



12th July 2017

Pace DC

FAQ regarding the recent announcement by Co-operative Bank

1. What has the Bank announced?

On 28th June 2017 the Co-operative Bank announced that it had come to an agreement with a group of its existing investors to raise funds to meet its longer term capital requirements.

As the Co-operative Bank is one of the sponsoring employers of Pace, the Trustee and its advisors have been in detailed discussions with the Bank, the Co-op and regulatory authorities to identify and address any implications for Pace.

This FAQ addresses a number of questions that Pace DC members may have regarding the Bank's announcement. [In addition a message from the Trustee is available on the Pace website.](#)

2. Will the Bank's announcement have any impact on my Pace DC account?

No, the Bank's announcement doesn't have any impact on the money you've built up in your Pace DC account. As a member of Pace DC your pension account will remain in Pace, as a separate account administered on the Trustee's behalf by Legal & General. This is your own pot of money and it will continue to be invested for your retirement.

3. I am receiving a pension which I bought using my Pace DC account. Will this announcement have any impact on this?

If you are receiving a pension bought with your Pace DC account, for example if you bought an annuity, this won't be affected by the Bank situation. Your pension will continue to be paid to you by the pension provider you have selected.

4. I'm employed by the Co-op. Will the Co-op continue to make employer contributions into my Pace DC account as at present?

The contribution arrangements for Pace DC will not be affected by the Bank's announcement.

5. I'm employed by the Co-operative Bank. Will the Bank continue to make employer contributions into my Pace DC account as at present?

The contribution arrangements for Pace DC will not be affected by the Bank's announcement.

6. Is my Pace DC account potentially at risk due to the financial situation at the Bank?

No. As a member of Pace DC your pension account will remain in Pace, as a separate account administered on the Trustee's behalf by Legal & General. This is your own pot of money and it will continue to be invested for your retirement.

7. I've heard that the pension scheme may be spilt into two. How will that affect my membership of Pace DC?

Pace DC already consists of two separate sections, one for Bank employees and one for employees of the Co-op and other employees. Your Pace DC account will remain in Pace, as a separate account administered on the Trustee's behalf by Legal & General.

Subject to the successful completion of the Bank's capital raising exercise, there will be some changes to the structure of Pace Complete, which is the Defined Benefit section of Pace. [If you have benefits in Pace Complete, a separate FAQ is available.](#)

8. How will members of Pace DC be kept up to date with developments?

The Trustee will ensure that the Pace website is kept up to date with news of any further developments. However it is important to remember that the Bank's announcement does not have any impact on your Pace DC account.