

May 2023

BW Plan

RETIREMENT PROCESS

Intended for BW Plan vendors and member use.



INTRODUCTION

When a BW Plan member approaches retirement, they can consider how they will take their benefits from the plan. Members can take their pension from age 65*. They may be able to take it earlier provided they have reached the age 55, or (due to recent Government changes) from 6 April 2028, age 57.

With one year remaining to the '**normal retirement age**' **65***, the administration team at **XPS** will write to the member to engage them in the retirement process sharing a **retirement pack**. At this point, the member will be able to review the options available to them in the pack. The member does not have to wait for this pack, they can initiate the process themselves if they want to retire earlier and meet the criteria.

This document purely focuses on the process for accessing retirement benefits from the pension providers and not on the retirement process from the workplace.

** Some Margam members have an NRD of 60.*

THE RETIREMENT OPTIONS

There are **five** retirement **options** shared in XPS's retirement quote pack:

Option 1

Take full DB Pension

Option 2

Take DB pension with
up to 25% tax free cash

Option 3

Take DB and Aegon
funds separately

Option 4

Take DB pension with
approved switchback
from Aegon fund

Option 5

Transfer DB funds to
another scheme



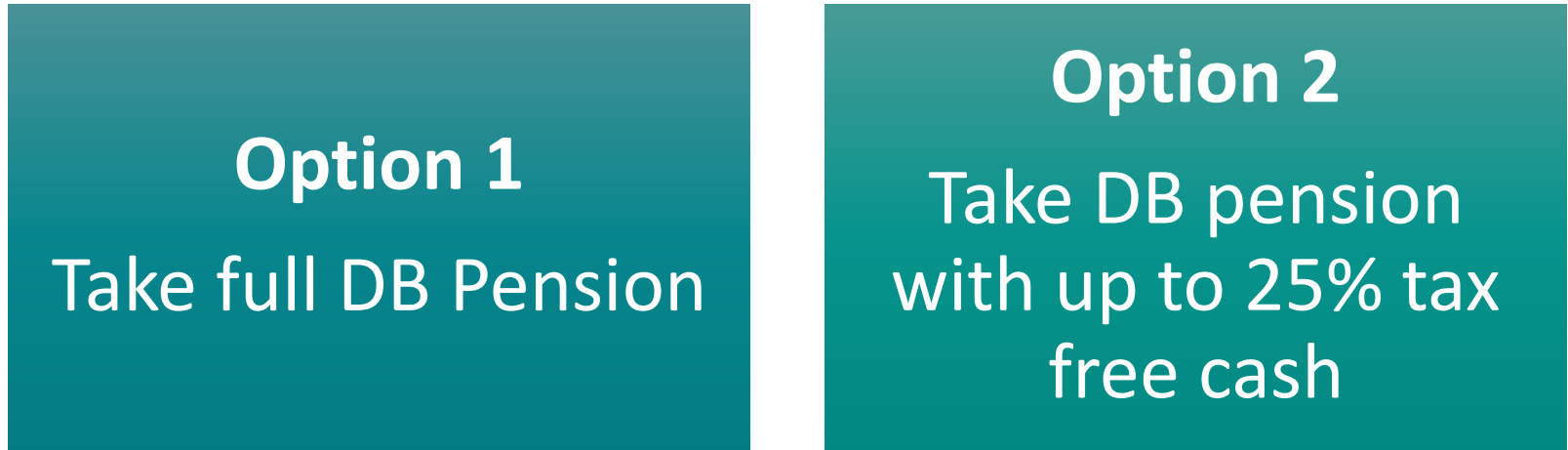
Options 3 & 4 only applies to BW Plan members who are also members of the BorgWarner section of the Aegon Master Trust (DC) arrangement.

OPTIONS 1 & 2

Taking DB pension benefits – standard retirement

3

PROCESS FOR OPTIONS 1 & 2



Member completes the forms within the retirement pack, indicate their choice and returns forms to XPS



Member receives pension from XPS

This process can be used for members of the BW Plan (DB)

OPTION 3

Taking DB & DC pension separately

5

PROCESS FOR OPTION 3

Option 3
Take DB and Aegon funds separately

Simplified Process



Member completes the forms within the retirement pack and returns to XPS



Member contacts Aegon separately for their Aegon pension



Member receives pension from XPS



Member selects their DC options with Aegon and then receives their pension

This simultaneous process can be used for those who are members of both the BW Plan (DB) and the Aegon Master Trust (DC).

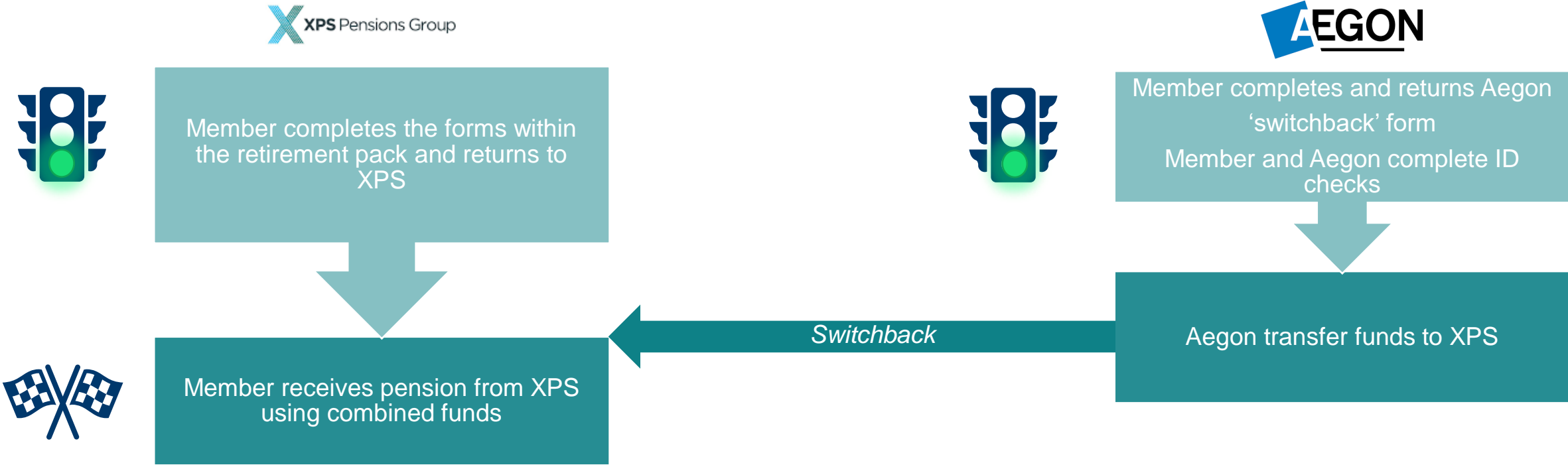
OPTION 4

Taking DB pension with approved switchback from DC pension.

PROCESS FOR OPTION 4

Option 4
Take DB pension with approved switchback from Aegon DC plan

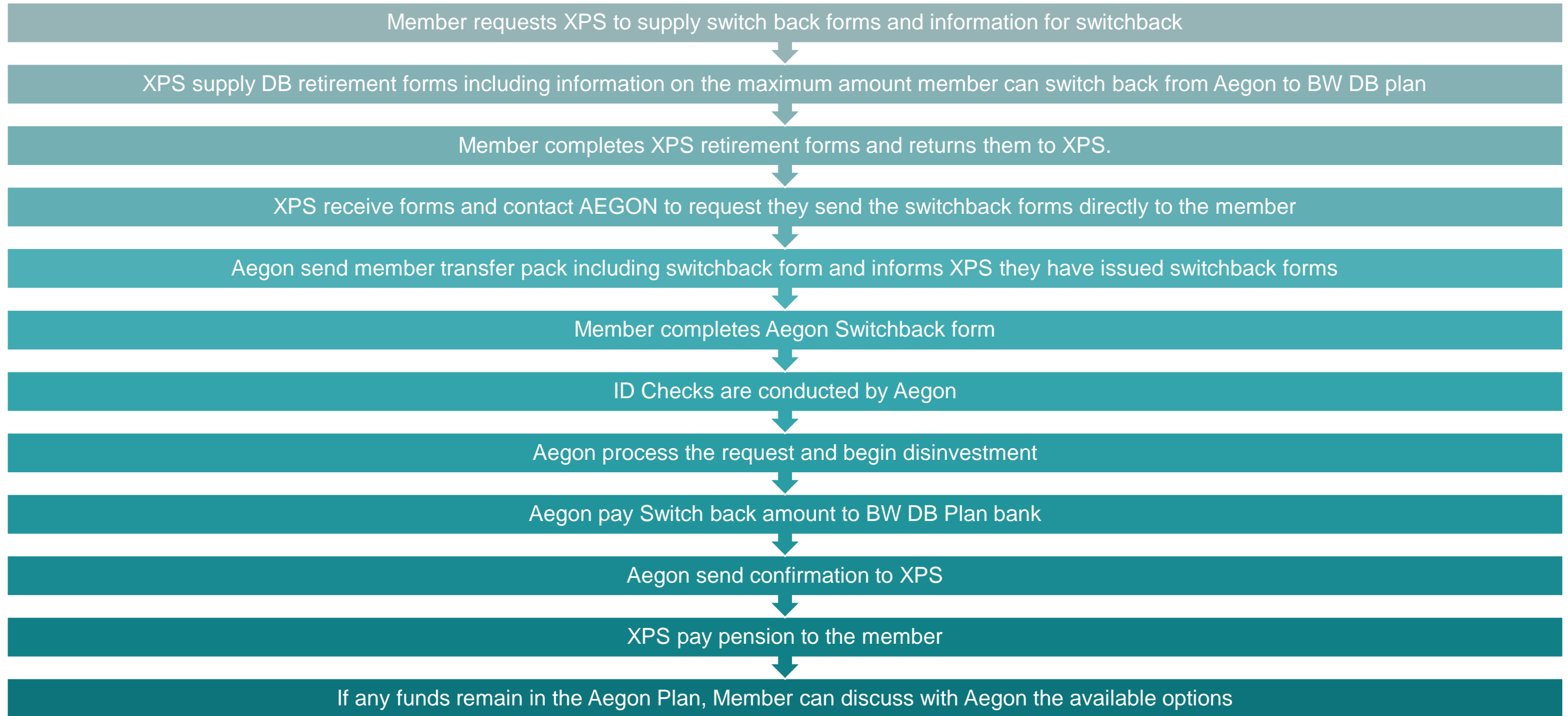
Simplified Process



This converging process can be used for those who are members of both the BW Plan (DB) and the Aegon Master Trust (DC). Details of the switchback process are on the following page.

SWITCHBACK PROCESS

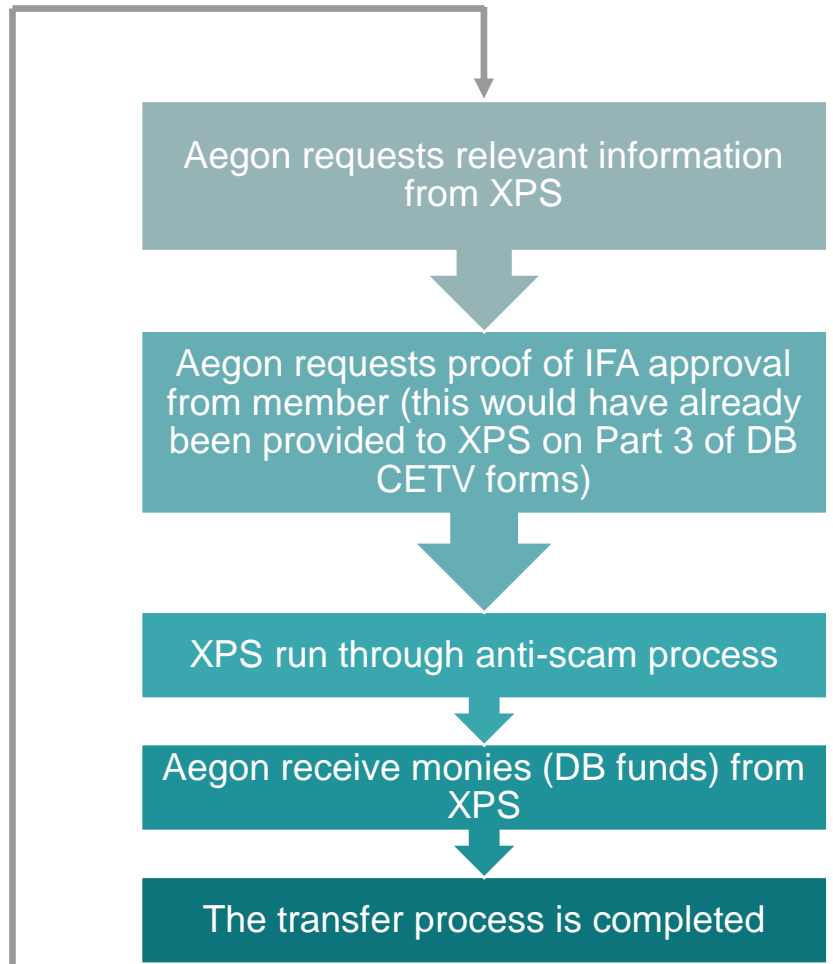
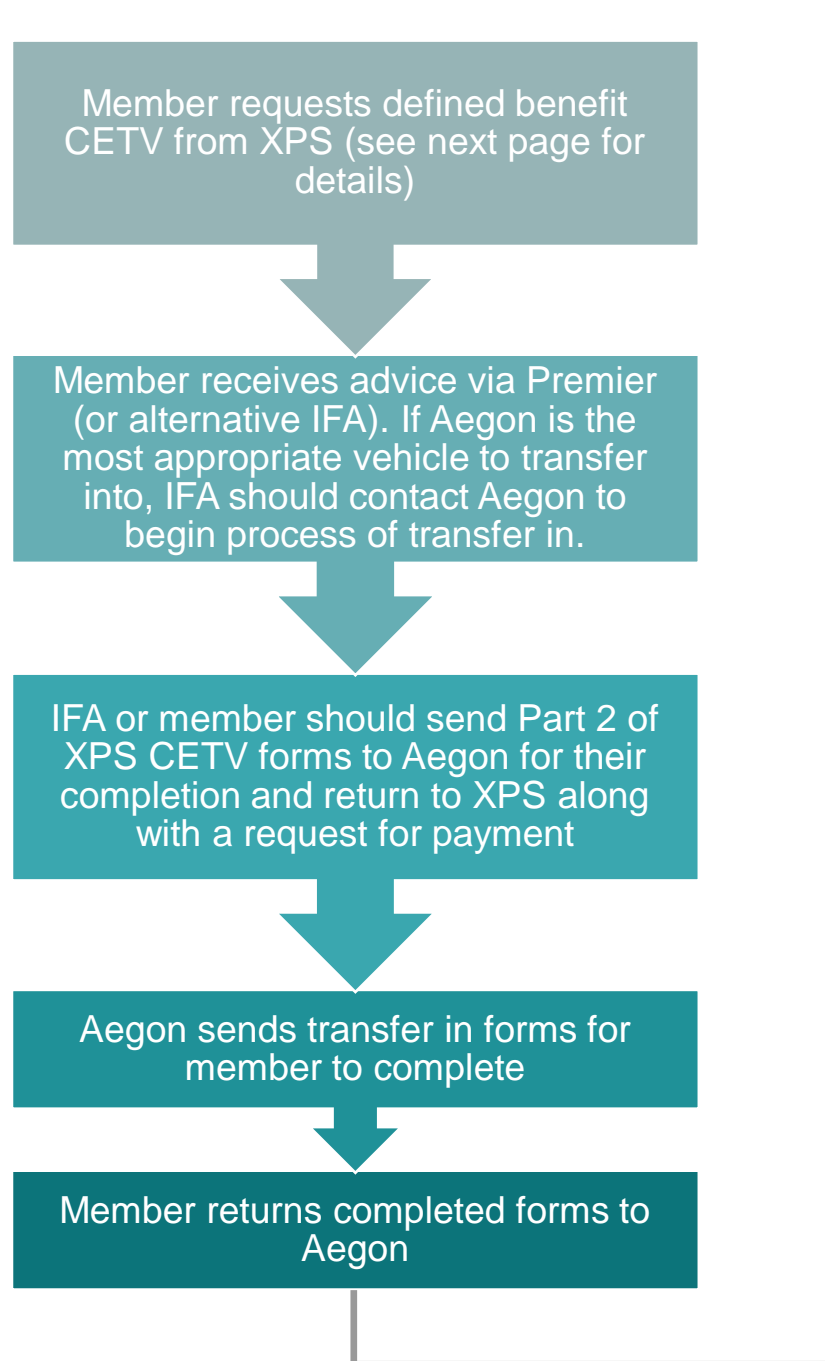
Aegon DC pension to DB
switchback detail



OPTION 5

Transferring DB funds to another scheme

PROCESS FOR OPTION 5

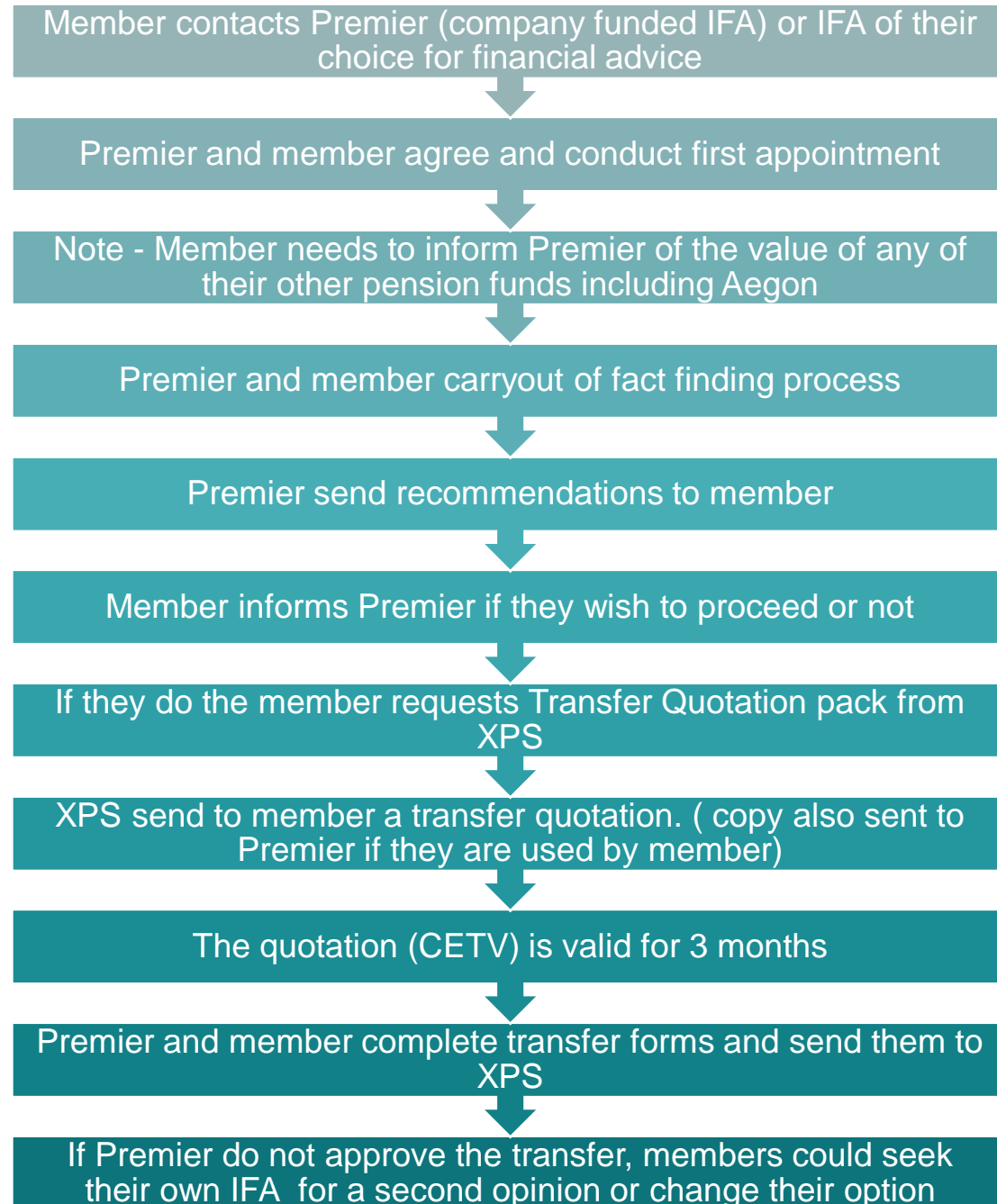


This transfer process can be used for those who are members of the BW Plan (DB) and the Aegon Master Trust (DC) or to any other plan that can accept the transfer.

Option 5
 Transfer DB funds to another scheme (e.g. Aegon Master Trust)

XPS Transfer Form Information		
Form	Description	Completed by
Part 1	Authority to transfer	Member
Part 2	Receiving arrangement Information	New scheme
Part 3	Financial Advice	Member & IFA
Part 4	'Contracted Out' rights	Member
Part 5	Conditions for Transfer, Member Declaration	Member

OBTAINING CETV



OR
Alternatively

Member works with IFA (Independent Financial Advisor) of their choice

**Applying for option 5
Obtaining CETV (transfer value) from XPS**

XPS Transfer Form Information

Form	Description	Completed by
TV Authority	Transfer out authority (part 2) Must be completed in 3 months	Member
TV Out	Transfer Out Declaration (Financial Advice)	Member
TV Declaration	Transfer Out Declaration (Contracted out Rights)	Member

This page details how a member obtains a Cash Equivalent Transfer Value (CETV) document from XPS in order to pursue a transfer out of the BW Plan.



DC TRANSFER PROCESS



DC Transfer
Transfer From Aegon to any other DC plan

Transfer Quotation Pack
Details to buy an annuity
Details to receive an income drawdown
Details to receive lump sum.
DC switchback option
CETV transfer forms

This transfer process can be used for those who are members of the Aegon Master Trust (DC) to enable the transfer to any other provider that will accept the transfer.



BorgWarner

USEFUL CONTACTS

XPS – helpdesk

Phone – 0113 284 8050

Email – bwplan@xpsgroup.com

AEGON – helpdesk

Phone – 01733 355814

Email – my.pension@aegon.co.uk

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