



Your summer Trustee bulletin

Discretionary Increases settlement

We're asking the High Court to approve the proposed settlement at a hearing in autumn. This will include a review of our decision that the settlement terms will better serve the interests of APS members than continuing with an appeal to the Supreme Court. We are hopeful that the High Court will approve the proposed settlement.

Assuming the settlement is approved by the High Court, we will be able to confirm timings for the Discretionary Increase payments shortly after receipt of the outcome. Work is underway in preparation to ensure a smooth process.

Do you have Lifetime Allowance (LTA) Protection? Please let us know.

If you have LTA Protection and you haven't already done so, please send us your LTA certificate or tell us your LTA Protection number.

Deferred members: Discretionary Increases won't be made automatically to anyone who has a deferred pension in APS and either Enhanced or Fixed LTA Protection. However, if this applies to you, you can opt-in to Discretionary Increases if you have LTA Protection but no longer need it.

Pensioners: If you have an APS pension in payment, Discretionary Increases will be paid automatically. If you have and want to keep, your Enhanced or Fixed LTA Protections (or intend to apply for Fixed Protection 2016) you can opt out of Discretionary Increases using the opt-out form. We wrote to all members with LTA Protection during July 2019 to explain this in more detail and to provide an option form.

We'll keep you updated about the settlement on our news page.

Pensioners: Scheme funding news – insurance policy update

In recent years we've invested in insurance policies to help protect our pensioners' benefits.

We carry out regular checks on these policies to make sure the insurance companies can maintain the payments we receive from them.

One of our insurance policies is held with Rothesay Life Plc, which has advised that another insurance company - the Prudential Assurance Company - has agreed to transfer part of its pension annuity business to them.

This transfer does not affect you directly, nor does it affect the terms and conditions of our insurance contract with Rothesay Life. An independent expert has also confirmed the transfer will not affect the security of benefits, service standards or governance of Rothesay Life policyholders.

There is more information about the transfer on Rothesay Life's website.

In Focus magazine

Your latest copy of In Focus is out now. View it online for lots of useful information including:

- The latest news from the Scheme, including the Scheme's new insurance policy for pensions in payment ('buy in') and online updates
- The latest on the Scheme's financial health
- Details of the Scheme's investments
- A feature on the Trustee's new Chair, Roger Maynard
- An update on Guaranteed Minimum Pensions

Visit our Scheme Documents page to see the full report and financial statements.

Important: use an individual email

The system we use to send you emails makes sure we do not issue more than one to each member's email address. This means it's important to make sure the email address we hold for you is an individual one, and not a shared email.

[Update your email address](#) so you don't miss out on any of your notifications.

Your feedback

The Pensions Team wants to find out which stories and information you'd like to know about.

So, if the team has recently been in touch with you, whether it was to share your latest statement, send your In Focus magazine or email you with breaking news, you might receive a survey asking how they did.

Thanks to those of you who have already responded to a survey – more than 84% of you were satisfied or very satisfied that the team's information was easy to understand and clearly laid out.

We'd love to hear your feedback, even if you haven't received a survey. You can let us know what you think by [emailing us](#).

Your upcoming statements

This is the timeline for when you'll receive your statements:

- August: Deferred statements if you are a deferred member under [Normal Retirement Age](#)
- Early September: [Annual Allowance](#) statements if you built up more than £40,000 benefits in the 2018/19 tax year

Pensioners: pension increase letter feedback

We sent your pension increase letters in a new format this year, and you've told us it worked well for you.

You can let us know what you thought about your new-style statements by [emailing us](#).

Pensioners: Guaranteed Minimum Payment (GMP) case studies

We've provided more information about GMPs in the latest [In Focus](#) and [online](#).

See the [FAQs](#) and read our case studies to find out what this might mean for you.

[GMP case studies – females](#)

[GMP case studies – males](#)

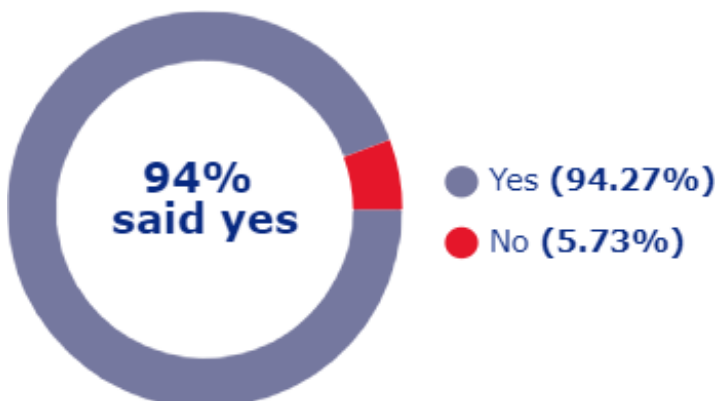
Please [share your feedback](#) on the case studies.

...in this bulletin.

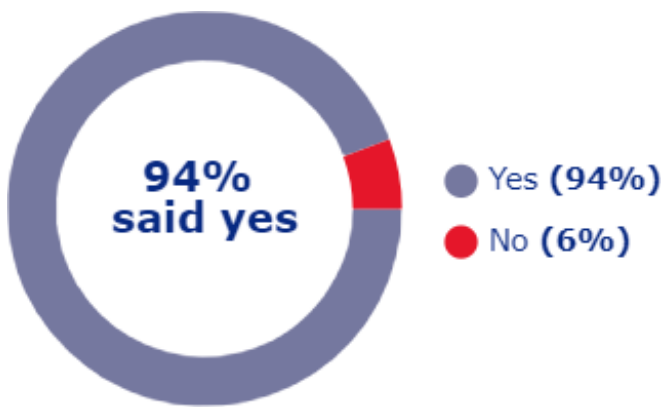
In one of our recent surveys we asked you what you thought of your winter bulletin.

You'll notice some of your requests are included in this summer bulletin. Here's what you told us:

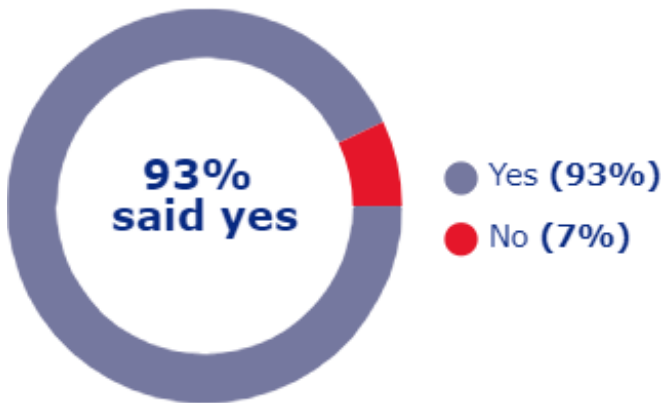
Did you find the bulletin interesting?



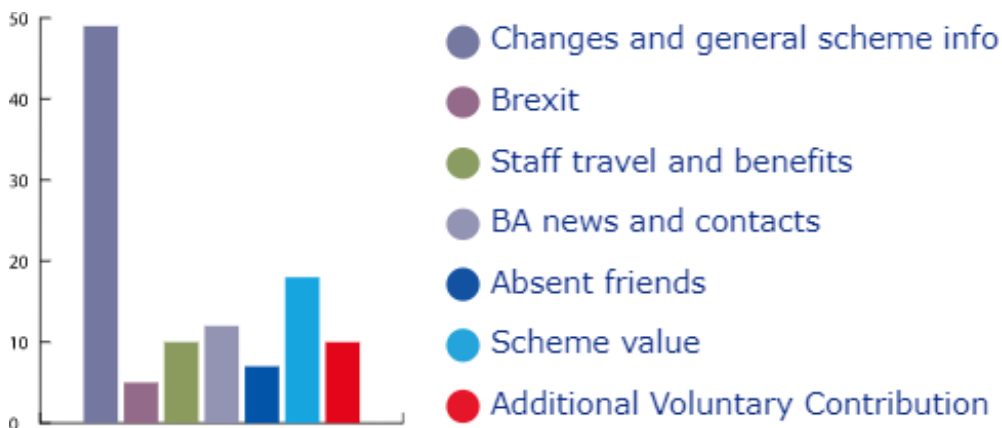
Was the information useful?



Was it easy to read and understand?



Topics you'd like us to include in our future bulletins are...



To see the obituaries visit [Absent friends](#).

Don't let someone else enjoy your retirement

Cold calling about pensions is now illegal, but we still want you to stay vigilant.

Keep up to date with how to avoid pension and investment scams by checking the [Financial Conduct Authority's website](#).

What else is in pensions news?

How Brexit is affecting pensions

In our survey about the winter bulletin, you told us you wanted more news about Brexit.

The date the UK was due to leave the European Union (EU) has been and gone without the process being completed.

Here are a few answers to some of the questions you may have.

Will my pension be at risk?

Your Scheme is a 'defined benefit' scheme, which means your retirement benefits are paid from the Scheme's money instead of a personal pot of money. We, the Scheme's Trustee, are responsible for how the Scheme's money is invested and we review this regularly, including reviewing the potential impact of Brexit.

We review funding risks, especially to investments, and act accordingly. If there are any shocks in the market or other short-term risks, we have plans in place to deal with them.

When we leave the EU, what other risks are there to the Scheme?

Various issues, whether political or economic, have the potential to affect investments. This is why we invest the Scheme's money in lots of different funds in the UK and overseas so that any risk is spread out over a wide range of investments.

The Company, BA, is committed to making up any shortfall in the Scheme's assets. What impact will there be on the Company?

Companies can't be 100% certain of the exact impact Brexit will have on them. If the Discretionary Increases settlement proposal is approved by the High Court, the funding level is expected to show a surplus, rather than a deficit, and BA's existing contribution and funding arrangements are not expected to be needed.

Under the terms of the settlement proposal, BA will not be required to make deficit or cash sweep contributions to APS after December 2018. However, BA will continue to support the Scheme, making a contingent payment available of up to £40million, if it is required by APS in future, to fund the proposed package of Discretionary Increases.

We, the Scheme's Trustees, are fully committed to paying your pensions in full, regardless of political developments.

New Money and Pensions Service launched

You might hear about a new guidance body called the [Money and Pensions Service \(MAPS\)](#).

Set up by government, it's bringing together three bodies of financial guidance: the [Money Advice Service](#), The [Pensions Advisory Service](#) and [Pension Wise](#) into one single organisation.