

News: Nominate online for peace of mind

Your Nomination Form can now be filled in online, making it easier than ever to keep your records up to date.

Over half of RPS active members have still not filled in their death benefit nomination form (known as a PM39). This lets the Trustee know who you'd like to nominate to receive lump-sum death benefits if you die.

The good news is that the form can now be completed online at www.pensionfriend.co.uk. There are no downloads, printouts or postage to worry about, and you don't even have to leave the comfort of your favourite chair.

If preferred, you can still request a form by ringing the Helpline on 0800 2 343434. Alternatively, it can be downloaded from the Railway Pensions website at www.railwaypensions.co.uk to fill in, sign and return.

Should I change my current nomination form?

You might have already filled in a nomination form ... but is it up-to-date? Circumstances change and can sometimes be a lot more complicated than you think. You might be in a new relationship, have new additions to the family or have gone through a bereavement.

Tracking down your beneficiaries can be time-consuming for RPMI, particularly if your Will hasn't been updated or there are other claimants (such as creditors) on your estate.

Simply fill in a new Nomination Form (online or paper copy) and send it back to us. Any new form you submit will automatically replace your old form, and could avoid unnecessary delays to payments.

It's very important to note that, although the Trustee doesn't have to follow your wishes, it will certainly consider them when looking at your personal circumstances at the time of your death. Even if your circumstances haven't changed, the more current the form is, the more confident the Trustee will be that it reflects your wishes.

If you would like to find out how much your life assurance is worth, your Annual Pension Estimate is available on www.pensionfriend.co.uk

Bill's story...*

RPS member Bill and his wife had one child together.

Midway through his service the couple separated. Bill went on to meet his partner and they also had a child together, but then Bill suddenly died. When the Trustee received the case, it was discovered that Bill had not updated his original Nomination Form, which named his wife (whom he hadn't divorced) and first child as possible beneficiaries of his lump-sum death benefit.

When the Trustee considers who is awarded the lump-sum death benefit, they must consider possible beneficiaries as described in the Scheme rules.

Although Bill's employer advised the Trustee that Bill's next of kin was his partner, his Nomination Form named his wife and first child as 'beneficiaries', meaning that the Trustee must at least consider whether the lump-sum death benefit should be paid to them.

As the Trustee was aware of his new partner and second child, they contacted her to supply more details about their relationship, including information about their financial situation and details of any interest she had in Bill's estate.

The Trustee has delegated certain limited powers to RPMI to act on its behalf: in these circumstances RPMI would not be able to pay the lump-sum death benefit, but would have to refer the case to the Trustee.

The Trustee would then decide how payment of the lump-sum death benefit should be split between some or all of Bill's beneficiaries; in this case, his estranged wife, his partner and his two children.

In the next issue, we'll explain how the Trustee decides who is awarded survivors' benefits.

(*Name and circumstances are fictional)

Important advice for beneficiaries

Your beneficiaries can expect the following procedures to apply if you die in active service:

- Your employer contacts RPMI, who checks your record for a completed Nomination Form and for the next-of-kin named on the Death In Service form. This is normally done within five working days.
- Lump-sum death benefit (LSDB) declaration forms are sent to nominated beneficiaries and your next-of-kin. Extensive efforts are made to locate possible beneficiaries, and RPMI will chase them up after four weeks if there is no response.
- Once the checks are completed, additional LSDB declaration forms are sent out if other potential claimants are located (for example, other people who are named in your Will or mentioned on the original LSDB form).
- If the claim is straightforward and there is no dispute, RPMI may be able to pay out the lump-sum death benefit under its delegated powers, as granted by the Trustee.
- The Trustee considers more complicated claims, and RPMI may ask potential beneficiaries for more information about their relationship with you to help the Trustee decide how to pay the benefit.
- Only full and original certificates can be accepted for consideration in support of claims, such as Birth Certificates and Death Certificates. RPMI will also need to see the Will and any legal documents - Grant of Probate or Letters of Administration (or Confirmation in Scotland). The receipted funeral account and details of relevant debts and other liabilities will also be requested. All original certificates will be returned as soon as possible.
- It must be stressed that every case is different, and is dependent on individual circumstances. For further enquiries, please contact the Helpline on 0800 2 343434.