



Terminal
ill health
benefits

Register on our member website

We've developed a secure website for the exclusive use of our members.

If you haven't already, please register as soon as you can because this website is the quickest and easiest way for most people to get information about their payments.

Once you've set up an account, you can do lots of things including updating your personal details.

To register, please go to the website at **www.ppfmembers.org.uk** and follow the registration instructions.

If you have any questions or concerns about anything included in this booklet, please visit our member website or contact us.

Contact details are at the back of this booklet.



When can terminal ill health benefits be paid?

Terminal ill health benefits can be paid to members with unclaimed benefits who are suffering from a progressive disease or condition and have been diagnosed as having six months or less to live. However please see the information below to see if this applies to you.

A member doesn't have to have reached a certain age to make a claim.

We can only make a terminal ill health payment if the member's GP or consultant fills in the form we send out when an illustration is requested. We can also only make the payment while the member is still alive.

If we accept a terminal ill health claim, and the member survives beyond the six month period, they won't have to pay back the monies received.

But we wouldn't be able to make any further payments to the member, either as a lump sum or ongoing compensation.

How much will be paid?

Eligible members will receive a one off lump sum equal to two years' compensation, with no ongoing monthly payments after that.

The lump sum will be calculated assuming the member reached normal retirement age on the date the application is approved, without a reduction being made for early retirement.

Example:

If the total annual compensation is £1,000 then £2,000 would be paid as a lump sum.

Members aged 55 or older (or over their protected pension age where this applies)

Members over their minimum retirement age requesting a terminal ill health quote will also be sent a retirement illustration.

The retirement illustration will show the amount of ongoing compensation available, together with the lump sum that could be taken. This is so the different illustrations can be compared and a decision made as to which



option is most suitable. You may wish to speak to a financial adviser to help you with this.

Getting advice

We can't give you financial advice ourselves. If you don't already have a financial adviser, you can find a local one at **[unbiased.co.uk](https://www.unbiased.co.uk)**

Payments for a member's family when they die

If the member chooses to receive a terminal ill health payment, following their death, regular payments will start to be paid to any children they have who are under 18 years old.

We'll also make payments to any children between the ages of 18 and 23 who are either:

- in continuing qualifying full-time education, or
- who have a qualifying disability which means they cannot work full-time.

Depending on the rules of the member's former scheme, we may also make payments to a surviving spouse, civil partner or relevant partner. A relevant partner is someone of either sex who you aren't married to, or in a civil partnership with, but who you live with as if you're married or in a civil partnership.

If the member wants payments made to a relevant partner, they should nominate them on our member website or by contacting us (even if they provided this information to their former scheme). They don't need to nominate a spouse or civil partner as a beneficiary for them to be able to receive payments.

Nominating a partner can be important. For instance, if the member separated from their spouse but didn't get divorced – and they don't nominate their new partner – compensation would automatically be paid to their spouse.



Levels of compensation for the member's family

The amount of compensation a member's children could receive will depend on whether or not a spouse, civil partner or relevant partner is entitled to receive compensation following the member's death.

The member's spouse, civil partner or relevant partner may receive half of the compensation the member would have received, had they reached their normal pension age and not taken the terminal ill health payment.

Where compensation is being paid to a spouse, civil partner or relevant partner, the following compensation will be paid to the member's children:

- one child – 25 per cent of the member's compensation
- two or more children – 50 per cent of the member's compensation, divided equally.

Where compensation isn't being paid to a spouse, civil partner or relevant partner, the following compensation will be paid:

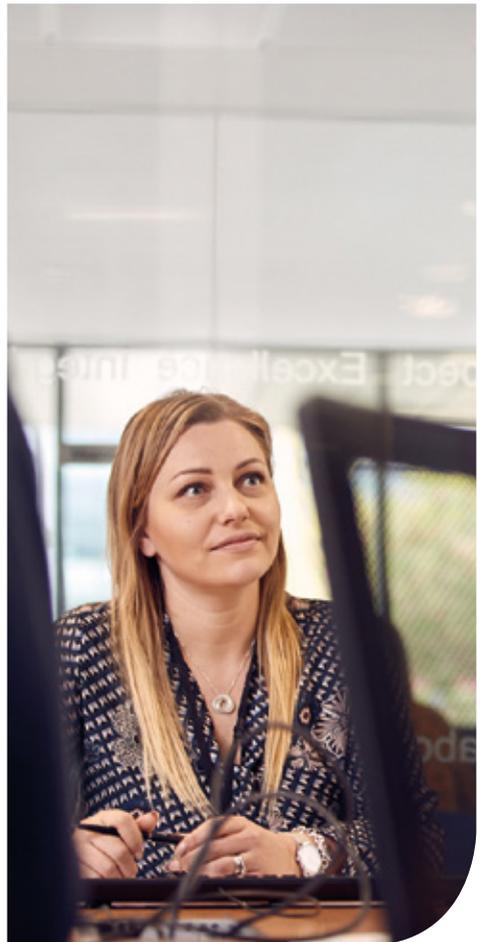
- one child – 50 per cent of the member's compensation
- two or more children – 100 per cent of the member's compensation, divided equally.

Payments will be made into a bank account which bears the relevant child's name.

When a child is no longer eligible for compensation, we'll stop making payments to them. But, if there are other children who are still eligible, the amount of compensation they receive will be recalculated in line with the criteria above.

However, payments won't be recalculated in cases where the children were receiving payments from the scheme before it entered the PPF assessment period. The assessment period starts at the date the scheme's sponsoring employer went bust.

In rare circumstances, where the child was receiving compensation before the member's former pension scheme entered assessment, the scheme rules might specify a different payment period for the compensation, which could be after or before age 23. In those cases we will continue to pay the child in accordance with the former scheme rules.



The logo for the Pension Protection Fund, featuring a white curved line above the text "Pension Protection Fund" in a bold, sans-serif font.

Pension Protection Fund

Protecting your data

We take care to handle your personal data in compliance with data protection legislation.

We process your personal data, including health data, correctly and lawfully, to enable compensation payments to be made to you, to keep you up-to-date with developments and to seek your feedback about ways we could improve our service.

We won't rent, swap or sell your personal data to any other organisation.

You can view our full privacy policy at www.ppfmembers.org.uk or you can request a printed copy of the privacy policy be sent to you by using our contact details.

This booklet is for guidance only. It's necessarily simplified and not a definitive statement of law or entitlement.

Information in this booklet is based on our current understanding of the legislation governing the PPF in force at the time of writing.

Payments will always have to be calculated in accordance with legislation which will, therefore, override in the case of conflict.

Contact us:

Pension Protection Fund
PO Box 254
WYMONDHAM
NR18 8DN

Tel: **0330 123 2222**

Overseas Members:
+44 (0)208 633 4902

Email: **ppfmembers@ppf.co.uk**

Member website:
www.ppfmembers.org.uk

PPF Corporate website:
www.ppf.co.uk