

VOCATIONAL QUALIFICATIONS

DEATHS PART 1

DEATH BENEFITS WITHOUT SPECIAL CIRCUMSTANCES

WEDNESDAY 20 SEPTEMBER 2023 10.00 AM – 1.00 PM

TIME ALLOWED: 3 HOURS

- 1. Answer **ALL** the questions.
- **2.** Write all your answers in the answer book provided.
- **3.** Begin each question on a new page.
- **4.** Show all workings clearly.
- **5.** Calculate the benefits using only the information given.
- **6.** Where the benefits are likely to exceed the remaining Individual Lifetime Allowance, state in your answer book that you would refer the case to your manager.
- 7. Factors must be rounded in accordance with the instruction in the *Tables of Factors*. Round all other figures to two decimal places (or whatever is the normal practice where you work).

Questions

Section A

Calculate the death benefits / options for:

- 1. STEVEN SEAGULL (XYZ)
- 2. LUNA MO (OPQ)
- 3. ROBIN FINCH -(XYZ)
- 4. **JENNIFER THRUSH (RST)**
- 5. FRED STARLING (RST)

Section B

6. Write a letter explaining the benefits payable and the options available in respect of **ROBIN FINCH**.

The letter may be addressed either to the beneficiary or to the Trustees (whichever is the normal practice in the organisation for which you work).

Please note: Candidates <u>must not</u> sign letters with their own names. Letters should be signed "A N Other".

CASE STUDY DETAILS

XYZ SCHEME

DEATHS PART 1 QUESTION 1

Event history

Date of first event 20/11/2007 First event PRESERVED LEAVER

Date of second event 29/08/2023 Second event DEATH

Member details

Surname SEAGULL Forenames STEVEN

Date of birth 11/01/1973 Gender MALE

Spouse's date of birth **09/05/1985**

Child dependant's date of birth

Date of joining company 16/04/1994

Date of joining scheme 16/05/1994

Category of membership A

Pensionable salary history for the scheme year commencing 6 April

2015	2016	2017	2018	2019	2020	2021	2022	2023

Contribution history

Total member's normal contributions £ 21,360.99

Total member's AVCs £

Current value of AVCs £

Single life AVC pension (per annum) payable immediately £

Contracting-out details at date of first event

Pre 06/04/1988

GMP (per annum)

Post 05/04/1988

GMP (per annum) £ 304.20

£

Special circumstances / additional information

Preserved pension (per annum) at date of first event £ 8,581.56

Lower of 5.0% / RPI increases from date of first event to date of second event is 69.3%.

Steven Seagull's current available Lifetime Allowance is 68.15%.

CASE STUDY DETAILS

OPQ PLAN

DEATHS PART 1 QUESTION 2

Event history

Date of first event 11/09/2023 First event **DEATH**

Date of second event Second event

Member details

Surname MO Forenames LUNA

Date of birth 15/03/1969 Gender FEMALE

Spouse's date of birth 02/02/1968

Child dependant's date of birth

Date of joining company 29/06/2001

Date of joining plan 29/06/2001

Target retirement date 15/03/2026

Annual salary history for the plan year commencing 6 April

2015	2016	2017	2018	2019	2020	2021	2022	2023
61,955	62,380	66,887	69,350	68,221	70,150	75,990	76,300	77,885

Contribution history

Total member's normal contributions £ 120,099.25

Total employer's normal contributions £ 192,158.80

Total member's AVCs £

Personal Retirement Account details

Member's Current Unit Holdings

Fund	Member's normal contributions	Employer's normal contributions	Member's AVCs
	Unit Holdings	Unit Holdings	Unit Holdings
Global Equity Fund			
Index Linked Bond Fund			
Balanced Fund			
Corporate Bond Fund			
Cash Fund			
Lifestyle Fund	64,261.9640	102,819.1152	

Investment Fund Unit Prices

Fund	Current Unit
	Price (£)
Global Equity Fund	5.795
Index Linked Bond Fund	1.530
Balanced Fund	4.982
Corporate Bond Fund	1.801
Cash Fund	1.175

Special circumstances / additional information

Luna Mo's current available Lifetime Allowance is 100.00%.

Event history

Date of first event **08/09/2023** First event **DEATH**

Date of second event Second event

Member details

Surname FINCH Forenames ROBIN

Date of birth 12/01/1955 Gender MALE

Spouse's date of birth **08/09/1943**

Child dependant's date of birth

Date of joining company **06/11/1997**

Date of joining scheme **06/11/1997**

Category of membership **B**

Pensionable salary history for the scheme year commencing 6 April

2015	2016	2017	2018	2019	2020	2021	2022	2023
73,155	74,100	75,850	83,450	81,265	82,100	84,335	79,100	76,589

Contribution history

Total member's normal contributions £

Total member's AVCs £

Current value of AVCs £

Single life AVC pension (per annum) payable immediately £

Contracting-out details at date of first event

Pre 06/04/1988

GMP (per annum)

£

Post 05/04/1988

GMP (per annum) £

Special circumstances / additional information

Salary at date of first event £ 77,150.50

Robin Finch's Final Pensionable Salary at 3 July 2011 was £68,150.25.

Lower of 5.0% / RPI increases from 4 July 2011 to Normal Pension Date is 26.2%.

Robin Finch's current available Lifetime Allowance is 88.12%.

THIS QUESTION ALSO REQUIRES A LETTER (QUESTION 6)

RST SCHEME

DEATHS PART 1 QUESTION 4

Event history

Date of first event 30/08/2023 First event **DEATH**

Date of second event Second event

Member details

Surname THRUSH Forenames JENNIFER

Date of birth 09/06/1978 Gender FEMALE

Spouse's date of birth 01/08/1972

Child dependant's date of birth

Date of joining company 20/04/1998

Date of joining scheme **06/04/1999**

Earnings history for the scheme year ending 5 April

2015	2016	2017	2018	2019	2020	2021	2022	2023
42,580	44,100	45,690	48,150	49,225	52,900	57,980	59,100	60,150

Contribution history

Total member's normal contributions £ 59,165.26

Total member's AVCs £

Current value of AVCs £

Single life AVC pension (per annum) payable immediately £

Pre 6 April 2006 pension accrued as at 5 April 2023

CARE pension (per annum) £ 3,617.88

Post 5 April 2006 pension accrued as at 5 April 2023

CARE pension (per annum) £ 10,723.78

Special circumstances / additional information

Contractual Salary at date of first event £ 59,980.00

Pro-rata CPI from 6 April 2023 to date of first event is 2.50%.

Jennifer Thrush's current available Lifetime Allowance is 100.00%.

Event history

Date of first event 12/07/2020 First event RETIREMENT

Date of second event 10/09/2023 Second event DEATH

Member details

Surname STARLING Forenames FRED

Date of birth 12/07/1955 Gender MALE

Spouse's date of birth 04/07/1968

Child dependant's date of birth

Date of joining company 12/01/2010

Date of joining scheme 06/04/2010

Earnings history for the scheme year ending 5 April

2015	2016	2017	2018	2019	2020	2021	2022	2023

Contribution history

Total member's normal contributions £

Total member's AVCs £

Current value of AVCs £

Single life AVC pension (per annum) payable immediately £

Pre 6 April 2006 pension accrued as at 5 April 2023

CARE pension (per annum) £

Post 5 April 2006 pension accrued as at 5 April 2023

CARE pension (per annum) £

Special circumstances / additional information

Pension in payment at date of second event is £6,939.12 per annum, which is split as follows:

• Pre 6 April 2006 pension (per annum) £

• Post 5 April 2006 pension (per annum) £ **6,939.12**

Lower of 5.0% / RPI increases from date of first event to date of second event is 11.4%.

Lower of 2.5% / RPI increases from date of first event to date of second event is 8.8%.

On retirement, Fred Starling commuted £3,623.76 per annum of pension in return for a tax-free cash sum of £67,039.56. The commuted pension was split as follows:

• Pre 6 April 2006 pension (per annum) £

• Post 5 April 2006 pension (per annum) £ 3,623.76

Fred Starling's current available Lifetime Allowance is 88.59%.