MMC UK Pension Fund

DC Section

September 2026

Retirement Flexibilities Guide

DC Section

It's your money, it's your choice

A guide to help you understand your options.

Read this first

What is this guide for?

This guide has been produced to give you a quick overview of the ways you can access your Defined Contribution (DC) savings in the MMC UK Pension Fund – DC Section (the Fund) on retirement. It also tells you where you can find out more information.

Is this guide relevant to me?

Yes. It doesn't matter if you are planning to retire in a year or if you have only just started your career; this guide contains information you need to know.

I'm not considering retiring any time soon, why does this matter to me?

It may seem a long way off, but the earlier you think about saving for the future, the better off you will be. Your DC savings in the Fund, and any previous or future pensions that you have, will likely form a substantial part of the money you have in retirement so it's important you understand how you can use them.

How do my options when I retire affect what I do now?

How you intend to use your DC savings in the Fund when you get to retirement will have an impact on how you might want them to be invested during your career. This guide will help you understand your options at retirement better so you can make a more informed decision about how to invest your savings.

Does this affect any Defined Benefit (DB) savings I have in the Fund?

If you have DB benefits in the Fund, unless you choose otherwise, you will receive an annual pension once retired. If you wish to utilise the options covered in this guide, you will need to transfer your DB benefits out of the Fund into another qualifying DC pension arrangement. Please note:

- You must transfer all of your DB benefits out of the Fund in one go.
- You are not currently able to transfer your DB benefits into the DC section of the Fund.
- You will need to prove you have taken financial advice before you can transfer DB benefits valued at more than £30,000 into an alternative DC pension arrangement.
- You will be able to transfer your DB benefits up to 12 months before you reach your normal retirement age but this will not apply if you are already receiving a pension from the Fund.
- You can however apply to have a transfer of your DB benefits if you are within 12 months of normal retirement subject to the discretion of the Company and Trustee.

Next steps

What do I need to do now?

1. Take a few minutes to read about the options you have for accessing your DC savings in retirement, which are included inside
2. If you want to find out more, consult the back page of this guide for details of where you can find more information
3. Go to pensions.uk.mmc.com if you want to review or change the way your savings in the Fund are invested

Accessing your DC savings in the fund

Once you are 55 (age 57 from April 2028), you will have a number of options for how you access your DC savings in the Fund when you retire. Broadly speaking, you will have four main options.

Option one:
Take all your money in one go

How does it work?

You can take all of your DC savings in the Fund as a single cash payment. The first 25% is currently tax free and the remainder will be taxed as income.

Advantages

- You are free to spend or invest as much of your pension savings as you like.

Disadvantages

- If you spend your savings too quickly, or you live longer than expected, you could run out of money before you die.
- Withdrawing a large amount of cash in a single tax year may push you into a higher tax bracket than you are normally paying.
- "Emergency" rate Income Tax may be deducted from your cash payment, and you may not be able to reclaim it until several months into the next tax year.
- If you withdraw your savings as a single cash payment and they are worth more than £10,000, only the first £10,000 of any future contributions made each year to any other similar pension savings arrangements will benefit from tax relief.

Option two:
Take your money in up to three stages

How does it work?

You can leave your savings invested in the Fund and withdraw your money in up to three cash lump sum payments. 25% of each withdrawal you make is currently tax-free with the remainder taxed as income. Your third withdrawal will need to cover all of your remaining savings in the Fund and close your account. Payment of the first two cash lump sums are free but for the third lump sum a charge of £125 + VAT is required.

Advantages

- You can choose to withdraw as much or as little as you like from your savings at any time.
- Your remaining funds may grow if your investments perform well.
- You may want to leave your savings in the Fund as a tax efficient way to pass on money to your dependants when you die.
- You can defer buying an annuity if you think annuity rates might improve in the future, or your life expectancy may worsen, providing you with a higher income.

Disadvantages

- If you live longer than expected your money may run out.
- If your pension investment performs poorly then you may have to reduce the amount you take from the Fund.
- You will need to continue to monitor your investments during your retirement and keep an eye on how much tax and administrative charges you may need to pay when you make withdrawals.
- After you make your first withdrawal, only the first £10,000 of any future contributions made each year to any other similar pension savings arrangements will benefit from tax relief.

Option three:
Buy an income for life with a cash option

How does it work?

You can use your savings to buy a guaranteed income for life from an insurance company in the form of a product known as an annuity. You can currently also take up to 25% of the value of your savings as tax-free cash, with the remainder being used to buy your guaranteed income.

Advantages

- The annuity product will provide you with a guaranteed income in retirement until you die, even if you live longer than you expect.
- For most type of annuities if the economic climate worsens after you have purchased an annuity this will not have any impact on the income you will receive.

Disadvantages

- If you die earlier than expected you may not get the full value of your pension savings back.
- Your money will be paid to you as a regular income, so you will not be able to withdraw any large amounts in the future, for example to meet unexpected expenses.
- The amount of income you receive will be calculated based on market conditions (for example interest rates) and the insurance company's estimate of your life expectancy at the time you purchase your annuity. If market conditions improve or your life expectancy worsens in the future the amount of income you receive will not improve.

Option four:
Transfer your money to a drawdown provider

How does it work?

You can leave your savings invested and withdraw money in more than three instalments. This is known as "income drawdown". Income drawdown is not offered directly by the Fund so if you want to take this option you will need to transfer your savings to a drawdown provider.

Advantages

- You can choose to keep most or all of your savings invested whilst drawing a variable income from your fund.
- You can take some or all of your tax free cash and leave the rest of your savings invested or decide to take your tax free cash with a regular income or take your tax free cash with ad hoc income payments.
- Your remaining funds may grow if your investments perform well.
- You can transfer your funds to more than one income drawdown policy.

Disadvantages

- If you spend your savings too quickly or you live longer than expected, you could run out of money.
- Any income will be taxed as earned income.
- You will need to continue to monitor your investments during retirement and keep a careful eye on the charges levied by your flexible drawdown provider(s) for example different options have different features: the rates of benefit payment may be different, subject to different charges and taxed in a different way especially if you have more than one drawdown provider.
- After you make your first withdrawal, only the first £10,000 of any future contributions made each year to any other similar pension savings arrangements will benefit from tax relief.

Further information

You can find details of your Fund benefits by logging into Aptia OneView, which is a secure, internet-based service available 24 hours a day, 7 days a week. You can log in to the Aptia OneView website via a link from pensions.uk.mmc.com. The website also has details of the investment options available to members.

If you have any questions about Aptia OneView, you should call the Aptia OneView Contact Centre on **0345 600 0229** or, if you need to request a new log in passcode, please complete the online request form here: pensionuk.aptia-group.com/oneview/. Contact Centre Representatives are available from 9.00am to 5.00pm. Monday to Friday, except public holidays.

If you are thinking of retiring then you may require advice that is specifically tailored for your own individual circumstances. To help you, the Trustee has arranged for advice to be made available through Mercer Retirement Services. Details of the services they offer together with the costs will be sent to you along with your retirement quote. Any queries should be directed in the first instance to the Administrator at the contact details below.

To help people understand their retirement choices, the Government has introduced a free and impartial pensions guidance service called Pension Wise, which can be accessed at moneyhelper.org.uk. This service provides guidance and not financial advice.

Helping you decide

Managing your retirement savings properly is important and there is a lot of information for you to consider. Before you make any decisions about accessing your DC savings in the Fund, it is strongly recommended that you seek professional financial advice from a FCA-regulated financial adviser.

You can find a regulated financial adviser in your area by visiting **fca.org.uk/consumers/finding-adviser** You should always check the charges and specialist areas of an adviser before appointing them.

If you have any questions about your DC savings in the MMC UK Pension Fund, or need any information about your own benefits, please contact:

MMC UK Pensions Arrangements
Aptia UK Limited
Maclaren House
Talbot Road
Stretford
Manchester
M32 0FP

Tel: **0330 100 3597**
Online: **pensionuk.aptia-group.com**
Website: **pensions.uk.mmc.com**

As a Fund member, you will have access to the Pension Decision Service as you approach retirement. The service provides you with a dedicated Retirement Relationship Manager on hand to help with any questions you may have.

Further details about the service are available at **pensiondecisionservice.aptia-group.com**

Appendix I

Fund member journey – Annuity

The below chart outlines the journey of a Fund member who wishes to take an annuity at retirement:

1.

You are contacted **6 months** prior to your selected retirement age or request an early retirement quotation from the Fund administrator.

2.

or

6 months prior to your target retirement age, you receive a retirement pack containing information about retirement options and how to speak to a PDS relationship manager for guidance.

Up to **10 working days** following your early retirement quotation request, you receive a retirement pack containing information about retirement options and how to speak to a PDS relationship manager for guidance.

You always have the option to seek advice via a professional financial advisor. Please see the Further information section.

3.

You complete a member declaration form and inform the administrator on how you wish to take your funds.

4.

Up to **10 working days** following receipt of your member declaration form, the administrator refers you to the annuities team.

5.

The annuities team will log your request and review the paperwork received from the administrator.

6.

The annuities team arranges a time to discuss your requirements. Within **2 working days** following this call, the annuities team sends you an illustration pack detailing your options.

7.

You complete the decision form and any health/medical/lifestyle disclosures, and return it to the annuities team confirming which type of annuity you want to set up.

8.

The annuities team researches the best annuity on the market which meets your requirements and completes their recommendation report along with the accompanying paperwork, which is then issued to the member. This may take up to **14 working days** following receipt of your decision form.

9.

You complete the forms and return them to the annuities team. The annuities team will check and submit your paperwork to the recommended annuity provider within **2 working days**. They will also instruct the administrator to make payments at this time.

10.

The annuities team shares information with the administrator. It may take up to **10 working days** for the administrator to receive this information and process the request.

11.

The administrator requests disinvestment of funds which are then paid to the chosen annuity provider. This may take up to **15 working days** to be processed. It may take up to **3 working days** for this disinvestment to be settled. The administrator will also disinvest and pay any tax-free cash directly to the member. The settlement period for the tax-free cash payment is up to 5 working days.

12.

The timing of your first annuity payment will depend on the terms of the annuity you chose and any underwriting requirements the provider has, such as full underwriting for enhanced annuities. It can take **2-8 weeks** for the recommended annuity provider to set up your policy.

At least 16 weeks

Appendix II

Fund member journey – Cash lump sum
The below chart outlines the journey of a Fund member who wishes to take a cash lump sum at retirement:

1.

You reach **6 months** prior to your selected retirement age or request an early retirement quotation from the Fund administrator.

2. **or**

6 months prior to your target retirement age, you receive a retirement pack containing information about retirement options and how to speak to a PDS relationship manager for guidance.

Up to **10 working days** following your early retirement quotation request, you receive a retirement pack containing information about retirement options and how to speak to a PDS relationship manager for guidance.

You always have the option to seek advice via a professional financial advisor. Please see the Further information section.

3.

You complete a member declaration form and inform the administrator on how you wish to take your funds.

At least 10 weeks

4.

Up to **10 working days** following the receipt of your member declaration form, the administrator issues paperwork for you to complete and requests your identity verification.

5.

Once the administrator has received your completed paperwork and identity verification, an acknowledgement with payment date is issued.

6. **or**

Completed paperwork is correct and received **between the 1st and 10th of the month**.

Completed paperwork is correct and received **after the 10th of the month**.

7.

Disinvestment instruction issued. This takes approximately **7 working days**.

Disinvestment instruction issued. This takes approximately **7 working days**.

8.

Payment is made by the Fund's Pension Payroll facility on the first working day of the following month and is paid directly to your bank account.

Payment is made by the Fund's Pension Payroll facility and made on the first working day of the next available payroll cycle, and is paid directly to your bank account. This could be **6-8 weeks** from point 5.

Appendix III

Fund member journey – Income drawdown

The below chart outlines the journey of a Fund member who wishes to take income drawdown sum at retirement:

1.

You reach **6 months** prior to your selected retirement age or request an early retirement quotation from the Fund administrator.

2. or

6 months prior to your target retirement age, you receive a retirement pack containing information about retirement options (including details about the MMT Retirement Section) and how to speak to a PDS relationship manager for guidance.

Up to **10 working days** following your early retirement quotation request, you receive a retirement pack containing information about retirement options. Mercer Retirement Services and how to speak to a PDS relationship manager for guidance.

You always have the option to seek advice via a professional financial advisor. Please see the Further information section.

3.

You request further details and a referral to the MMT Retirement Section using the reply form provided in your retirement pack.

4.

You receive further details from the MMC Pension Fund administrator and complete the free online planning tool via the following website – retirementservices.mercer.com/MMCUK which helps you visualise different retirement scenarios and what lifestyle you could afford. By selecting "I'll take the wheel" option, an MMT-Aviva representative will invite you to book an appointment call. Note they require at least 24 hours' notice to make an appointment.

5.

An MMT-Aviva representative will take you through the appointment call to understand your requirements (investment options, tax free cash, income requirements) as well as making sure you are equipped with the information to make an informed decision.

With the MMT Retirement Section, you will be able to choose from 6 dedicated Retirement investment funds and alternatively will also have the option to invest in a wider range of funds.

Further details on the funds available can be found in the 'Investment Options' section below.

6.

You decide to proceed with the plan to access your retirement savings via income drawdown and transfer your savings to the MMT Retirement Section.

7.

Following this appointment call, the MMT-Aviva representative issues an illustration and application form. This may take up to **10 working days** to arrive either via email or by post.

8.

You complete the application process, including selecting fund choices. You advise the MMC Pension Fund administrator of your application for the MMT Retirement Section.

9.

Following receipt of your application form, the MMC Pension Fund administrator coordinates with the MMT-Aviva representative to proceed with the transfer of your fund to the MMT Retirement Section.

10.

The MMT-Aviva representative shares information with the administrator. It may take up to **10 working days** for the administrator to receive this information and process the request.

If no further information or documentation is required, funds are requested. or

If information is missing, you will be contacted to provide the outstanding details. or

If you have chosen to self select funds, a revised illustration will be issued based on your selection.

11.

The administrator requests disinvestment of funds to Aviva which may take up to **15 working days** to be processed. It may take up to **10 working days** for this disinvestment to be settled.

The administrator will also disinvest and pay any tax-free cash directly to the member. The settlement period for the tax-free cash payment is up to **5 working days**.

At least 7 weeks

Appendix IV

Fund member journey – Transfer Out (included transfers out of the Fund on Retirement)

The below chart outlines the journey of a Fund member who wishes to transfer out of the Fund, including transferring out of the Fund on retirement:

At least 7 – 10 weeks

1.

You decide you want to transfer your retirement savings out of the MMC UK Pension Fund to another pension provider and have selected the funds in which you wish to invest in. You complete a transfer declaration form and inform the administrator on how you wish to take your funds.

2.

Up to **10 working days** following the receipt of your transfer declaration form, the administrator issues paperwork for you to complete and requests your identity verification. Papers include application form, evidence of scheme registration with HMRC from receiving arrangement, letter from employer confirming your employment, a copy of the schedule of contributions, payslips, a member information form to check for scams, and in some cases confirmation of appropriate independent advice.

3.

You complete and return the paperwork and the administrator undertakes necessary steps to ensure the paperwork is sufficient for payment to be made. This may take up to **2 weeks** from date of receipt of your paperwork. Note, a request for further information will delay the disinvestment of funds.

4.

Once the administrator has received your completed paperwork and identity verification, an acknowledgement with payment date is issued.

70% of disinvestments take up to **2 weeks**.	20% of disinvestments take up to **4 weeks**.	10% of disinvestments take up to **6 weeks**.

Pension Scams: During the validation stage, it may be necessary to request further information from you as part of the administrators checks to combat pension scams. These necessary checks may delay the disinvestment step, see fca.org.uk/scamsmart for further information.

5.

The funds are transferred to the receiving provider and you receive a final transfer value statement confirming payment amount. This may take up to **10 working days** following date of disinvestment request.

6.

Settlement of benefits may take up to **5 working days** following date of disinvestment.

Appendix V

Fund member journey – Transfer in

The below chart outlines the journey of a Fund member who wishes to transfer into the Fund:

At least 10 weeks

1.

You wish to transfer in your Defined Contribution (DC) contracted in arrangement to the MMC UK Pension Fund.

2.

You complete the Transfer-in authority Form and send to the administrator. It may take up to **10 working days** for the administrator to process the completed form.

3.

The administrator requests details of the current transfer value from the previous administrator.

4.

After **1 month**, the administrator will chase the previous administrator. If nothing received after **2 months**, your case will be closed and you will be advised.

The administrator advises you of the transfer value. This may take up to 10 working days following confirmation from the previous administrator.

You want to proceed and then complete the relevant discharge forms and return to the administrator.

5.

The administrator requests disinvestment of current transfer value from the previous arrangement to your current investment strategy. This may take up to **15 working days** and then settlement should take no more than **5 working days** following the date of disinvestment.

6.

The administrator requests disinvestment of current transfer value from the previous arrangement to your current investment strategy. This may take up to **15 working days** and then settlement should take no more than **5 working days** following the date of disinvestment.