

**NEW AIRWAYS PENSION SCHEME (the “SCHEME”)  
OPERATING RULES FOR PARTIAL TRANSFERS**

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Approved at Trustee Meeting 12 December 2018 with effect on and from 1 January 2019

## **1. INTRODUCTION**

Under Rule 31 of the Scheme Rules, if any Partial Transfer Eligible Member applies to make a transfer of a portion of their Retirement Benefits in the form of a Partial Transfer Value, with the residue of their Retirement Benefits remaining in the Scheme, the Management Trustees may, subject to the terms of Rule 31 and in accordance with these Partial Transfers Operating Rules, make a Recognised Transfer to a receiving arrangement chosen by the Partial Transfer Eligible Member of such part of the Fund that the Management Trustees may determine.

In accordance with Rule 31, these Operating Rules set out the conditions upon which the Management Trustees have agreed to provide the option to take a Partial Transfer Value of Retirement Benefits under the Scheme.

These Operating Rules may be changed by the Management Trustees at any time. Nothing in them should be construed as conferring any right on any Member, Pensioner or other person entitled to Retirement Benefits, or any expectation as to how Partial Transfer Values will be operated in practice.

For the avoidance of doubt, these Operating Rules are separate from, and do not form part of the Scheme Trust Deed and Rules.

For the avoidance of doubt, these Operating Rules apply to partial transfers of Retirement Benefits in respect of defined benefit entitlements in the Scheme only. These Operating Rules do not cover transfers of funds from the BAMPS Accounts or from the AVC Scheme.

## **2. DEFINITIONS AND INTERPRETATION**

In these Operating Rules, terms beginning with capital letters and defined in the Scheme Trust Deed and Rules shall have the same meaning as in the Scheme Trust Deed and Rules. The following definitions shall also apply:

### **2.1 Cash Equivalent Transfer Value (CETV)**

The equivalent cash value of all the Retirement Benefits that a Member has built up in the Scheme that can be transferred to another registered pension arrangement, calculated in accordance with recognised actuarial principles using assumptions determined by the Management Trustees. Such a transfer will be subject to the provisions of Rule 31, modified to the extent necessary to permit the transfer of a member's Retirement Benefits.

### **2.2 Date of Calculation**

Effective date on which the CETV of the Retirement Benefits is calculated.

### **2.3 Minimum Transfer Threshold**

Either:

1. £30,000; or
2. such other amount at which the requirement to obtain appropriate independent advice in respect of safeguarded benefits, under section 48 of the Pension Schemes Act 2015, would apply as at the Date of Calculation.

### **2.4 Normal Payment Age**

This is the age from which pension payments to the relevant Partial Transfer Eligible Member would normally start without reduction. Each tranche of pension can have a different Normal Payment Age.

### **2.5 Partial Transfer Eligible Member**

A Member, Pensioner or other person entitled to Retirement Benefits who is not in receipt of a pension from the Scheme at the Date of Calculation.

### **2.6 Transfer Out Pack**

The documentation which the Management Trustee shall make available on the forms section of the member website and which a Partial Transfer Eligible Member must use to request payment of a Partial Transfer Value.

### **2.7 Partial Transfer Value**

The CETV of one or more relevant Pension Tranches that a Partial Transfer Eligible Member has built up in the Scheme that can be transferred to another registered pension arrangement and in respect of which the Partial Transfer Eligible Member has requested payment of a Partial Transfer Value.

### **2.8 Pension Tranche**

One of Pre 1997 Tranche, Post 1997 Tranche, or Post 2007 Tranche.

### **2.9 Post 1997 Tranche**

The Retirement Benefits that a Partial Transfer Eligible Member has built up in relation to pensionable service from 6 April 1997 up to and including the earlier of the date on which the Partial Transfer Eligible Member's pensionable service ended or 31 March 2007 (including any uplift applied for that tranche of benefit after pensionable service ended).

### **2.10 Post 2007 Tranche**

The Retirement Benefits that a Partial Transfer Eligible Member has built up in relation to pensionable service from 1 April 2007 up to the date on which the Partial Transfer Eligible Member's pensionable service ended (including any uplift applied for that tranche of benefit after pensionable service ended).

### **2.11 Pre 1997 Tranche**

The Retirement Benefits that a Partial Transfer Eligible Member has built up in relation to pensionable service up to and including 5 April 1997 (including GMP and any uplift applied for that tranche of benefit after pensionable service ended).

### **2.12 Retirement Benefits**

All of a Partial Transfer Eligible Member's benefits payable under the Scheme, including those benefits payable to contingent spouses, Surviving Civil Partners and Dependent Children in respect of the Partial Transfer Eligible Member's death.

## **3. ELIGIBILITY**

- 3.1** A Partial Transfer Value can only be requested by a Partial Transfer Eligible Member with effect on and from 1 January 2019. For the avoidance of doubt, Members and Pensioners who are in receipt of a pension from the Scheme (pursuant to any Part of the Scheme Rules), are not eligible to request a Partial Transfer Value or to have a Partial Transfer Value paid in respect of them.
- 3.2** A Partial Transfer Value will only be paid where the relevant legislative conditions are met and the payment would be an authorised payment (within the meaning given by the Finance Act 2004).
- 3.3** A Partial Transfer Eligible Member who has taken a Partial Transfer Value may not do so again. After taking a Partial Transfer Value, a Partial Transfer Eligible Member may, subject to the Scheme Trust Deed and Rules from time to time, have the option to draw the remaining pension at retirement (and commute some pension for a pension commencement lump sum) or take a Cash Equivalent Transfer Value for all the benefits remaining in the Scheme.
- 3.4** The pension at the Date of Calculation which will remain in the Scheme following a Partial Transfer Value should be at least one whole Pension Tranche of Retirement Benefits.
- 3.5** The Partial Transfer Value must be greater than the Minimum Transfer Threshold.
- 3.6** Each Pension Tranche is required to be transferred in its entirety (unless the Management Trustees agree otherwise), including those benefits payable to contingent spouses, Surviving Civil Partners and Dependent Children in respect of the Partial Transfer Eligible Member's death.

- 3.7** If a Pre 1997 Tranche forms part of the Retirement Benefits, Partial Transfer Eligible Members are required to transfer this Pension Tranche as part of the Partial Transfer Value.

#### **4. PAYMENT OF A PARTIAL TRANSFER VALUE**

- 4.1** A Cash Equivalent Transfer Value quotation is available on request, but a quote cannot be requested while a previous quote is still within the guarantee period and no more than 4 CETV quotations can be requested in any 12 month period. This quotation will include the CETV of each Pension Tranche which might be paid under a Partial Transfer Value, guaranteed for a period of 3 months from the Date of Calculation or such other period permitted by legislation and notified to the Partial Transfer Eligible Member.
- 4.2** Payment of a Partial Transfer Value can be requested by completing the Transfer Out Pack.
- 4.3** If all the required documentation has been received within the guarantee period, the guaranteed CETV, or a Partial Transfer Value in respect of one or more Pension Tranches requested in accordance with these Operating Rules, will be paid. If the guaranteed CETV lapses, any subsequent CETV may be higher or lower than that previously quoted.

#### **5. REQUIREMENT TO OBTAIN FINANCIAL ADVICE**

- 5.1** The Management Trustee shall not give effect to the payment of a Partial Transfer Value unless it is demonstrated, to the Management Trustee's satisfaction, that the Partial Transfer Eligible Member requesting to take a Partial Transfer Value has taken financial advice from an FCA-regulated financial adviser, unless the transfer is being paid to another defined benefit registered pension scheme, and has satisfied any other legislative requirements.