

## CPC EXAMINERS' REPORT MARCH 2023

Another series of CPC examinations has taken place and, once again, it is encouraging to report the high numbers of entrants (680) and those going on to sit the actual examinations (644).

For this series of examinations, the average pass rate across all seven units was slightly lower than September 2022 (58% v 60%). Candidates were generally more successful than September 2022 for the Part 1 papers for Retirements and Leavers (75% v 52% for **Retirements Part 1** and 63% v 47% for **Leavers Part 1**, respectively) but less successful than September 2022 for the Part 2 papers for **Retirements** and **Leavers** (22% v 57% for **Retirements Part 2** and 72% v 65% for **Leavers Part 2**, respectively). The overall pass rate was the same (or marginally better) as September 2022 for **Deaths** (83% v 83% for **Deaths Part 1** and 73% v 71% for **Deaths Part 2**, respectively). The pass rate for **Transfers** was lower this time round (33% v 52%).

The paper for **Leavers Part 1** was attempted extremely well by most candidates. There were two *Case Studies* relating to the *RST Pension Scheme* and neither of these caused undue concern. For the first *Case Study*, not all candidates identified the refund option and quite a few candidates did not mention that, for the preserved option, the pension was entirely in relation to post-2006 pensionable service (and therefore subject only to increases in payment at the lower of 2.5% and RPI). The same observation was true for the second *Case Study* where, once again, there was no pre-2006 pension.

The *Case Study* for the *XYZ Pension and Life Assurance Scheme (Category A)* was generally answered well in most instances. As the *Case Study* was for a male member with only a post-88 GMP, the calculation was possibly less complex than it might have been, particularly when revaluing the excess pension and the post-1988 GMP from date of leaving to normal pension date. Occasionally, candidates calculated the initial pension at date of leaving incorrectly by using the latest pensionable salary rather than the best pensionable salary in the previous 5 years.

It was noticeable that there were very few errors for the *Case Study* on the *XYZ Pension and Life Assurance Scheme (Category B)*. Occasional arithmetical errors were made, and there were isolated instances where candidates calculated pensionable service to date of leaving rather than capping it to 3 July 2011.

For **Leavers Part 1**, there was one *Case Study* relating to the *OPQ Retirement & Death Benefits Plan*. The member was invested in the lifestyle fund and some candidates did not always state the breakdown of the individual fund units (global, equity and cash) within each contribution type after applying the relevant investment allocation percentages to the lifestyle units; or, if they did, the individual fund units were not always rounded to the required four decimal places.

The *Letter* for **Leavers Part 1** was associated with the *Case Study* for the *XYZ Pension and Life Assurance Scheme (Category A)*. It presented few problems although some candidates omitted to state actual values when referring to the spouse's pension. In addition, reference was not always made to the different increase rates to be applied (once in payment) to the excess pension and the post-1988 GMP from normal pension date.

The overall pass rate for **Leavers Part 2** was higher than for **Leavers Part 1** despite the fact this paper contained 'special circumstances'. For the first of the two *Case Studies* relating to the *OPQ Retirement & Death Benefits Plan*, most candidates correctly identified that the member had less than 30 days' qualifying service. This meant that the member was entitled only to a refund. However, whilst recognising that preserving benefits within the *OPQ Retirement & Death Benefits Plan* was not an

option, some candidates suggested incorrectly that a transfer value was an option. Several candidates based the refund solely on the contributions and AVCs paid by the member. These candidates made no reference to the current value of the member's element (including the AVC element) of the Personal Retirement Account and so were unable to determine the investment growth over and above the contributions and AVCs paid by the member. The taxable element, being based on the contributions and AVCs paid by the member, was generally correct.

The comments already made in relation to the *Case Study for Leavers Part 1* for the *OPQ Retirements & Death Benefits Plan* apply equally to the second *Case Study for Leavers Part 2*. In addition, a few candidates were confused with the augmentation payment associated with this *Case Study*, which merely had to be added to the overall Personal Retirement Account and treated as an employer contribution.

For *Leavers Part 2*, there was a single *Case Study* relating to the *RST Pension Scheme*. This was attempted with varying degrees of success, with several candidates not dealing correctly with the transferred-in pension. In some instances, candidates added the transferred-in pension to the preserved pension at the date of leaving, when it was payable from normal pension date. In addition, many candidates did not mention that the transferred-in pension was to be treated as a pre-2006 benefit (and therefore subject to increases in payment at the lower of 5.0% and RPI).

For the *Case Study* relating to the *XYZ Pension and Life Assurance Scheme (Category A)*, not all candidates used the correct method for revaluing the GMP. As the member was female, the GMP revaluation should have been carried out in two steps (i.e. using the number of complete tax years from the date of leaving to 'GMP due date', with different statutory increases then applying to the pre-1988 GMP and post-1988 GMP from 'GMP due date' to normal pension date). However, many candidates incorrectly did the revaluation in a single step as if the member was male, based on complete tax years from the date of leaving to normal pension date. In addition, numerous candidates did not revalue the GMP from the date of leaving to 'GMP due date' using the stipulated method detailed in the appendices to the scheme booklet (i.e. the revalued pre-1988 GMP should have been derived by deducting the revalued post-1988 GMP from the revalued total GMP).

The *Case Study* for the *XYZ Pension and Life Assurance Scheme (Category B)* was attempted without difficulty by most candidates. Nearly all candidates dealt with the member's enhanced accrual rates correctly, albeit a few candidates mixed up the splits of pensionable service for which the enhanced accrual rates were to be applied (55ths and 50ths).

The *Letter* for *Leavers Part 2* was associated with the *Case Study* for the *RST Pension Scheme*. It was usually answered well, albeit some candidates omitted to state actual values when referring to the spouse's pension. In addition, although reference was nearly always made to the transferred-in benefit, it was not always made clear that this was a pre-2006 benefit with a different rate of increase once in payment to that of the main scheme benefit.

**Deaths Part 1** had the best pass rate across all units, with none of the *Case Studies* causing significant difficulties. Both *Case Studies* for the *RST Pension Scheme* were answered well, albeit some candidates calculated a young spouse reduction for the first *Case Study* when the spouse was 10 years older than the deceased member (rather than being more than 10 years younger). There was a young spouse reduction for the second *Case Study* and, although this was usually calculated correctly, it was occasionally not referenced in the associated *Letter*. Other than this observation, the *Letter* for **Deaths Part 1** tended to be completed without error in most circumstances.

The *Case Study* for the *XYZ Pension and Life Assurance Scheme (Category A)* was generally well answered. However, there were a few candidates who used the best pensionable salary in the previous 5 years rather than the latest pensionable salary when determining the deceased member's pension. In addition, some candidates failed to ensure that the post-1988 WGMP was divisible by 52 (in most cases multiplying the member's post-1988 GMP by 50%). Further, the correct method for deriving the spouse's excess pension should have been to multiply the member's pension by 50% before deducting the post-1988 WGMP (to avoid potential rounding errors due to GMP elements always needing to be divisible by 52).

The *Case Study* relating to the *OPQ Retirement & Death Benefits Plan* was also answered without problem by most candidates. Occasionally, a few candidates did not show their workings fully; often failing to show the unit holdings – which should have been calculated to four decimal places – after applying the relevant lifestyle investment allocation percentages (split by each fund within each contribution type) and before multiplying by the relevant unit prices. In addition, some candidates incorrectly stated that the total lump sum death benefit would be payable to one or more persons at the trustees' discretion when they should have stated that the benefit would be payable to the deceased member's estate / legal personal representatives (as the *Case Study* was 'death-in-deferment').

The *Case Study* for the *XYZ Pension and Life Assurance Scheme (Category B)* was 'death-in-retirement' and it did not cause many issues, other than where some candidates failed to cap the number of outstanding pension instalments to the deceased member's 75<sup>th</sup> birthday.

The overall pass rate for **Deaths Part 2** was encouraging, with the 'special circumstances' tending to present few issues. There were two *Case Studies* relating to the *RST Pension Scheme* and each of these was attempted competently by most candidates. For the first *Case Study*, there was a requirement to ensure that the enhanced spouse's pension did not exceed the member's pension payable at the date of death. This check was occasionally omitted. The second *Case Study* contained enhanced accrual rates for both the CARE pension and the Underpin pension. These were dealt with accurately by nearly all candidates.

For **Deaths Part 2**, the *Case Study* for the *XYZ Pension and Life Assurance Scheme (Category A)* was 'death-in-deferment' and this was the most challenging. A few candidates did not correctly calculate the number of complete tax years between the date of leaving and the date of death, and the correct rate of GMP revaluation (7.0%) was not always used. There were occasions when candidates did not split out the spouse's excess pension and the post-1988 WGMP. Where candidates did attempt to split out these elements, a few candidates failed to recognise that there should not have been a pre-1988 WGMP element to the overall spouse's pension as the deceased member was female. The *Letter* for **Deaths Part 2** was associated with this *Case Study*, and it was answered perfectly by most candidates.

For the *Case Study* relating to the *XYZ Pension and Life Assurance Scheme (Category B)*, there were a few issues with the underlying methodology for the late retirement calculation; particularly in relation to revaluing the final pensionable salary at 3 July 2011 up to normal pension date for the first part of the salary comparison and then determining the final pensionable salary (highest pensionable salary in the last five years prior to normal pension date) for the second part of the salary comparison. In addition, some candidates did not apply a late retirement factor (even when one was correctly determined at the outset of the calculation). When dealing with the part-time service splits and the associated part-time adjustments, some candidates forgot to cap pensionable service to 3 July 2011.

The *Case Study* relating to the *OPQ Retirement & Death Benefits Plan* was usually well answered, notwithstanding the fact the member was in a mixture of the lifestyle fund (member and employer

contributions) and non-lifestyle funds (transferred-in benefits). With the lifestyle element to this *Case Study*, some candidates did not use the correct start date for determining the number of complete months from the date of the last switch to the member's target retirement date (even though the ultimate answer was correct) and, in addition, a few candidates did not state the fund units (or round the units to four decimal places) after applying the relevant lifestyle investment allocation percentages (split by each fund within each contribution type) and before multiplying by the relevant unit prices.

The pass rate for **Retirements Part 1** was higher than recent series. The *Case Study* that caused most difficulty was the one relating to the *OPQ Retirement & Death Benefits Plan*. For this *Case Study*, there were four areas where mistakes tended to be made. Firstly, the correct range of requested options was not always provided. Secondly, the 'Annuity Bureau Charge' was not always based on the higher of 0.065% of the value of the member's Personal Retirement Account (after taking cash) and £75.00. Thirdly, the statement relating to the tax treatment of the Uncrystallised Funds Pension Lump Sum (UFPLS) was often incomplete and, fourthly, the open market option was frequently omitted.

For **Retirements Part 1**, both *Case Studies* for the *RST Pension Scheme* were generally answered competently. With the first *Case Study*, a few candidates failed to recognise that a potential young spouse reduction might apply on the death of the member. For both *Case Studies*, candidates did not always split out the member's residual pension. In addition, reference to a spouse's post-commutation pension was occasionally omitted (this being the same as the pre-commutation pension).

The *Case Study* relating to the *XYZ Pension and Life Assurance Scheme (Category A)* did not present too many issues. However, it was surprising how many candidates correctly determined the early retirement factor but did not actually apply it to the member's pension. Also, and not for the first time, many candidates were out by one month when calculating the member's age for deriving the commutation factor (the member was one day shy of 57 years and 7 months).

The remaining *Case Study* was for the *XYZ Pension and Life Assurance Scheme (Category B)*. This was answered well by nearly all candidates, with the only issue being where a few candidates failed to cap pensionable service to 3 July 2011. The *Letter for Retirements Part 1* was associated with this *Case Study* and most candidates did not incur any errors, other than occasionally failing to make reference to the fact that the member was retiring on the grounds of ill-health.

The overall pass rate for **Retirements Part 2** was disappointingly very low, with many candidates experiencing difficulties on at least three specific *Case Studies*. The first one related to the first *Case Study* for the *RST Pension Scheme*, where many candidates struggled with the AVCs; particularly when dealing with the post-commutation spouse's pension. A few candidates stated that this pension would be the same as the pre-commutation spouse's pension. This statement was accurate for the single-life AVC option but inaccurate for the joint-life AVC option (as all AVCs would have been fully taken as part of the overall tax-free cash sum). As with **Retirements Part 1**, many candidates were out by one month when calculating the member's age for deriving the commutation factor (this time, the member was one day shy of 57 years and 10 months). In addition, many candidates failed to mention that the AVCs were to be treated as being paid after 5 April 2006, with any AVC pension therefore being subject to increases in payment at the lower of 2.5% and RPI.

The second problematical *Case Study* related to the *OPQ Retirement & Death Benefits Plan*, with each of the observations being made in relation to **Retirements Part 1** being equally applicable for **Retirements Part 2**. In addition, full workings were not always shown when deriving the split of units to be allocated to the individual funds comprising the lifestyle fund.

The third *Case Study* to present difficulties was the one for the *XYZ Pension and Life Assurance Scheme (Category A)*. This *Case Study* was normal retirement from preserved status. In addition to not always revaluing the GMP elements in accordance with the prescribed method detailed in the scheme booklet, a number of candidates used the wrong table for deriving the GMP revaluation factor (i.e. they did not use the 4.75% table). A few candidates also omitted the transferred-in benefit altogether, although it was generally dealt with correctly when it was included.

The *Case Study* for the *XYZ Pension and Life Assurance Scheme (Category B)* was answered competently by most candidates. Where errors were made, it was generally when deriving the various elements of pensionable service prior to applying the part-time adjustments. In addition, some candidates once again failed to restrict pensionable service to 3 July 2011. Although this was an early retirement *Case Study* (as the member was 59 years and 11 months), there was no early retirement factor to be applied as the factor was 1.00 when rounded to the nearest integer. However, A few candidates did calculate the factor to be 0.99. For this *Case Study*, some candidates indicated a young spouse reduction was applicable when this is only relevant for the *RST Pension Scheme*.

The second *Case Study* for the *RST Pension Scheme* contained an enhanced accrual rate for deriving both the year-to-date CARE pension and the Underpin pension for pensionable service from 6 April 2012 onwards. This generally caused few issues and many candidates produced perfect answers. The *Letter for Retirements Part 2* was associated with this *Case Study* and most candidates provided everything required, and in the format required.

With **Transfers** (and this is certainly not being referenced for the first time in an Examiners' Report), many candidates dropped valuable marks when attempting the transfer out *Case Studies* for the *RST Pension Scheme* and the *XYZ Pension and Life Assurance Scheme (Category A)* by failing to state that independent financial advice needed to be provided by an authorised adviser regulated under the Financial Services and Markets Act 2000 (as the transfer values exceeded £30,000). Sometimes, candidates provided only partial information by referring merely to the requirement to take independent financial advice.

Similarly, with the transfer in *Case Studies* for these schemes, many candidates produced perfect answers but were penalised for not always providing full details of the attaching benefits associated with the transfer in. Although these observations are always mentioned in the Examiners' Report, they continue to be overlooked by some candidates.

The *Case Studies* for the *OPQ Retirement & Death Benefits Plan* were generally well attempted. For the transfer out *Case Study*, the member was invested entirely in non-lifestyle funds. For this *Case Study*, it was noticeable that there was a high volume of arithmetical errors and transcription errors, particularly when associating unit prices with specific funds.

For the transfer in *Case Study* relating to the *OPQ Retirement & Death Benefits Plan*, the member's transferred-in benefits had to be allocated to a mixture of the lifestyle fund and non-lifestyle funds. Once again, a high proportion of arithmetical errors were made for this *Case Study*, particularly when proportioning the contributions attributable to the lifestyle fund and non-lifestyle funds. Full workings were not always shown when deriving the split of units to be allocated to the individual funds comprising the lifestyle fund. Where full workings were provided, the contributions after applying the relevant lifestyle investment allocation percentages (split by each fund within each contribution type) were not always rounded to the required four decimal places prior to dividing by the appropriate unit prices to derive the various unit holdings.

Both *Letters for Transfers* were generally answered well. However, it was noticeable that there were many candidates who, for the *Letter* relating to the transfer out of benefits from the *OPQ Retirement & Death Benefits Plan*, erroneously made reference to it being a legal requirement for the trustees to offer to book a pensions guidance appointment with Pension Wise on behalf of the member. These candidates went on to mention that the transfer would not be able to proceed without the member having received appropriate pensions guidance from Pension Wise, and that the member would only be able to opt out of receiving the Pension Wise guidance by providing an opt-out notification to the trustees. This is not a legislative requirement if the member is under age 50 (*and the member was under age 50*).

By highlighting the key areas where candidates fell short of the required standard, it is hoped that similar failings will be avoided in the next series of examinations. The final paragraphs below remain largely unaltered from previous Examiners' Reports since the comments are still apt and yet still get overlooked in many instances.

The Chief and Senior Examiners would advise candidates:

- To clearly show their workings since arithmetical errors are penalised less harshly than errors where the cause cannot be easily identified.
- To save time by only summarising their calculation results at the end of a question when the various options and values are not clear from the preceding calculations.
- To save time by transcribing only relevant information from the *Case Study* at the start of each question rather than writing down every item of data.
- To not leave the *Letters* until last as more errors are incurred for an incomplete *Letter* than an incomplete *Case Study*.

The Chief and Senior Examiners would remind centres and candidates that **scripts will not be marked** in any of the following circumstances:

- Where a candidate's personal 'candidate number' is missing or incorrect.
- Where a candidate's name appears anywhere on the answer script (e.g. where a *Letter* is signed with a name other than AN Other).
- Where a centre or candidate has been proven to have followed incorrect formal procedures relating to the examinations. **This includes the cutting and pasting of templates in relation to either the *Case Studies* or the *Letters*. This is not permitted under any circumstances.**

The Chief and Senior Examiners believe that preparation and training are essential ingredients for success. Many candidates are fortunate to receive training organised by their centres. However, the Committee would like to stress the importance of all training materials being checked on a regular basis to ensure they are fully up to date and accurate. The Committee would also like to emphasise that centres and their candidates should not wait until the final moments before raising any calculation queries with the PMI, as there is no guarantee that such queries will be answered in time.

**It should be stressed once more that candidates are expected to familiarise themselves fully with the latest 'Scheme Booklets' and 'Tables of Factors'. It should also be pointed out that the sample *Case***

**Studies and Letters** on the CPC Website, whilst providing a very useful guide, will never cover each and every scenario that may be encountered within the CPC examinations.

***On a final point, centres should be aware that there ARE changes to the 'Scheme Booklets' and 'Tables of Factors' for the next series of CPC examinations in September 2023. Along with the 'Scheme Booklets' and 'Tables of Factors', there is a 'Key Features' document on the CPC Website outlining the changes. The updated Case Studies on the CPC Website fully reflect the changes for September 2023.***

***It should be noted that, although the Lifetime Allowance Charge has been removed from 6 April 2023, candidates will still be expected to calculate the Lifetime Allowance percentage used (where appropriate) for the September 2023 examinations and to refer a calculation to their manager if an individual's remaining Lifetime Allowance percentage is exceeded. This is in line with current legislation.***

## THE STATISTICS

The table below provides a detailed breakdown and summary of the key statistics relating to the March 2023 CPC examinations.

Unit	Entries	Withdrawn (or deferred)	Absent	Scripts received	Pass	Fail	Success rate
Retirements Part 1	88	1	3	84	63	21	75%
Retirements Part 2	89	2	1	86	19	67	22%
Deaths Part 1	55	1	1	53	44	9	83%
Deaths Part 2	57	2	0	55	40	15	73%
Leavers Part 1	165	5	5	155	98	57	63%
Leavers Part 2	136	6	6	124	81	43	65%
Transfers	90	2	1	87	29	58	33%
<b>TOTAL</b>	<b>680</b>	<b>19</b>	<b>17</b>	<b>644</b>	<b>374</b>	<b>270</b>	<b>58%</b>



## COMMON ERRORS WHERE CANDIDATES FAILED TO MEET THE STANDARDS

### LEAVERS: PART 1

#### Qu.1 – (XYZ: Category B)

- Pensionable service sometimes not capped to 3 July 2011
- Number of complete years from date of leaving to normal pension date occasional incorrect (usually by 1 year or 10 years)

#### Qu.2 – (RST)

- Refund option sometimes omitted (with only preserved option being calculated)
- Preserved option sometimes omitted (with only refund option being calculated)
- CARE pension not always calculated as being slightly higher than Underpin pension
- Statement that CARE pension all post-2006 not always provided (i.e. to confirm whole of pension increases in payment at lower of 2.5% and RPI)

#### Qu.3 – (XYZ: Category A)

- Pre-1997 and post-1997 pensionable service splits occasionally calculated incorrectly (often by either one day too much or one day too little for first and last tranches)
- Final pensionable salary sometimes based on latest pensionable salary rather than best pensionable salary in previous 5 years
- GMP revaluation period not always based on complete tax years
- Revalued post-1988 GMP at normal pension date not always rounded to be divisible by 52

#### Qu.4 – (RST)

- Year-to-date pensionable service for CARE pension sometimes incorrectly calculated (usually by one month too little)
- Underpin pension not always calculated as being slightly higher than CARE pension

#### Qu.5 – (OPQ)

- Unit holdings after applying relevant lifestyle investment allocation percentages (split by each fund within each contribution type) not always rounded to 4 decimal places – or even shown – prior to multiplying by relevant unit prices

#### Qu.6 – (Letter for Qu.3)

- Actual value for excess element of pension at date of leaving not always stated (although post-1988 GMP value at date of leaving usually shown)
- Actual value for excess element of pension revalued to normal pension date not always stated (although post-1988 GMP value revalued to normal pension date usually shown)
- Actual value for spouse's pension at date of leaving sometimes omitted
- Actual value for spouse's pension at date of leaving revalued to normal pension date sometimes omitted
- Increase rates for pension elements once in payment frequently not split out to detail position before / after 'GMP due date' (i.e. normal pension date due to member being male)

## **LEAVERS: PART 2**

### Qu.1 – (OPQ)

- Transfer option frequently stated (when not applicable for less than 30 days' qualifying service)
- Preserved option sometimes calculated (when not applicable for less than 30 days' qualifying service)
- Employer element of Personal Retirement Account often calculated for refund option (although this was not penalised provided the employer element was not included in the refund calculation)
- Refund option sometimes based on member contributions paid only (with no reference to value of member's element of Personal Retirement Account)

### Qu.2 – (XYZ: Category B)

- Final pensionable salary not always based on best pensionable salary entry in last 5 years when performing salary comparison with indexed final pensionable salary figure from 3 July 2011
- Final pensionable salary at 3 July 2011 indexed to date of leaving sometimes calculated to be lower than best pensionable salary figure in previous five years (when it was slightly higher); or correct values calculated but lower value then used when determining pension at date of leaving
- Pensionable service occasionally not capped to 3 July 2011
- Enhanced accrual rates not always associated with correct periods of pensionable service

### Qu.3 – (RST)

- CARE pension sometimes calculated as being higher than Underpin pension (when it was slightly lower)
- Transferred-in pension occasionally added to pension at date of leaving (when benefit payable from normal pension date)
- Transferred-in pension sometimes omitted from spouse's pension on death after retirement
- Statement that Underpin pension all post-2006 not always mentioned (i.e. to confirm whole of Underpin pension increases in payment at lower of 2.5% and RPI)
- Statement that transferred-in pension all pre-2006 not always mentioned (i.e. to confirm whole of transferred-in pension increases in payment at lower of 5.0% and RPI)

### Qu.4 – (OPQ)

- Date of last switch sometimes based on date of leaving (rather than first day of the month of date of leaving) when determining lifestyle investment allocation percentages
- Confusion sometimes encountered with treatment of augmentation payment (which just needed to be added as additional component to employer value)

### Qu.5 – (XYZ: Category A)

- Pre-1997 and post-1997 pensionable service splits occasionally calculated incorrectly for first and last tranches (often by either one day too much or one day too little)
- Varied accrual rates sometimes associated with incorrect tranches of pensionable service
- Pre-1998 GMP and post-1988 GMP elements not always revalued from date of leaving to 'GMP due date' (i.e. age 60 due to member being female) in accordance with statutory method detailed in appendices of XYZ Pension and Life Assurance Scheme booklet (i.e. revalued pre-1988 GMP at 'GMP due date' should be derived by deducting revalued post-1988 GMP at 'GMP due date' from revalued total GMP at 'GMP due date')
- GMP elements sometimes revalued in one stage from date of leaving to normal pension date rather than the required two stages (i.e. from date of leaving to 'GMP due date', and with different statutory increases applying thereafter for pre-1988 and post-1988 GMP elements)
- GMP elements occasionally not calculated to be divisible by 52

#### Qu.6 – (Letter for Qu.3)

- Mention of 'assumed' rate of 2.5% per annum compound having been used to revalue pension from date of leaving to normal pension date occasionally omitted (although 'true' annual revaluation rate of lower of 5.0% / CPI usually stated)
- Reference sometimes made to whole of pension being revalued from date of leaving to normal pension date (when transferred-in pension already revalued to normal pension date)
- Reference to transferred-in pension increasing in payment at different rate to scheme pension not always stated
- Actual value for spouse's pension at date of leaving sometimes omitted
- Actual value for spouse's pension at date of leaving revalued to normal pension date (including transferred-in pension) sometimes omitted

### **DEATHS: PART 1**

#### Qu.1 – (XYZ-A)

- Pre / post-1997 pensionable service splits occasionally wrong (normally by either one day too high or one day too low)
- Final pensionable salary sometimes based on best pensionable salary figure in last 5 years (rather than using latest figure)
- Contracted-out check sometimes omitted (although usually correct when calculated)
- Splits for excess and post-1988 WGMP elements of spouse's pension occasionally not calculated (or calculated but with spouse's post-1988 WGMP not always being divisible by 52)
- Incorrect method frequently used for determining spouse's pension (i.e. spouse's pension should be 50% of member's pension, with excess amount being balance over and above post-1988 WGMP)

#### Qu.2 – (RST)

- CARE pension sometimes calculated as being higher than Underpin pension when it was slightly lower
- Young spouse reduction occasionally calculated when spouse was more than 10 years older than member

#### Qu.3 – (RST)

- CARE pension and Underpin pension not always based on projected pensionable service to normal pension date
- Young spouse reduction occasionally omitted

#### Qu.4 – (OPQ)

- Start date for calculating complete months from last switch date to target retirement date sometimes based on date of death rather than first day of month of death
- Unit holdings after applying relevant lifestyle investment allocation percentages (split by each fund within each contribution type) not always rounded to 4 decimal places – or even shown – prior to multiplying by relevant unit prices
- Recipient of lump sum death benefit sometimes stated as being at discretion of trustees when reference should have been made to lump sum death benefit being paid to deceased member's legal personal representatives / estate

#### Qu.5 – (XYZ: Category B)

- Number of instalments sometimes calculated incorrectly for balance of payments for lump sum death benefit (even when start and end dates correct)
- Number of instalments frequently not capped to deceased member's 75<sup>th</sup> birthday

#### Qu.6 – (Letter for Qu.3)

- Mention of young spouse reduction occasionally omitted
- Details of beneficiaries for lump sum death benefit sometimes requested (*in circumstances where letter addressed to spouse rather than trustees*) but lump sum death benefit payable under trustees' discretionary powers

### **DEATHS: PART 2**

#### Qu.1 – (RST)

- Number of instalments sometimes calculated incorrectly for balance of payments for lump sum death benefit (even when start and end dates correct)
- Check not always provided to confirm spouse's pension lower than member's pension in payment at date of death

#### Qu.2 – (XYZ: Category B)

- Highest pensionable salary in last 5 years not always restricted to normal pension date
- Final pensionable salary at 3 July 2011 (revalued to normal pension date) not always clearly compared against best pensionable salary figure in last 5 years (capped to normal pension date)
- Pensionable service occasionally not capped to 3 July 2011
- Pensionable service splits sometimes calculated incorrectly for full-time and part-time tranches
- Correct part-time adjustments not always applied to relevant tranches of pensionable service
- Late retirement factor not always applied (or factor applied but not always rounded to nearest integer)

#### Qu.3 – (XYZ: Category A)

- GMP revaluation percentage rate sometimes incorrect (i.e. rate other than 7.0% used)
- Member's GMP elements not always revalued from date of leaving to date of death in accordance with statutory method detailed in appendices of XYZ Pension and Life Assurance Scheme booklet (i.e. revalued pre-1988 GMP at date of death should be derived by deducting revalued post-1988 GMP at date of death from revalued total GMP at date of death)
- Splits for excess and post-1988 WGMP elements for spouse's pension occasionally not calculated (or calculated but with spouse's post-1988 WGMP element not always being divisible by 52)
- Spouse's pre-1988 WGMP sometimes calculated when not applicable (since deceased member was female)
- Incorrect method frequently used for determining spouse's pension (i.e. spouse's pension should be 50% of member's pension, with excess amount being balance over and above post-1988 WGMP)
- Lump sum death benefit sometimes stated as being paid to 'persons at the discretion of the trustees' when reference should have been made to lump sum death benefit being paid to 'deceased member's legal personal representatives / estate'

#### Qu.4 – (RST)

- Enhanced accrual rate not always applied when calculating prospective CARE pension to normal pension date
- Pre-2006 pensionable service not always split out correctly before applying either standard or enhanced accrual rate in calculation of Underpin pension
- Young spouse reduction occasionally omitted

#### Qu.5 – (OPQ)

- Start date for calculating complete months from last switch date to target retirement date sometimes based on date of death rather than first day of month of death
- Unit holdings after applying relevant lifestyle investment allocation percentages (split by each fund within each contribution type) not always rounded to 4 decimal places – or even shown – prior to multiplying by relevant unit prices
- Confusion sometimes encountered due to having transferred-in benefits invested in non-lifestyle funds and member and employee contributions invested in lifestyle fund

#### Qu.6 – (Letter for Qu.3)

- Actual values for spouse's excess pension and post-1988 WGMP occasionally omitted
- Lump sum death benefit sometimes stated as being paid to 'persons at the discretion of the trustees' when reference should have been made to lump sum death benefit being paid to 'deceased member's legal personal representatives / estate' (*wording was occasionally correct in the Case Study but incorrect in the Letter, or vice versa*)

### **RETIREMENTS: PART 1**

#### Qu.1 – (OPQ)

- 'Annuity Bureau Charge' not always based on higher of £75.00 and 0.065% of value of Personal Retirement Account after taking the tax-free cash sum option
- Correct range of requested options not always provided (i.e. request specifically made for 15% cash with a single life annuity {either non-escalating or escalating at the lower of 5.0% RPI})
- Taxable element of UFPLS often not stated as being taxed at member's marginal rate (or paid assuming an emergency code on a month 1 basis)
- Mention of open market option occasionally omitted

#### Qu.2 – (XYZ: Category B)

- Pensionable service not always capped to 3 July 2011
- Pensionable service – when not capped – occasionally projected to normal pension date
- Early retirement factor sometimes applied when this is not applicable for ill-health

#### Qu.3 – (RST)

- Splits not always provided for pre / post-2006 elements of member's residual pension
- Spouse's post-commutation pension occasionally not stated
- Mention of potential young spouse reduction frequently omitted (spouse was slightly more than 10 years younger than the member)

#### Qu.4 – (XYZ: Category A)

- Pensionable service occasionally wrong for pre-1997 and post-1997 tranches (usually by no more than one day either side of the correct figures)
- Early retirement factor sometimes not applied (even when requirement for an early retirement factor correctly identified – and calculated – at outset of calculation)
- Commutation factor occasionally based on wrong age (i.e. member was one day short of being 57 years and 7 months)
- Check to determine if residual pension covers GMP occasionally omitted

#### Qu.5 – (RST)

- Incorrect accrual rates occasionally applied for CARE pension and Underpin pension (usually being based on historical accrual rates)
- Splits not always provided for pre / post-2006 elements of member's residual pension
- Spouse's post-commutation pension occasionally not stated

#### Qu.6 – (Letter for Qu.2)

- Statement not always provided referring to retirement being on grounds of ill-health

### **RETIREMENTS: PART 2**

#### Qu.1 – (RST)

- Pensionable service for ill-health occasionally based on actual retirement date rather than being projected to normal pension date
- Underpin pension not always identified as being higher than CARE pension
- Percentage of 'Lifetime Allowance' used not always combined for either (a) scheme pension and single life AVC pension; or (b) scheme pension and joint life AVC pension
- Single life and joint life AVC pension options for member sometimes dealt with incorrectly
- AVC pensions rarely stated as being post-2006 (and therefore subject to increases in payment at the lower of 2.5% and RPI)
- Spouse's pension not always calculated correctly when considering single life and joint life AVC pension options
- Commutation factor occasionally based on wrong age (i.e. member was one day short of being 57 years and 10 months)
- Methodology for incorporating AVCs within tax-free cash sum calculation sometimes inaccurate

#### Qu.2 – (XYZ: Category B)

- Final pensionable salary occasionally not based on higher revalued figure from 4 July 2011
- Pensionable service not always capped to 3 July 2011
- Pensionable service splits not always calculated correctly prior to applying any part-time adjustments
- Part-time adjustments occasionally incorrect even when pensionable service splits calculated correctly
- Early retirement factor other than 1.00 sometimes applied (when the actual factor rounded to a whole integer was 1.00)
- Reference occasionally made to potential young spouse reduction when not relevant for *XYZ Pension and Life Assurance Scheme*

#### Qu.3 – (OPQ)

- Unit holdings after applying relevant lifestyle investment allocation percentages (split by each fund within each contribution type) not always rounded to 4 decimal places – or even shown – prior to multiplying by relevant unit prices
- ‘Annuity Bureau Charge’ not always based on higher of £75.00 and 0.065% of value of Personal Retirement Account (after deducting required tax-free cash sum)
- Correct range of requested annuity / cash options not always provided (i.e. specific requirement for either (a) single life annuity with £100,000 cash, or (b) joint life annuity with maximum cash)
- Percentage of ‘Lifetime Allowance’ used by annuity options sometimes incorrectly based on fund value after deduction of ‘Annuity Bureau Charge’
- Taxable element of UFPLS often not stated as being taxed at member’s marginal rate (or paid assuming an emergency code on a month 1 basis)
- Mention of open market option occasionally omitted

#### Qu.4 – (XYZ: Category A)

- Excess revaluation rate sometimes applied incorrectly (i.e. 25.40% meant excess pension should have been revalued by a factor of 1.254)
- GMP elements not always revalued from date of leaving to date of retirement in accordance with statutory method detailed in appendices of XYZ Pension and Life Assurance Scheme booklet (i.e. revalued pre-1988 GMP at normal pension date (NPD) should be derived by deducting revalued post-1988 GMP at NPD from revalued total GMP at NPD)
- GMP revaluation percentage rate sometimes incorrect (i.e. rate other than 4.75% sometimes used)
- GMP revaluation period sometimes based on complete years rather than complete tax years
- Transferred-in benefit not always accumulated to overall pension (or occasionally omitted from the calculation of the tax-free cash sum)
- Check to determine if residual pension covers GMP occasionally omitted

#### Qu.5 – (RST)

- Augmented accrual rate not always applied for year-to-date CARE pension
- Augmented accrual rate and relevant service split for applying augmented accrual rate not always accurate in calculation of Underpin pension (i.e. the augmented accrual rate only applied for pensionable service from 6 April 2012)
- Splits not always provided for pre / post-2006 elements of residual pension
- Spouse’s post-commutation pension occasionally not stated

#### Qu.6 – (Letter for Qu.5)

- Statement that CARE pension higher than Underpin pension frequently not provided
- Augmented accrual rates for CARE pension and Underpin pension not always stated

### **TRANSFERS**

#### Qu.1 – (RST)

- Age next birthday sometimes wrong by one year (and occasionally by 10 years)
- Statement not always provided for requirement to take independent financial advice from an authorised adviser regulated under Financial Services and Markets Act 2000 if transferring to an arrangement where benefits can be accessed flexibly (as transfer value exceeds £30,000) or – more commonly – statement provided but without specific reference to requirement for adviser to be regulated under Financial Services and Markets Act 2000

#### Qu.2 – (OPQ)

- Occasional transcription errors made with unit prices (or correct unit prices applied but arithmetical errors made when deriving individual splits for various fund values)
- Reference often made to requirement for Trustees to book a Pensions Guidance appointment with Pensions Wise on behalf of the member (but not applicable as member aged under 50)

#### Qu.3 – (XYZ)

- Statement not always provided for requirement to take independent financial advice from an authorised adviser regulated under Financial Services and Markets Act 2000 if transferring to an arrangement where benefits can be accessed flexibly (as transfer value exceeds £30,000) or – more commonly – statement provided but without specific reference to requirement for adviser to be regulated under Financial Services and Markets Act 2000

#### Qu.4 – (RST)

- Full list of attaching benefits not always accurate (e.g. no spouse's pension should be payable on death-in-deferment)

#### Qu.5 – (OPQ)

- Confusion often encountered with mixture of lifestyle and non-lifestyle funds
- Split of contributions (by contribution type) between lifestyle and non-lifestyle funds not always calculated to 2 decimal places at outset of calculation
- Number of complete months to TRD occasionally incorrect when determining fund allocation percentages within lifestyle fund
- Value of contributions after applying relevant lifestyle investment allocation percentages (split by each fund within each contribution type) not always rounded to 4 decimal places prior to dividing by relevant unit prices
- Value of contributions after applying relevant lifestyle investment allocation percentages (split by each fund within each contribution type) sometimes not shown at all – just end results shown after multiplying by relevant lifestyle investment allocation percentages and dividing by relevant unit prices

#### Qu.6 – (XYZ)

- Age next birthday sometimes wrong by one year
- Full list of attaching benefits not always provided

#### Qu.7 – (Letter for Qu.2)

- Breakdown of individual values (split by each fund within each contribution type) frequently omitted (although total values for each contribution type usually provided)
- Reference to a guarantee period occasionally mentioned, which is inaccurate for the OPQ Retirement & Death Benefits Plan
- Statement that financial advice cannot be provided sometimes omitted
- Statement to confirm that no benefits will remain in the OPQ Retirement & Death Benefits Plan should the transfer out proceed not always provided
- Information in relation to Pensions Wise frequently provided when this was not relevant as the member was under age 50 (specifically, mention was often made to the trustees being required to offer to book a pensions guidance appointment on behalf of the member and needing to advise that the transfer would not be able to proceed without an appointment having taken place or the member having provided an opt-out notification)



Qu.8 – (Letter for Qu.6)

- Full list of attaching benefits on death not always provided
- Statement referring to a quotation guarantee period for the transferred-in benefits not always provided
- Statement confirming that no benefits will remain in the ceding scheme should the transfer in proceed occasionally omitted

## SUMMARY OF WORKED ANSWERS

### Leavers Part 1 – Question 1

#### Calculation

- (1) Preserved pension at date of leaving of **£14,561.89 p.a.** which, when revalued to NPD, could result in a maximum pension of **£28,831.52 p.a.** – *assuming increases from date of leaving to NPD of 5.0% per annum compound*

Spouse's pension on death before / after retirement of **£7,280.95 p.a.** (*based on member's pension at DOL*) which, when revalued to NPD, could result in a maximum pension of **£14,415.76 p.a.** (*based on member's pension at DOL revalued to NPD*)

**OR**

- (2) Transfer value to another pension arrangement

### Leavers Part 1 – Question 2

#### Calculation

- (1) Net refund of **£3,797.47**

**OR**

- (2) Preserved 'CARE' pension at date of leaving of **£858.67 p.a.** {*v preserved 'Underpin' pension of £809.26 p.a.*} (all post-2006) which, when revalued to NPD, would result in a pension of **£1,515.22 p.a.** (all post-2006 – *assuming increases from date of leaving to NPD of 2.5% per annum compound*)

Spouse's pension on death after retirement of **£343.47 p.a.** (all post-2006 – *based on member's pension at DOL*) which, when revalued to NPD, would result in a pension of **£606.09 p.a.** (all post-2006 – *based on member's pension at DOL revalued to NPD*)

**OR**

- (3) Transfer value to another pension arrangement

### Leavers Part 1 – Question 3

#### Calculation

- (1) Preserved pension at date of leaving of **£24,000.00 p.a.** (excess over GMP = **£21,264.80 p.a.** and post-1988 GMP = **£2,735.20 p.a.**) which, when revalued to NPD, could result in a maximum pension of **£31,811.96 p.a.** (excess over GMP = **£28,496.96 p.a.** and post-1988 GMP = **£3,315.00 p.a.** – *assuming increases on excess from date of leaving to NPD of 5.0% per annum compound and increases on GMP from date of leaving to NPD (= 'GMP due date') at fixed rate of revaluation [3.25%]*)

Spouse's pension on death before / after retirement of **£12,000.00 p.a.** (*based on member's pension at DOL*) which, when revalued to NPD, could result in a maximum pension of **£15,905.98 p.a.** (*based on member's pension at DOL revalued to NPD*)

**OR**

- (2) Transfer value to another pension arrangement

**Letter (Part 1 - Question 6)**

- (1) Date of leaving (**08/03/2023**)
- (2) Preserved pension at date of leaving (**£24,000.00 p.a.**)
- Excess over GMP (**£21,264.80 p.a.**)
  - Post-1988 GMP (**£2,735.20 p.a.**)
- (3) Mention member's NPD (**12/12/2029**) or specific age at NPD (**65**)
- (4) Revaluation rate to NPD
- Excess revaluation from DOL to NPD (**lower of 5.0% / RPI**)
  - Post-1988 GMP revaluation from DOL to NPD (= 'GMP due date') (**fixed rate at 3.25%**)
- (5) Pension at NPD (**£31,811.96 p.a.**)
- Excess over GMP (**£28,496.96 p.a.**)
  - Post-1988 GMP (**£3,315.00 p.a.**)
- (6) Mention tax-free cash sum option on retirement
- (7) Death before retirement
- Spouse's pension (**£12,000.00 p.a. at DOL, revalued to DOD**)
  - Refund of contributions (**£81,532.65**)
- (8) Death after retirement
- Spouse's pension (**£12,000.00 p.a. at DOL, revalued to max £15,905.98 p.a. at NPD**)
  - LSDB (**provided death occurs within 5 years of retirement**)
- (9) Post retirement increases
- Total pension prior to NPD (= 'GMP due date') (**lower of 5.0% / RPI**)
  - Excess over GMP from NPD (= 'GMP due date') (**lower of 5.0% / RPI**)
  - Post-1988 GMP from NPD (= 'GMP due date') (**lower of 3.0% / CPI**)
- (10) Mention transfer option

**Leavers Part 1 – Question 4**

**Calculation**

- (1) Preserved 'Underpin' pension at date of leaving of **£12,199.07 p.a.** {*v preserved 'CARE' pension of £12,018.31 p.a.*} (all post-2006) which, when revalued to NPD, would result in a pension of **£23,761.35 p.a.** (all post-2006 – *assuming increases from date of leaving to NPD of 2.5% per annum compound*)

Spouse's pension on death after retirement of **£4,879.63 p.a.** (all post-2006 – *based on member's pension at DOL*) which, when revalued to NPD, would result in a pension of **£9,504.54 p.a.** (all post-2006 – *based on member's pension at DOL revalued to NPD*)

**OR**

- (2) Transfer value to another pension arrangement

### **Leavers Part 1 – Question 5**

#### **Calculation**

- (1) Preserved benefit of **£70,167.52**

**OR**

- (2) Transfer value to another pension arrangement

### **Leavers Part 2 – Question 1**

#### **Calculation**

- (1) Refund ONLY of **£1,205.11**

### **Leavers Part 2 – Question 2**

#### **Calculation**

- (1) Preserved pension at date of leaving of **£12,681.92 p.a.** which, when revalued to NPD, could result in a maximum pension of **£27,682.98 p.a.** – *assuming increases from date of leaving to NPD of 5.0% per annum compound*

Spouse's pension on death before / after retirement of **£6,340.96 p.a.** (*based on member's pension at DOL*) which, when revalued to NPD, could result in a maximum pension of **£13,841.49 p.a.** (*based on member's pension at DOL revalued to NPD*)

**OR**

- (2) Transfer value to another pension arrangement

### **Leavers Part 2 – Question 3**

#### **Calculation**

- (1) Preserved 'Underpin' pension at date of leaving of **£15,069.44 p.a.** {*v preserved 'CARE' pension of £14,796.45 p.a.*} (all post-2006) which, when revalued to NPD, would result in a pension of **£21,292.67 p.a.** (all post-2006 – *assuming increases from date of leaving to NPD of 2.5% per annum compound*) PLUS transferred-in pension at NPD of **£2,155.63 p.a.** (all pre-2006), resulting in a total pension at NPD of **£23,448.30 p.a.**

Spouse's pension on death after retirement of **£6,027.78 p.a.** (all post-2006 – *based on member's pension at DOL*) which, when revalued to NPD, would result in a pension of **£8,517.07 p.a.** (all post-2006 – *based on member's pension at DOL revalued to NPD*) PLUS transferred-in pension at NPD of **£862.25 p.a.** (all pre-2006), resulting in a total pension at NPD of **£9,379.32 p.a.**

**OR**

- (2) Transfer value to another pension arrangement

**Letter: Question 6 – (Relating to Question 3)**

- (1) Date of leaving (**08/03/2023**)
- (2) Preserved 'Underpin' pension at date of leaving (**£15,069.44 p.a.**), which is all post-2006
- (3) Revaluation rate to NPD (**lower of 5.0% / CPI**)
- (4) Member's NPD (**03/07/2037**) or specific age at NPD (**65**)
- (5) Pension at NPD (**£21,292.67 p.a.**) *{assuming increases of 2.5% per annum compound}*, which is all post-2006; PLUS transferred-in pension at NPD (**£2,155.63 p.a.**), which is all pre-2006 – {total pension at NPD = **£23,448.30 p.a.**}
- (6) Must mention tax-free cash sum option on retirement
- (7) Death before retirement
  - Refund of contributions of (**£74,523.53**)
- (8) Death after retirement
  - Spouse's pension (**£6,027.78 p.a.**), which is all post-2006 *{based on member's pension at DOL}* which, when revalued to NPD, would result in a pension of **£8,517.07 p.a.** *{based on member's pension at DOL revalued to NPD, assuming increases of 2.5% per annum compound}*, which is all post-2006; PLUS transferred-in pension at NPD of **£865.25 p.a.**, which is all pre-2006 – {total pension at NPD = **£9,379.32 p.a.**}
  - LSDB (**provided death occurs before 5 years of pension payments**)
- (9) Post retirement increases
  - Pre-2006 (**lower of 5.0% / RPI**)
  - Post-2006 (**lower of 2.5% / RPI**)
- (10) Must mention transfer option

**Leavers Part 2 – Question 4**

**Calculation**

- (1) Preserved benefit of **£223,898.30** (including Augmentation of **£10,000.00**)

**OR**

- (2) Transfer value to another pension arrangement

**Leavers Part 2 – Question 5**

**Calculation**

- (1) Preserved pension at date of leaving of **£25,585.18 p.a.** (excess over GMP = **£23,225.94 p.a.**, pre-1988 GMP = **£563.16 p.a.** and post-1988 GMP = **£1,796.08 p.a.**) which, when revalued to NPD, could result in a maximum pension of **£36,548.46 p.a.** (excess over GMP = **£32,681.22 p.a.**, pre-1988 GMP = **£823.16 p.a.** and post-1988 GMP = **£3,044.08 p.a.** – *assuming increases on excess from date of leaving to NPD of 5.0% per annum compound and increases on GMP from date of leaving to 'GMP due date' at fixed rate of revaluation [3.25%], with statutory increases applying thereafter up to NPD*)

Spouse's pension on death before / after retirement of **£12,792.59 p.a.** (*based on member's pension at DOL*) which, when revalued to NPD, could result in a maximum pension of **£18,274.23 p.a.** (*based on member's pension at DOL revalued to NPD*)

**OR**

- (2) Transfer value to another pension arrangement

### **Deaths Part 1 – Question 1**

#### **Calculation**

- (1) Lump sum death benefit (refund of contributions of **£55,290.95** plus life assurance of **£193,280.00** since death in service before NPD) of **£248,570.95** payable at Trustees' Discretion – [LTA used = **23.16%**]

**PLUS**

- (2) Spouse's pension of **£11,384.14 p.a.** (excess over WGMP = **£11,304.58 p.a.** and post-1988 WGMP = **£79.56 p.a.**)

### **Deaths Part 1 – Question 2**

#### **Calculation**

- (1) Lump sum death benefit (refund of contributions of **£67,650.48** plus life assurance of **£225,300.00** since death in service after NPD) of **£292,950.48** payable at Trustees' Discretion – [LTA used = **27.29%**]

**PLUS**

- (2) Spouse's pension of **£7,142.84 p.a.** (pre-2006 = **£400.53 p.a.** and post-2006 = **£6,742.31 p.a.**)

### **Deaths Part 1 – Question 3**

#### **Calculation**

- (1) Lump sum death benefit (refund of contributions of **£30,829.86** plus life assurance of **£87,750.00** since death in service before NPD) of **£118,579.86** payable at Trustees' Discretion – [LTA used = **11.05%**]

**PLUS**

- (2) Spouse's pension of **£7,670.54 p.a.** (pre-2006 = **£352.01 p.a.** and post-2006 = **£7,318.53 p.a.** {including young spouse reduction})

**Letter: Question 6 – (Relating to Question 3)**

- (1) Date of death:
  - **11/03/2023**
- (2) Total lump sum death benefit (**£118,579.86**), *stating the following details:*
  - Life assurance (**£87,750.00**)
  - Refund of contributions (**£30,829.86**)
  - Payable at **Trustees' Discretion**
- (3) Spouse's pension (**£7,670.54 p.a.**), *stating the following details:*
  - Pre-2006 split (**£352.01 p.a.**)
  - Post-2006 split (**£7,318.53 p.a.**)
  - Commencement date (**01/04/2023**)
  - Increase rates (pre-2006 = **lower of 5.0% / RPI** and post-2006 = **lower of 2.5% / RPI**)
  - Frequency of payment (**monthly**)
  - Increase date (**each year on anniversary of DOD**)
- (4) Additional information:
  - Must mention young spouse reduction
- (5) Lifetime allowance:
  - Percentage used by lump sum death benefit (**11.05%**)
  - Counts against deceased member
- (6) Action required:
  - Member's death certificate
  - Spouse's birth & marriage certificates
  - Bank details

**Deaths Part 1 – Question 4**

**Calculation**

- (1) Lump sum death benefit (refund of Personal Retirement Account only since death in deferment) of **£141,187.03** payable to Legal Personal Representatives / Estate – [LTA used = **13.15%**]

**Deaths Part 1 – Question 5**

**Calculation**

- (1) Lump sum death benefit (equal to balance of 5 years' member pension instalments only [*capped to age 75*] since death in retirement) of **£15,031.10** payable at Trustees' Discretion – [LTA used = **1.40%**]

**PLUS**

- (2) Spouse's pension of **£4,327.21 p.a.**

### **Deaths Part 2 – Question 1**

#### **Calculation**

- (1) Lump sum death benefit (equal to balance of 5 years' member pension instalments only since death in retirement) of **£60,924.47** payable at Trustees' Discretion – [LTA used = **5.67%**]

**PLUS**

- (2) Spouse's pension of **£29,775.20 p.a.** (pre-2006 = **£9,943.34 p.a.** and post-2006 = **£19,831.86 p.a.**)

### **Deaths Part 2 – Question 2**

#### **Calculation**

- (1) Lump sum death benefit (equal to 5 years' member pension instalments since death in service after NPD) of **£79,133.80** payable at Trustees' Discretion – [LTA used = **7.37%**]

**PLUS**

- (2) Spouse's pension of **£7,913.38 p.a.**

### **Deaths Part 2 – Question 3**

#### **Calculation**

- (1) Lump sum death benefit (refund of contributions of **£13,146.67** and refund of value of AVCs of **£16,987.55** only since death in deferment) of **£30,134.22** payable to Legal Personal Representatives / Estate – [LTA used = **2.80%**]

**PLUS**

- (2) Spouse's pension of **£11,518.31 p.a.** (excess over WGMP = **£6,500.83 p.a.** and post-1988 WGMP = **£5,017.48 p.a.**)

### **Letter: Question 6 – (Relating to Question 3)**

- (1) Date of death:  
- **20/03/2023**
- (2) Total lump sum death benefit (**£30,134.22**), stating the following details:  
- Refund of contributions (**£13,146.67**)  
- Refund of value of AVCs (**£16,987.45**)  
- Payable to **Estate / Legal Personal Representatives**
- (3) Spouse's pension (**£11,518.31 p.a.**), stating the following details:  
- Post-1988 WGMP (**£5,017.48 p.a.**)  
- Excess (**£6,500.83 p.a.**)



- Commencement date (**01/04/2023**)
  - Increase rates (post-1988 WGMP = **lower of 3.0% / CPI** and excess = **lower of 5.0% / RPI**)
  - Frequency of payment (**monthly**)
  - Increase date (**1st April each year**)
- (4) Additional information:
- Must mention AVCs
- (5) Lifetime allowance:
- Percentage used by lump sum death benefit (**2.80%**)
  - Counts against deceased member
- (6) Action required:
- Member's death certificate
  - Spouse's birth & marriage certificates
  - Bank details

### **Deaths Part 2 – Question 4**

#### **Calculation**

- (1) Lump sum death benefit (refund of contributions of **£252,973.63** plus life assurance of **£514,025.00** since death in service before NPD) of **£766,998.63** payable at Trustees' Discretion – [LTA used = **71.47%**]

**PLUS**

- (2) Spouse's pension of **£46,101.69 p.a.** (pre-2006 = **£11,255.04 p.a.** and post-2006 = **£34,846.65 p.a.** {including young spouse reduction})

### **Deaths Part 2 – Question 5**

#### **Calculation**

- (1) Lump sum death benefit (refund of Personal Retirement Account of **£181,961.90** plus life assurance of **£114,150.00** since death in service before NPD) of **£296,111.90** payable at Trustees' Discretion – [LTA used = **27.59%**]

### **Retirements Part 1 – Question 1**

#### **Calculation**

Value of Personal Retirement Account = **£93,398.98**

Options

- (1) Pension commencement lump sum of **£14,009.85** – [LTA used = **1.30%**]

**PLUS**

Annuity of **£6,900.33 p.a.** (non-increasing, and single life) – [LTA used = **7.39%**] – {Annuity Bureau Charge of **£75.00**}

**OR**

- (2) Pension commencement lump sum of **£14,009.85** – [LTA used = **1.30%**]

**PLUS**

Annuity of **£5,234.73 p.a.** (increasing at the lower of 5.0% / RPI, and single life) – [LTA used = **7.39%**] – {Annuity Bureau Charge of **£75.00**}

**OR**

- (3) Uncrystallised Funds Pension Lump Sum of **£93,398.98** (tax-free element = **£23,349.75** and taxable element = **£70,049.23**, which is taxed at member's marginal rate and paid assuming an Emergency Code on a Month 1 basis) – [LTA used = **8.70%**]

**OR**

- (4) Open Market Option

### **Retirements Part 1 – Question 2**

#### **Calculation**

Options

- (1) Full pension of **£10,691.12 p.a.** with a spouse's pension of **£5,345.56 p.a.** – [LTA used = **19.92%**]

**OR**

- (2) Pension commencement lump sum of **£49,953.72** – [LTA used = **4.65%**]

**PLUS**

Residual pension of **£7,493.06 p.a.** with a spouse's pension of **£5,345.56 p.a.** – [LTA used = **13.96%**]

#### **Letter: Question 6 – (Relating to Question 2)**

- (1) Date of retirement:  
- **15/03/2023**
- (2) Options available:  
- Full pension = **£10,691.12 p.a.**  
**OR**  
- Pension commencement lump sum [PCLS] = **£49,953.72**, **PLUS**  
- Residual pension = **£7,493.06 p.a.**
- (3) Details of pension:  
- Commencement date = **01/04/2023**  
- Frequency of payment = **monthly**  
- Increase rate = **lower of 5.0% / RPI**  
- Increase date = **1st April each year**

- (4) Details of spouse's pension payable on death of member:
  - Spouse's pension = **£5,345.56 p.a.**
- (5) Must mention pension being paid early on grounds of ill health
- (6) Must mention LSDB payable if death occurs within 5 years of retirement
- (7) Lifetime allowance:
  - Percentage used by full pension = **19.92%**
  - OR*
  - Percentage used by PCLS = **4.65%** and percentage used by residual pension = **13.96%**
- (8) Action required:
  - Choice of option
  - Member's birth certificate
  - Bank details

### **Retirements Part 1 – Question 3**

#### **Calculation**

Options

- (1) Full pension of **£27,898.38 p.a.** (pre-2006 = **£15,129.75 p.a.** and post-2006 = **£12,768.63 p.a.**) with a spouse's pension of **£11,159.35 p.a.** (pre-2006 = **£6,051.90 p.a.** and post-2006 = **£5,107.45 p.a.**) – [LTA used = **51.99%**]

**OR**

- (2) Pension commencement lump sum of **£125,406.40** – [LTA used = **11.68%**]

**PLUS**

Residual pension of **£18,810.96 p.a.** (pre-2006 = **£15,129.75 p.a.** and post-2006 = **£3,681.21 p.a.**) with a spouse's pension of **£11,159.35 p.a.** (pre-2006 = **£6,051.90 p.a.** and post-2006 = **£5,107.45 p.a.**) – [LTA used = **35.05%**]

### **Retirements Part 1 – Question 4**

#### **Calculation**

Options

- (1) Full pension of **£24,885.60 p.a.** (excess over GMP = **£22,708.88 p.a.** and post-1988 GMP = **£2,176.72 p.a.**) with a spouse's pension of **£12,442.80 p.a.** – [LTA used = **46.38%**]

**OR**

- (2) Pension commencement lump sum of **£116,232.14** – [LTA used = **10.83%**]

**PLUS**

Residual pension of **£17,434.82 p.a.** (excess over GMP = **£15,258.10 p.a.** and post-1988 GMP = **£2,176.72 p.a.**) with a spouse's pension of **£12,442.80 p.a.** – [LTA used = **32.49%**]

## Retirements Part 1 – Question 5

### Calculation

Options

- (1) Full 'CARE' pension of **£26,079.89 p.a.** {vs 'Underpin' pension of **£21,898.14 p.a.**} (pre-2006 = **£8,889.87 p.a.** and post-2006 = **£17,190.02 p.a.**) with a spouse's pension of **£10,431.96 p.a.** (pre-2006 = **£3,555.95 p.a.** and post-2006 = **£6,876.01 p.a.**) – [LTA used = **48.60%**]

**OR**

- (2) Pension commencement lump sum of **£114,566.50** – [LTA used = **10.67%**]

**PLUS**

Residual 'CARE' pension of **£17,184.98 p.a.** (pre-2006 = **£8,889.87 p.a.** and post-2006 = **£8,295.11 p.a.**) with a spouse's pension of **£10,431.96 p.a.** (pre-2006 = **£3,555.95 p.a.** and post-2006 = **£6,876.01 p.a.**) – [LTA used = **32.02%**]

## Retirements Part 2 – Question 1

### Calculation

Options

- (1A) Full 'Underpin' pension of **£33,787.58 p.a.** {vs full 'CARE' pension of **£31,178.06 p.a.**} (pre-2006 = **£7,609.00 p.a.** and post-2006 = **£26,178.58 p.a.**) [plus single-life AVC pension of **£9,580.05 p.a.** = total pension of **£43,367.63 p.a.**] with a spouse's pension of **£13,515.03 p.a.** (pre-2006 = **£3,043.60 p.a.** and post-2006 = **£10,471.43 p.a.**) – [LTA used = **80.82%**]

**OR**

- (1B) Full 'Underpin' pension of **£33,787.58 p.a.** {vs full 'CARE' pension of **£31,178.06 p.a.**} (pre-2006 = **£7,609.00 p.a.** and post-2006 = **£26,178.58 p.a.**) [plus joint-life AVC pension of **£8,274.39 p.a.** = total pension of **£42,061.97 p.a.**] with a spouse's pension of **£13,515.03 p.a.** (pre-2006 = **£3,043.60 p.a.** and post-2006 = **£10,471.43 p.a.**) [plus joint life AVC pension of **£3,309.76 p.a.** = total pension of **£16,824.79 p.a.**] – [LTA used = **78.39%**]

**OR**

- (2) Pension commencement lump sum of **£201,050.69** (including AVC cash of **£173,690.58**) – [LTA used = **18.73%**]

**PLUS**

Residual 'Underpin' pension of **£32,026.96 p.a.** (pre-2006 = **£7,609.00 p.a.** and post-2006 = **£24,417.96 p.a.**) with a spouse's pension of **£13,515.03 p.a.** (pre-2006 = **£3,043.60 p.a.** and post-2006 = **£10,471.43 p.a.**) – [LTA used = **59.69%**]

## **Retirements Part 2 – Question 2**

Options

- (1) Full pension of **£10,631.68 p.a.** with a spouse's pension of **£5,315.84 p.a.** – [LTA used = **19.81%**]

**OR**

- (2) Pension commencement lump sum of **£49,089.40** – [LTA used = **4.57%**]

**PLUS**

Residual pension of **£7,363.41 p.a.** with a spouse's pension of **£5,315.84 p.a.** – [LTA used = **13.72%**]

## **Retirements Part 2 – Question 3**

### **Calculation**

Value of Personal Retirement Account = **£418,060.91** (including augmentation of **£36,481.94**)

Options

- (1) Pension commencement lump sum of **£104,515.23** – [LTA used = **9.73%**]

**PLUS**

Annuity of **£26,195.38 p.a.** (non-increasing) with a spouse's annuity of **£13,097.69 p.a.** – [LTA used = **29.21%**] – {Annuity Bureau Charge of **£203.80**}

**OR**

- (2) Pension commencement lump sum of **£100,000.00** – [LTA used = **9.31%**]

**PLUS**

Annuity of **£24,951.55 p.a.** (non-increasing and single life) – [LTA used = **29.63%**] – {Annuity Bureau Charge of **£206.74**}

**OR**

- (3) Uncrystallised Funds Pension Lump Sum of **£418,060.91** (tax-free element = **£104,515.23** and taxable element = **£313,545.68**, which is taxed at member's marginal rate and paid assuming an Emergency Code on a Month 1 basis) – [LTA used = **38.95%**]

**OR**

- (4) Open Market Option

## **Retirements Part 2 – Question 4**

### **Calculation**

Options

- (1) Full pension of **£24,862.27 p.a.** (excess over GMP = **£20,559.27 p.a.** {including TVin element}, pre-1988 GMP = **£682.24 p.a.** and post-1988 GMP = **£3,620.76 p.a.**) with a spouse's pension of **£12,431.14 p.a.** – [LTA used = **46.33%**]

**OR**

- (2) Pension commencement lump sum of **£111,758.74** – [LTA used = **10.41%**]

**PLUS**

Residual pension of **£16,763.81 p.a.** (excess over GMP = **£12,460.81 p.a.**, pre-1988 GMP = **£682.24 p.a.** and post-1988 GMP = **£3,620.76 p.a.**) with a spouse's pension of **£12,431.14 p.a.** – [LTA used = **31.24%**]

## **Retirements Part 2 – Question 5**

### **Calculation**

Options

- (1) Full 'CARE' pension of **£25,709.54 p.a.** {vs 'Underpin' pension of **£23,637.22 p.a.**} (pre-2006 = **£7,464.78 p.a.** and post-2006 = **£18,244.76 p.a.**) with a spouse's pension of **£10,283.81 p.a.** (pre-2006 = **£2,985.91 p.a.** and post-2006 = **£7,297.90 p.a.**) – [LTA used = **47.91%**]

**OR**

- (2) Pension commencement lump sum of **£115,567.31** – [LTA used = **10.76%**]

**PLUS**

Residual pension of **£17,335.10 p.a.** (pre-2006 = **£7,464.78 p.a.** and post-2006 = **£9,870.32 p.a.**) with a spouse's pension of **£10,283.81 p.a.** (pre-2006 = **£2,985.91 p.a.** and post-2006 = **£7,297.90 p.a.**) – [LTA used = **32.30%**]

## **Letter: Question 6 – (Relating to Question 5)**

- (1) Date of retirement:  
- **18/03/2023**
- (2) Options available:  
- Full pension = **£25,709.54 p.a.**, stating the following details:  
- Pre-2006 = **£7,464.78 p.a.**  
- Post-2006 = **£18,244.76 p.a.**

**OR**

- Pension commencement lump sum [PCLS] = **£115,567.31**, PLUS
  - Residual pension = **£17,335.10 p.a.**, stating the following details:
    - Pre-2006 = **£7,464.78 p.a.**
    - Post-2006 = **£9,870.32 p.a.**
- (3) Details of pension:
- Commencement date = **01/04/2023**
  - Frequency of payment = **monthly**
  - Increase rates:
    - Pre-2006 = **lower of 5.0% / RPI**
    - Post-2006 = **lower of 2.5% / RPI**
  - Increase date = **anniversary of date of commencement**
- (4) Details of spouse's pension payable on death of member:
- Spouse's pension = **£10,283.81 p.a.**
- (5) Must mention augmented accrual rates
- (6) Must mention LSDB payable if death occurs within 5 years of retirement
- (7) Lifetime allowance:
- Percentage used by full pension = **47.91%**
- OR*
- Percentage used by PCLS = **10.76%** and percentage used by residual pension = **32.30%**
- (8) Action required:
- Choice of option
  - Member's birth certificate
  - Bank details

### **Transfers – Question 1**

#### **Calculation**

Total Transfer Value of **£150,889.54**, which includes the post-1997 Transfer Value of **£120,758.60** (member additionally has an AVC Fund Value of **£12,551.44**) – *mention requirement for independent financial advice from authorised adviser regulated under Financial Services & Markets Act 2000 if transferring to an arrangement where benefits can be accessed flexibly (as TV exceeds £30,000)*

### **Transfers – Question 2**

#### **Calculation**

Total Transfer Value of **£24,289.77** (including **£774.99** in respect of AVCs), which is split between Funds and Contribution Types as follows:

#### **Global Equity Fund – (non-Lifestyle)**

Member contributions	-	£7,135.32
Employer contributions	-	£11,416.51
<b>Total</b>	-	<b>£18,551.83</b>

#### **Index Linked Bond Fund – (non-Lifestyle)**

Member contributions	-	£781.94
Employer contributions	-	£1,251.10
AVCs	-	£427.31
<b>Total</b>	-	<b>£2,460.35</b>

Balanced Fund – (non-Lifestyle)

Member contributions	-	£710.73
Employer contributions	-	£1,137.17
AVCs	-	£347.68
<b>Total</b>	-	<b>£2,195.58</b>

Corporate Bond Fund – (non-Lifestyle)

Member contributions	-	£416.16
Employer contributions	-	£665.85
<b>Total</b>	-	<b>£1,082.01</b>

OR

Member Contributions – (non-Lifestyle)

Global Equity Fund	-	£7,135.32
Index Linked Bond Fund	-	£781.94
Balanced Fund	-	£710.73
Corporate Bond Fund	-	£416.16
<b>Total</b>		<b>£9,044.15</b>

Employer Contributions – (non-Lifestyle)

Global Equity Fund	-	£11,416.51
Index Linked Bond Fund	-	£1,251.10
Balanced Fund	-	£1,137.17
Corporate Bond Fund	-	£665.85
<b>Total</b>		<b>£14,470.63</b>

AVCs – (non-Lifestyle)

Index Linked Bond Fund	-	£427.31
Balanced Fund	-	£347.68
<b>Total</b>	-	<b>£774.99</b>

**Letter: Question 7 – (Relating to Question 2)**

(1a) Total Transfer Value *excluding* AVCs (**£23,514.78**)

(1b) AVCs (**£774.99**)

OR

(1c) Total Transfer Value (**£24,289.77**) *including* AVCs (**£774.99**)

(2a) Transfer Value of **£24,289.77** made up as follows:

Global Equity Fund – (non-Lifestyle)

Member contributions	-	£7,135.32
Employer contributions	-	£11,416.51
<b>Total</b>		<b>£18,551.83</b>

Index Linked Bond Fund – (non-Lifestyle)

Member contributions	-	£781.94
Employer contributions	-	£1,251.10
AVCs	-	£427.31
<b>Total</b>		<b>£2,460.35</b>



<u>Balanced Fund – (non-Lifestyle)</u>	
Member contributions	- £710.73
Employer contributions	- £1,137.17
AVCs	- £347.68
<b>Total</b>	<b>£2,195.58</b>

<u>Corporate Bond Fund – (non-Lifestyle)</u>	
Member contributions	- £416.16
Employer contributions	- £665.85
<b>Total</b>	<b>£1,082.01</b>

OR

(2b) Transfer Value of **£24,289.77** made up as follows:

<u>Member Contributions – (non-Lifestyle)</u>	
Global Equity Fund	- £7,135.32
Index Linked Bond Fund	- £781.94
Balanced Fund	- £710.73
Corporate Bond Fund	- £416.16
<b>Total</b>	<b>£9,044.15</b>

<u>Employer Contributions – (non-Lifestyle)</u>	
Global Equity Fund	- £11,416.51
Index Linked Bond Fund	- £1,251.10
Balanced Fund	- £1,137.17
Corporate Bond Fund	- £665.85
<b>Total</b>	<b>£14,470.63</b>

<u>AVCs – (non-Lifestyle)</u>	
Index Linked Bond Fund	- £427.31
Balanced Fund	- £347.68
<b>Total</b>	<b>£774.99</b>

- (3) Must mention option to transfer to a suitable alternative pension arrangement
- (4) Must mention that financial advice cannot be given
- (5) Must make reference to "Pension Scams"
- (6) Must mention that value of quotation is not guaranteed
- (7) Must mention requirement for member's written authority to proceed
- (8) Must mention that, if transfer out proceeds, no benefits will remain in OPQ Retirement & Death Benefits Plan

### **Transfers – Question 3**

#### **Calculation**

Total Transfer Value of **£115,196.98**, which includes the post-1997 Transfer Value of **£81,438.66** (member additionally has an AVC Fund Value of **£14,001.52**) – *mention requirement for independent financial advice from authorised adviser regulated under Financial Services & Markets Act 2000 if transferring to an arrangement where benefits can be accessed flexibly (as TV exceeds £30,000).*

#### **Transfers – Question 4**

##### **Calculation**

- (1) At NPD, a pension of **£5,147.44 p.a.** (including post-1997 pension of **£3,709.12 p.a.**) would be payable
- (2) On death before retirement a refund of member contributions would be payable
- (3) On death after retirement a lump sum death benefit would be payable (provided death occurs within 5 years of retirement) and a spouse's pension would also be payable
- (4) All benefits will be payable in accordance with the provisions of the RST Pension Scheme

#### **Transfers – Question 5**

##### **Calculation**

The Transfer-in of **£80,324.66** would purchase units in the member's Personal Retirement Account split between Funds and Contribution Types as follows:

##### **Global Equity Fund – (Lifestyle)**

Member contributions	-	3,968.8610 units
Employer contributions	-	3,445.1534 units
AVCs	-	2,794.1473 units
<b>Total</b>		<b>10,208.1617 units</b>

##### **Index Linked Bond Fund – (Lifestyle)**

Member contributions	-	3,245.7461 units
Employer contributions	-	2,817.4566 units
AVCs	-	2,285.0618 units
<b>Total</b>		<b>8,348.2645 units</b>

##### **Cash Fund – (Lifestyle)**

Member contributions	-	1,310.3373 units
Employer contributions	-	1,137.4329 units
AVCs	-	922.5003 units
<b>Total</b>		<b>3,370.2705 units</b>

##### **Index Linked Bond Fund – (non-Lifestyle)**

Member contributions	-	2,349.8646 units
Employer contributions	-	2,039.7893 units
AVCs	-	1,654.3416 units
<b>Total</b>		<b>6,043.9955 units</b>

##### **Corporate Bond Fund – (non-Lifestyle)**

Member contributions	-	995.8418 units
Employer contributions	-	864.4388 units
AVCs	-	701.0906 units
<b>Total</b>		<b>2,561.3712 units</b>

OR

Member Contributions – (Lifestyle)

Global Equity Fund	-	3,968.8610 units
Index Linked Bond Fund	-	3,245.7461 units
Corporate Bond Fund	-	1,310.3373 units
<i>Total</i>		<b>N/A</b>

Member Contributions – (non-Lifestyle)

Index Linked Bond Fund	-	2,349.8646 units
Corporate Bond Fund	-	995.8418 units
<i>Total</i>		<b>N/A</b>

Employer Contributions – (Lifestyle)

Global Equity Fund	-	3,445.1534 units
Index Linked Bond Fund	-	2,817.4566 units
Cash Fund	-	1,137.4329 units
<i>Total</i>		<b>N/A</b>

Employer Contributions – (non-Lifestyle)

Index Linked Bond Fund	-	2,039.7893 units
Corporate Bond Fund	-	864.4388 units
<i>Total</i>		<b>N/A</b>

AVCs – (Lifestyle)

Global Equity Fund	-	2,794.1473 units
Index Linked Bond Fund	-	2,285.0618 units
Cash Fund	-	922.5003 units
<i>Total</i>		<b>N/A</b>

AVCs – (non-Lifestyle)

Index Linked Bond Fund	-	1,654.3416 units
Corporate Bond Fund	-	701.0906 units
<i>Total</i>		<b>N/A</b>

**Transfers – Question 6**

**Calculation**

- (1) At NPD, a pension of **£6,035.27 p.a.** (including excess pension of **£5,372.270 p.a.** and post-1988 GMP of **£663.00 p.a.** {and including post-1997 pension of **£5,223.10 p.a.**}) would be payable
- (2) On death before retirement before NPD a refund of contributions would be payable and a spouse's pension would also be payable
- (3) On death before retirement on or after NPD (*from active status only, as late retirement not permitted from preserved status*) a lump sum death benefit would be payable (calculated on the assumption that the member retired on the date of death) and a spouse's pension would also be payable
- (4) On death after retirement a lump sum death benefit would be payable (provided death occurs within 5 years of retirement) and a spouse's pension would also be payable
- (5) All benefits will be payable in accordance with the provisions of the XYZ Pension and Life Assurance Scheme

**Letter: Question 8 – (Relating to Question 6)**

- (1) Transfer Value (**£31,329.58**)
- (2) Total pension benefit provided at NPD (**£6,035.27 p.a.**)
  - Excess pension at NPD (**£5,372.27 p.a.**)
  - Post-88 GMP at NPD (**£663.00 p.a.**)
- (3) Post-1997 element of Transfer Value (**£26,623.75**)
- (4) Post-1997 element of pension benefit provided at NPD (**£5,223.10 p.a.**)
- (5) Must mention following benefits on death:
  - Refund of contributions and spouse's pension on death before retirement before NPD
  - Lump sum death benefit and spouse's pension on death before retirement on or after NPD (*from active status only, as late retirement not permitted from preserved status*)
  - Lump sum death benefit (provided death occurs within five years of retirement) and spouse's pension on death after retirement
- (6) Must mention that financial advice cannot be given
- (7) Must mention requirement for member's written authority to proceed
- (8) Must mention guarantee period
- (9) Must mention that – if transfer in proceeds – no benefits will remain in previous scheme
- (10) Must mention that – if transfer in proceeds – benefits provided will be subject to rules of XYZ Pension and Life Assurance Scheme

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