

AFPS Death Benefits Lump Sums – have you Nominated?



Service personnel have a dangerous job and they and their family need to be clear about who would, should the worst happen, receive any lump sum due. In this article we explain how the pension schemes determine who is entitled to any lump sum due in the event of a member's death – a time when there are worries enough without money worries adding to the mix.

For those who die in service, the death-in-service lump sum due would be paid under AFPS 15 rules – only those who have opted out of AFPS 15 would have no entitlement. The amount is four times pensionable pay so, for a corporal, would be about £140,000 – a serious amount of money by any standard. This would be paid to the member's nominee(s), or, if none to the spouse/civil partner/eligible unmarried partner or, if none, to the estate.

Nominations are intended to make the member's wishes clear and, where one exists, Veterans UK arrange swift payment to the nominee(s). Nomination is particularly useful in the case of unmarried partners, where Veterans UK will be looking for evidence of financial dependence or interdependence in order to establish the partner's entitlement to a pension. The existence of a nomination could help with this eligibility decision.

Once out of the Armed Forces, there may still be pension lump sums due - potentially from more than one scheme. For example, if the member dies before drawing their preserved/deferred pension, a lump sum of three times the preserved/deferred pension is payable. AFPS 75 requires no nomination as the rules are specific about who is entitled to what but, for AFPS 05 and AFPS 15, that lump sum will be paid as explained above for the death-in-service lump sum.

The nomination form, AFPS Form 2, is simple to complete, and is available on JPA and on the MOD website [here](#). Further, an old nomination can be replaced with a new one at any time – and it is important to keep it under review.

Veterans UK will comply with the wishes expressed on the nomination form unless:

- The nominee dies before the member
- The nominee is the member's ex-spouse or ex-civil partner (unless the nomination was made after the relationship was legally dissolved)
- The nominee enters a marriage or civil partnership on or after 1 December 2018 (thus, in the absence of a nomination post-dating the marriage/civil partnership, the spouse/civil partner receives the lump sum).
- The nominee is convicted of the murder or manslaughter of the member (and potentially any other offences relating to the nominee killing or wounding of a member).

The message from this article is that although you don't have to nominate, if you do, keep it under review or a hefty lump sum might be paid quickly and efficiently to the wrong person!