



# Enhanced Defined Benefit (DB) pension benefits on redundancy

This guide explains how your ESPS DB pension benefits are treated if you are in a severance/ redundancy situation.

The table below shows how your pension and lump sum would be calculated in this situation.

The actual severance payment in relation to termination of employment is dealt with separately.

## Enhanced pension benefits on redundancy: how it works

Age at point of redundancy	Benefit for members
Under age 50	Your pension will become deferred and will remain in the Scheme.  Immediate payment of your pension and lump sum from age 50 calculated using your pensionable salary and service as at your date of leaving with <b>no</b> reduction for early payment
Over 50	Immediate payment of your pension and lump sum calculated using your pensionable salary and service as at your date of leaving with <b>no</b> reduction for early payment

### AVC options (if applicable)

If you are over 55 you can access your AVC pot at the same time as your DB benefits or you could decide to leave it invested

If you are under 55 and start to take your pension you must take your DB benefits and AVCs at the same time. If you don't, any benefits you receive before age 55 would be unauthorised payments and result in extra tax for you and the scheme

For further information please contact RailPen

enquiries@railpen.com

02476 472 583