

# Retiring early

---

Raytheon Corporate Jets



## When can you retire?

---

Your Normal Retirement Date is the 1st of the month following your 65th birthday. But you don't have to wait until then to retire!

At the moment, you can retire early from age 55 – though your pension would be less than at Normal Retirement Date. The Government plans to change the rules on minimum pension ages, so from 2028 you'll only be able to retire from age 57.

If you're still working for the Company, you would need the consent of both the Company and the Trustee to retire before age 65.

If you're no longer working for the Company, you only need the consent of the Trustee.

Please note that it's extremely unlikely that you would be prevented from taking early retirement by the Trustee or the Company in the ordinary course of events.

## How is my pension worked out if I retire early?

---

**If you're still working at Raytheon and an active member of the Scheme**, your pension is worked out in the same way as if you were retiring at Normal Retirement Date (see the leaflet 'How your pension is worked out' on the '**Documents**' page for details) – but based on:

- The Total Pension Percentage\* you've built up at the time you retire, and
- Your Final Basic Salary at your early retirement date.

This pension is then reduced to reflect the fact that it is expected to be paid for longer.

*\*Your Total Pension Percentage is the fraction of your salary you receive when you retire. It's worked out by adding together an Individual Pension Percentage for each year you've been a member of the Scheme, based on how much you have paid in. See the leaflet 'How your pension is worked out' on the Documents page for details.*

**If you've left the Scheme and are a deferred member**, your pension will have been worked out based on your Total Pension Percentage and your Final Basic Salary at the date you left the Scheme. You can find out more in the leaflet 'How your pension is worked out' on the '**Documents**' page.

This pension is then increased between your date of leaving and the date you decide to take your benefits as described in the leaflet 'What happens if I leave' on the '**Documents**' page.



## Do I have the same options at retirement?

---

Yes - you can choose to take some of your pension as a tax-free cash sum along with a lower annual pension, (or a dependant's pension) in the same way as you can when retiring at your Normal Retirement Date.

If you retire before your State Pension Age you also have the option to take a 'stepped pension'. This gives you a larger pension from the Scheme before your State Pension Age, and then a smaller one once you reach State Pension Age (and start receiving your State Pension). The idea is that this 'smooths' your income throughout your retirement.

## Do I have to stop working?

---

No - you have the option to keep working but take your pension as well. This could be useful if you're hoping to reduce your hours to help you 'wind down' into full retirement, and it's referred to as 'flexible retirement.' You need to keep an eye on the tax implications if you do this as you pay income tax on your pension in the same way as you do on any salary you receive.





## What's the process for retiring early?

---

If you think you'd like to retire before age 65, you should let the Scheme administrator know so that they can give you a quote for what your pension amount would be at the age you want to retire.

If you still work at Raytheon you need to get the consent of the Company and the Trustee. You need to give at least one month's notice to HR telling them that you wish to opt out of the Scheme if you decide to go ahead with your early retirement.

If you're no longer employed by the Company you need to get the consent of the Trustee.

Neither the Trustee nor the Company currently withhold their consent to member's taking early retirement in the ordinary course of events.

The retirement process is explained in our flow chart on the website - see **'Thinking about retirement'**.

## What about ill-health early retirement?

---

If you are still contributing to the Scheme and can provide medical evidence to the Trustee that you can't carry out your occupation because of a permanent physical or mental impairment, you may be able to retire before age 55. In this case, your pension would be worked out as your pension earned in the Scheme to the date of your retirement, plus two-thirds of the pension you would have received if you had remained a member until your Normal Retirement Date.

