

Application to leave the HSC Pension Scheme – (SD502)

Opting Out – Important Information

To the employee - please complete part 1 of the form. Send part 1 and part 2 to your Payroll Department. They will complete part 2 and take appropriate action. Please keep a copy of this form for your reference. If you are a Dental Practitioner, complete Part 1 and return to Dental Payments Section, Business Services Organisation, 2 Franklin St, Belfast, BT2 8DQ.

The benefits payable from the HSC Pension Scheme are valuable and anyone considering opting out of the scheme should think very carefully before making such an important decision. Before you decide, please look at the member information on our website. You should also read the Leaving Early and Transferring Out factsheet that tells you about any pension rights you have earned so far. All the information can be found on the website at: www.hscpensions.hscni.net or by asking your employer for a copy.

Some general points to help you decide

- You will be giving up your rights to any further benefits from the Scheme in this employment.
- HSC Pension Scheme benefits are fully guaranteed by the Government.
- As a scheme member you pay a contribution towards your pension based on your pensionable pay. Your HSC employer also contributes an amount equal to 13.3% of your salary towards your pension.
- Contributions are taken from your pay before tax so you receive tax relief on any amount you pay. Currently you may also pay a lower rate of National Insurance. This may reduce the actual amount that you pay depending on your contribution rate, earnings level and personal rate of tax.
- There is a calculator on our website at www.hscpensions.hscni.net which you can use to see some of the impacts of choosing to opt out of the HSC Pension Scheme.
- Unless you are absent from duty for any reason you may apply to join or re-join the scheme at any time subject to the scheme rules.

Benefits you will be giving up if you opt out of the HSC Pension Scheme

- An annual pension payable for life.
- If you are a member of the 1995 Section you will also get a retirement lump sum. This is usually tax free.
- The option of giving up some of your pension to get a bigger lump sum. You could receive £12 of lump sum for every £1 of pension you give up, usually tax free.
- Ill health benefits if you become too ill to work.
- Life assurance cover (a lump sum payment) and family benefits if you die - pension benefits for your dependants, including children.

Think Carefully!

Deciding to opt out of your employer's occupational pension scheme is a major financial decision. If you are in any doubt about which pension arrangements will be the best for you, you may wish to seek independent financial advice.

Before you ask for advice, make sure you know which type of financial adviser you are dealing with. Most financial advisers will charge for their advice.

Your employer may be able to help you find a source of independent financial advice or you can use the contacts below to obtain a list of local companies.

IFA Promotions Limited - www.unbiased.co.uk
The Personal Finance Society - www.findanadviser.org

It is advisable to check that any company you choose is authorised with the Financial Services Authority at:

25 The North Colonnade
Canary Wharf
London, E14 5HS
Telephone: 0845 606 1234 or visit their website www.fsa.gov.uk

Alternatively, if you wish to consult The Pensions Advisory Service (TPAS) for help, their address is:

11 Belgrave Road
London
SW1V 1RB
Telephone: 0845 601 2923 or visit their website www.pensionsadvisoryservice.org.uk

Completing the form

If you have decided that you don't want to be in the HSC Pension Scheme, please complete part 1 and hand it directly to your Payroll Department at your place of employment. It is important that this form reaches them as soon as possible after you have decided to opt out, so that your payroll details can be updated. If you work in more than one HSC employment you will need to complete a separate form for each employment.

Notes

When the Payroll Department at your employer gets this form they will stop taking pension contributions from the first day of the next pay period.

This is NOT an application form for a refund of contributions.

If you do opt out of the Scheme the contributions you have paid may either be:

- refunded
 - either locally from your employer – you can contact your employer to clarify this once they have received your form, or
 - on application to HSC Pension Service using the claim form REF1.
- or deferred for payment either when you transfer out of the HSC Pension Scheme or take payment of benefits at retirement or because you have died.

This form **cannot** be signed until after you have joined the HSC Pension Scheme, e.g. if you start work in the HSC on the 1st of the month you will join the HSC Pension Scheme on that date, you cannot opt out before the 2nd of the same month.

Part 1 – Application to leave the HSC Pension Scheme

If you want to opt out of pension saving, fill in this form and give it to your employer.

To the employee - complete this page. Return the completed form to your employer's Payroll Department - They will complete part 2 and take appropriate action. Please keep a copy of this form for your reference.

Notes

- When your employer's Payroll Department receives this form, they will stop taking pension contributions from the first day of the next pay period.
- This is NOT an application form for a refund of contributions – you will need to complete claim form REF1.
- Please read the Leaving Early and Transferring Out factsheet in the Member's Guides section of our website: www.hscpensions.hscni.net or you can ask your employer to download a copy for you.

Please use **CAPITAL** letters using black ink

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|--------------------------------|--|---|
| Title (e.g. Mr, Mrs, Miss, Dr) | Address | |
| <input type="text"/> | <input type="text"/> | |
| Surname | <input type="text"/> | |
| <input type="text"/> | <input type="text"/> | |
| Former surname (If applicable) | Post Code | <input type="text"/> |
| <input type="text"/> | Email address | <input type="text"/> |
| Other names | Payroll number | Gender |
| <input type="text"/> | <input type="text"/> | M <input type="checkbox"/> F <input type="checkbox"/> |
| Date of birth | Is this your first job in the HSC? Yes <input type="checkbox"/> No <input type="checkbox"/> | |
| <input type="text"/> | Is this the first time you have chosen to leave or not join the HSC Pension Scheme? Yes <input type="checkbox"/> No <input type="checkbox"/> | |
| Job | | |
| <input type="text"/> | | |

Reason for opting out (Please tick relevant box)

Personal/Financial reasons Joined another scheme Contributions Increase

Changes to the scheme other than contributions increase, eg: retirement age increase – in line with state pension

Other

Declaration

- I have read the information that comes with this form and the Members Guide to the HSC Pension Scheme
- I understand that I am giving up my rights to any further benefits from the Scheme in this employment
- I understand that unless I am absent from duty for any reason I may apply to join or re-join the Scheme at any time subject to the scheme rules
- I wish to opt out of pension saving
- I understand that if I opt out I will lose the right to pension contributions from my employer
- I understand that if I opt out I may have a lower income when I retire

Signed Date

What you need to know

- Your employer cannot ask or force you to opt out.
- If you are asked or forced to opt out you can tell the Pensions Regulator – see www.thepensionsregulator.gov.uk
- If you stay opted out your employer will normally put you back into pension saving in around 3 years
- If you change job your new employer will normally put you back into pension saving straight away
- If you have another job your other employer might also put you into pension saving, now or in the future. This notice only opts you out of pension saving with the employer you name above. A separate notice must be completed and given to any other employer you work for, if you wish to opt out of that pension saving as well.

Part 2

To be completed by the Employing Authority. Please write in CAPITAL LETTERS using BLACK INK

2.1 When was the member enrolled? (Please confirm date):

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2.2 Was the member enrolled from the day (Please tick one option):

- 1 They started work (non eligible worker), requested to join or rejoin the HSC Pension Scheme?
or
2 They started work (eligible worker), they became an eligible worker, or after the previous opt-out notice ceased to have effect (e.g. staging/re-enrolment date)?

2.3 If you ticked '1' did you receive the SD502 within the opt out period?
The opt out period is one month from the member's start date.

Yes No

2.4 If you ticked '2' did you receive the SD502 within the opt out period?
The opt out period is one month from the later of the date the member:

Yes No

- Was enrolled; or
- Was provided with written enrolment information.

Please confirm this date:

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2.5 If you ticked '2' and the SD502 had been incorrectly completed, was the corrected form received within the opt out period, when extended from one month to 6 weeks from the later of the dates at 2.4?

Yes No

2.6 If you ticked 'Yes' to 2.3, 2.4 or 2.5, please refund any contributions locally for this period of membership. Please tick if this applies.

2.7 If you ticked 'No' to 2.3, 2.4 or 2.5 we will pay any refund when we receive the claim form REF1. Please tick if this applies.

2.8 Please complete the employment details:

NI Number

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Whole-time or part-time

Whole-time Part-time

The employee's last day of Scheme membership

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Sign and date this form and retain for your records.

Signed

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Date

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EA/GP
Stamp

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