

SCHEDULE 1

The Royal Mail Statutory Pension Scheme Rules

PART II

THE GENERAL RULES OF THE SCHEME

Non-assignability of benefits and forfeiture

5.—(1) Benefits under the RMSPS cannot be assigned or charged; subject to General Rules 4(3) and (4), they will not be paid to anyone except the person entitled under these Rules. Subject to the Surrender and Forfeiture Laws as applied to the RMSPS under Clause 19 (Surrender and Forfeiture Laws) a benefit will cease to be payable if—

- (a) the person entitled to the benefit under these Rules tries to assign or charge it or becomes bankrupt; or
- (b) any other event occurs by which all or part of the benefits would become payable to some other person.

(2) If a benefit ceases to be payable under sub-paragraph (1) above, the Secretary of State shall be at liberty in his absolute discretion to pay an equivalent benefit to, or for the benefit of, one or more of—

- (a) the person who was entitled to the original benefit; and
- (b) that person's spouse and dependants.

If the Secretary of State decides to pay the benefit to more than one person, he will pay it in such shares as he decides.

(3) Sub-paragraphs (1) and (2) above do not apply to GMPs since, by law, they cannot be assigned; any attempt to assign GMPs is void and will be ignored. Nor do these Rules apply to any lump sum or instalment of pension that falls due for payment before the benefit otherwise ceases to be payable.

(4) The Secretary of State may, in accordance with Section 92(5)(b) of the Pensions Act 1995 as applied to the RMSPS under Clause 19 (Surrender and Forfeiture Laws), forfeit a claim for pension or other benefits under the RMSPS where such pension or benefits are not claimed by the Member or beneficiary within 6 years of the pension or benefit becoming due. The Secretary of State shall have full powers to determine the circumstances in which he shall exercise this power.

(5) A Member's benefits may also be set-off in accordance with Clause 16 (Set-off for crime, fraud or negligence).