early, late retirement factors are applied which will increase your pension.

15. Will my death-in-service benefits be reduced if I change to part time working?

If you are working part-time, your death in service benefits will be based on your part-time salary

16. Can I take my State Pension and leave my DB and DC benefits?

Yes you can. It is your choice when you take your Canada Life benefits. If you have not taken benefits by the age of 75, the benefit available will be treated as if it had been taken for Lifetime Allowance purposes. You should seek Independent Financial Advice if you are approaching age 75 and do not intend taking your benefits.

17. At what age is my DB benefit payable in full?

For most members, the normal retirement age will be 60. There are a few Field Sales Force members who have a normal retirement age of 65. If you are unsure then you can contact Hymans who will be able to provide this information.

18. Who do I need to contact to arrange for my DB benefits to be paid?

You will need to contact the Scheme Administrator, Hymans. Contact details as follows:

Telephone: 0141 227 9743

Email: canadalifepensions@hymans.co.uk

19. Will my pension increase once I have taken it?

Yes, it will receive statutory increases on 1 January each year.

- The Scheme will increase your GMP earned since April 1988 in line with the Consumer Price Index (CPI) up to 3% per year.
- Pension accrued between 6 April 1997 and 5 April 2005 receives guaranteed increases each year in line with the annual increase in the Retail Prices Index, subject to a maximum of 5% per annum.
- Pension accrued post 5 April 2005 receives guaranteed increases each year in line with the annual increases in the Retail Prices Index, subject to a maximum of 2.5% per annum

The Trustees also consider applying discretionary increases from time to time.

20. Can I transfer my DB pension elsewhere?

Yes you can transfer your pension up to one day before your actual retirement date.

Please note the value of a transfer to another arrangement may be reduced if the Scheme is not well funded enough to pay the full value and you will need to take independent financial advice at your own cost to help you decide if this is the right option for you.

21. What happens if I die within 5 years of taking my pension and don't leave a spouse or dependants?

If you die within five years of retiring and don't leave a spouse or dependants and the aggregate of the pension payments already made is less than five years' pension, the balance outstanding will be paid as a single cash sum.

22. If I have taken my pension, will my spouse get my pension if I die before them?

Yes, a pension will be payable to your spouse for the remainder of their lifetime. This will be based on 50% of pre-commuted pension i.e., based on your pension before any tax-free cash was taken

23. Who is classed as a dependant?

A spouse, a child, if still in full-time education up to age 23 or anyone who the Trustee may decide is dependent on you i.e. mutually financial dependants. This is determined at the date of death once supporting evidence is received.

24. I've heard that the age I can access my pension benefits is changing?

Yes, that is correct. At present you can take your pension as early as age 55.

From 6 April 2028 this is rising to age 57.

25. How will I know if it is Hymans contacting me and that it is not a scam?

If in any doubt, end the call and contact Hymans directly. Their contact details are:

Telephone: 0141 227 9743

Email: canadalifepensions@hymans.co.uk

26. What is the Expression of Wish form/Nomination form?

This is a form we ask you to complete on joining the Company which lets the trustees know who you would like to leave any benefits to in the unfortunate event of your death whilst in employment or after retirement and any payments are due. Whilst it is the Trustees decision where the benefits are paid this will enable them to understand your preferences. It is important to keep this updated if and when your circumstances or wishes change. If you are not sure if your nomination form is up to date, please register or log in to PRISM (link below) where you will be able to update your details online.

<https://secure.canadalifepensions.co.uk/>

27. I know the Scheme closed in 2016 but what happens to my pension between then and when I take it?

Your pension will be revalued annually on 1 April up until you take your benefit. The rate of revaluation depends on whether you are still employed by Canada Life. For further details please refer to the member booklet which can be found on the PRISM website
<https://secure.canadalifepensions.co.uk/>