

# Rolls-Royce UK Pension Fund (RRUKPF)



## Information about divorce and your pension for deferred members of the scheme

This information applies in respect of RRUKPF benefits only. If you have a membership (or memberships) of The Rolls-Royce Retirement Savings Trust (RRRST), you must request this information from Aviva. You can contact the RRRST administration team at Aviva on 0345 604 0803 or by email at [rolls-royce.mymoney@aviva.com](mailto:rolls-royce.mymoney@aviva.com).

Please provide a copy of this information to everyone involved in the pension share, as it details how we implement any sharing order issued by the courts

### Ways of dealing with pension benefits on divorce

When a member of the RRUKPF divorces, the value of their pension rights may be taken into account. The Rolls-Royce pensions team will provide a valuation of a member's accrued pension in the RRUKPF for this purpose. To receive a valuation, you must complete and return Form PS2, which can be found at the end of this document.

In many divorces, the assets of the couple may be used to compensate for the value of the pension. However, the Court can make an order for either:

- *Earmarking* a pension (like paying maintenance) or for payment of a lump sum on retirement or death, or
- *Sharing* which means reducing the member's rights and creating new rights in their ex-wife's or husband's name.

Further details are given below. Please note that this document is designed to provide a helpful summary of the options available, but it is no substitute for legal advice from a practitioner in the field of family law. Also, it is not exhaustive, and some individual cases may differ from the general principles.

Please note that sharing and earmarking are mutually exclusive. A sharing order cannot be made against a member whose rights in the RRUKPF are already subject to an earmarking order.

### Pension sharing order

Where a pension sharing order has been made, the liability for the pension credit will be settled by the RRUKPF by transferring money to another pension arrangement nominated by the ex-spouse.

The transfer must be made to another approved pension arrangement. It cannot remain in the RRUKPF. The ex-spouse should seek independent financial advice when choosing a pension arrangement.

### Earmarking order

If an earmarking order (also known as an attachment order) is made, some or all of the member's pension will be paid to their former spouse. The payments are made from the member's taxed pension and cannot be more than the net amount of that pension. The payments will stop if the member dies or (unless the order states otherwise) if the ex-wife or husband remarries.

However, a lump sum order is not normally affected if the ex-wife or husband remarries. The lump sum will be paid out of the tax-free commutation lump sum on retirement as and when the member retires. The member cannot be ordered to retire at a specific age or date.

The Court can order that in the event of the member's death, a certain amount or proportion of any lump sum death benefits in the RRUKEPF be paid to the member's ex-spouse (but not the member's children). In addition, any dependants may be eligible for consideration for a dependant's pension, but these are only granted at the discretion of the Trustee. The Court cannot make an order against any future spouse's pension of the member, and it cannot order payment of a dependant's pension.

### Valuation of benefits

An estimated valuation of the member's benefits in the RRUKEPF will be provided to the member on request (this must be accompanied by a completed Form PS2, which can be found at the end of this document). It will also be provided to the Court if so required.

For a member who has not yet retired, the cash equivalent transfer value is calculated as the current actuarial value of the accrued benefits, projected to the assumed date of payment and allowing for guaranteed pension increases, and discounted back to the effective date of calculation using appropriate actuarial assumptions. The transfer values are calculated in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008.

If a pension sharing order is made, we will calculate a new cash equivalent transfer value (CETV) when implementing it and any funds transferred will be based on the new CETV, which may be higher or lower than the initial quotation.

### Valuation differences in Scottish Law

The way that your pension is valued is different depending on where you live in the UK you live. In Scotland, only the value of the pension that you've built up over the course of your marriage is included. Anything relevant to before you entered into a formal partnership together, or following the termination of this, is excluded.

In England and Wales, the valuation covers the whole of your pension entitlement in the RRUKEPF. We cannot provide valuations for the period of the partnership.

### Charges

The Trustee recognises the difficulties faced by couples going through divorce and would not normally intend to charge for providing routine pension information. However, the Trustee does reserve the right to charge a fee in particularly complex cases, and to recover actuarial costs and other fees incurred. Details of our charges are shown below:

Type of request	Charge for providing requested information
Produce a standard cash equivalent transfer value (CETV) quotation (normal annual entitlement under PSA 1993)	No charge
Providing a second standard CETV over and above your normal entitlement	No charge
Provide a subsequent standard CETV	£ 150 + VAT per additional quotation

Provision of other information:	
Under disclosure of information regulations Otherwise, depending on the nature of the request	No charge Up to £1,000 + VAT
Fees incurred from professional advisers	Up to £4,000 + VAT
Implementation of pension sharing order	£750 - £1,000 + VAT depending on complexity
Objections to the order by the RRUKEPF	Costs for dealing with inoperable orders will be passed on up to £1,000 + VAT

Any charges are to be paid by the member, unless the Court orders otherwise, and these must be paid before the period for implementing a pension sharing order will begin. The RRUKEPF does not allow the charges to be deducted from the cash equivalent value and you should make all parties aware of this before any Order is agreed.

### Other information

The Court has powers to require other relevant information. The RRUKEPF will comply with any such order unless it is legally prevented from doing so.

If you have any other questions not covered here or in the FAQs at [www.rolls-roycepensions.com](http://www.rolls-roycepensions.com) please send us a secure message from your account or contact us using any of the methods given previously in this guide.

Some of the terminology used in this guide will be different under Scottish Law. However, other than the valuation method noted above, the implementation of the pension share proceeds in the same way as described here.

### Court Orders

Before issuing a Court Order, the Trustee requires a draft of the Order to be provided. This is so we can review the draft Order to check that it is operable. Failure to provide a draft Order may result in the Court Order being rejected by the Trustee if it is incompatible with the rules of the RRUKEPF.

Any Court Order (or draft Order) in respect of RRUKEPF benefits should be sent to Rolls-Royce Pensions (A-90), PO Box 31, Derby, DE24 8BJ. You can also use this address for any other correspondence. Members can send secure messages to the pensions team by logging into their account at [www.rolls-roycepensions.com](http://www.rolls-roycepensions.com) and our general enquiries email address is [pensions.web@rolls-royce.com](mailto:pensions.web@rolls-royce.com)

### What we do on receipt of a Court Order

The RRUKEPF provides a pension credit for a member's spouse by transferring money to another pension arrangement chosen by them. They cannot retain their share in the RRUKEPF, even if they are already a member in their own right.

The following information about the receiving arrangement will be required before the period for implementing the order will begin:

- Full name of receiving arrangement
- Address
- Former husband's or wife's membership number or policy number in that arrangement

- Details of a person to contact about the transfer, including their name or title, business address, business telephone number and e-mail address

On receipt of a pension sharing order, the RRUKEPF will issue documentation letting all parties know what is required of them.

If a member or their ex-spouse do not comply with our requests for information when implementing a court order, the order will not be implemented. The Rolls-Royce pensions team cannot intervene on behalf of either the member or the ex-spouse in any disputes. If the member or ex-spouse has any concerns about the other party obstructing or delaying implementation of the court order, they must seek legal advice.

The Trustee reserves the right to request information about the member's state of health if a pension sharing order is to be made.

If a pension sharing order is made in favour of a member's ex-spouse, but that person dies before the order has been implemented, the RRUKEPF will pay any benefits to that person's dependants.

The Trustee confirms that the RRUKEPF is not winding up, cash equivalent transfer values are being paid in full and the RRUKEPF is fully funded.

If a pension sharing order is made, we will calculate a new cash equivalent transfer value (CETV) when implementing it and any funds transferred will be based on the new CETV, which may be higher or lower than the initial quotation.

#### Final implementation of a Pension Sharing or Earmarking Order

While the Court will provide a date that the Order should be implemented at, this does not mean that any transfer will take place on that date. The Order will state that the Trustee has a period of four months to discharge its liability, commencing on the later of:

- a) The day the Order takes effect; or
- b) The first day in which we are in receipt of:
- c) The pension sharing order and annex
- d) A copy of the Final Order (or Decree Absolute if the court issued your divorce application before 6 April 2022)
- e) Payment of all outstanding charges
- f) Details of the ex-spouse's receiving pension arrangement (we will let you and your ex-spouse know what technical details we need to enact the transfer on receipt of a Court Order)

In summary, this means that the four month period in which we must discharge our liability will only begin once all the information detailed above has been received by the Rolls-Royce pensions team.

#### How you can help us

Implementing a pension earmarking or sharing Order is complicated and involves a number of parties. Please ensure that everyone has a copy of this information and that all parties respond promptly to any requests for information. The Rolls-Royce pensions team will not be liable for any delays caused by the failure of parties to engage with the process and will not intercede where one of the parties does not comply with the terms of the Order.

# THE ROLLS-ROYCE UK PENSION FUND - FORM PS2

Written consent for valuation and provision of information in connection  
with matrimonial proceedings



Your full name	
Your date of birth	
Your pension number	
Your national insurance number	
Full name of the pension scheme	The Rolls-Royce UK Pension Fund
Are you a deferred or pensioner member?	Deferred / Pensioner <small>please indicate</small>
Have divorce proceedings formally commenced?	Yes / No <small>please indicate</small>
Is the divorce subject to English or Scottish Law?	English / Scottish
If Scottish law, please provide the 'relevant date' The relevant date is the earlier of the date on which parties cease to cohabit and the date of service of the summons in the action for divorce.	
The name and contact details of your solicitor Please provide address (postal and email) and a contact name and telephone number	
Do you authorise the Trustee to provide your solicitor with any pension information they request in relation to your membership in the RRUKEPF?	Yes / No <small>please indicate</small>
Do you authorise the Trustee to provide your spouse with any pension information they request in relation to your membership in the RRUKEPF?	Yes / No <small>please indicate</small>
Do you authorise the Trustee to provide your spouse's solicitor or financial adviser with any pension information they request in relation to your membership in the RRUKEPF?	Yes / No <small>please indicate</small>  Regardless of your choice here, we may be required on receipt of a Court Order to provide information to your ex-spouse's representatives for the purpose of implementing the Order.

I confirm that I have received a schedule of the Trustee's charges for processing pension divorce cases and agree to pay these as and when they arise. I understand that all charges must be paid before the period for implementing a pension sharing order will begin.

<b>Signed by the member</b>	
<b>Dated</b>	

Please return this completed form to us at Rolls-Royce Pensions (A-90), PO Box 31, Derby, DE24 8BJ. You can also email us a scanned copy (as long as you've signed it) to [pensions.web@rolls-royce.com](mailto:pensions.web@rolls-royce.com)