

OPQ Letter – Key Points – Amy Frazier (DOR: 15 September 2024)

1. Personal Retirement Account

- Value of total unit holdings = **£190,641.32**
- Value of member's normal contributions = **£73,323.58** (*Lifestyle Funds*)
- Value of employer's normal contributions = **£117,317.74** (*Lifestyle Funds*)

2. Options

- A tax-free cash sum of **£38,128.26** (which is within both the member's remaining 'LS&DBA' of **£1,073,100.00** and 'LSA' of **£268,275.00**) plus a joint-life annuity of **£9,541.11 pa** [*spouse = £4,770.56 pa*], which will be non-increasing
OR
- A tax-free cash sum of **£38,128.26** (which is within both the member's remaining 'LS&DBA' of **£1,073,100.00** and 'LSA' of **£268,275.00**) plus a 50% joint-life annuity of **£6,309.94 pa** [*spouse = £3,154.97 pa*], which will be increased each year by the lower of 5.0% or RPI
OR
- A single "Uncrystallised Funds Pension Lump Sum" (UFPLS) of **£190,641.32** (of which **£47,660.33** [tax-free element] is within both the member's remaining 'LS&DBA' of **£1,073,100.00** and 'LSA' of **£268,275.00**)
OR
- The value of the Personal Retirement Account can be transferred to a suitable alternative arrangement to enable the member to take advantage of additional flexibilities (e.g. multiple UFPLS's or Flexi-Access Drawdown)
OR
- The open market option

3. Payment of annuity

- The chosen annuity will be paid by monthly instalments in arrears
- The first payment will occur on **15 October 2024**
- The annuity will be paid for life and will be subject to PAYE

4. Payment of single UFPLS

- For the single UFPLS, **£47,660.33** will be paid tax-free and **£142,980.99** (taxable element) will be paid assuming an emergency code on a month 1 basis
- Any over payment or under payment of tax will be dealt with by HMRC at the end of the tax year (or earlier by completing a "Repayment Claim Form" available from HMRC)

5. Death in retirement

- If the member dies after the commencement of the annuity, any further benefits will depend on the chosen option at retirement (e.g. the joint-life annuity options mean a 50% spouse's annuity will be payable on the death of the member)
- If the member dies after taking a single UFPLS, no further benefits will be payable

6. General information

- A minimum "Annuity Bureau" charge of **£99.13** will apply for both annuity options (assuming the chosen annuity is purchased using the "Annuity Bureau" factors)
- Reference to Pension Wise (guidance guarantee) should be provided for the UFPLS option under the Plan or for a transfer to a suitable alternative arrangement to take advantage of additional flexibilities (e.g. multiple UFPLS's or Flexi-Access Drawdown)

7. Details required

- Request a copy of the member's birth certificate
- Request the member's completed 'Option choice' form
- Request the member's completed 'Bank details' form

NOTE –

Letters should be written in full and should include the information contained in each of the bullet points.

Failure to write a letter in full will result in marks being lost.

Failure to mention the information contained in each of the bullet points will result in marks being lost.