



**Pensions
Management
Institute**

VOCATIONAL QUALIFICATIONS

LEAVERS PART 2

LEAVER BENEFITS WITH SPECIAL CIRCUMSTANCES

THURSDAY 21 MARCH 2024

9.30 AM – 1.00 PM

TIME ALLOWED:

3 HOURS 30 MINUTES

- 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 your workings clearly.
- 5.** Calculate the benefits and options using only the information given.
- 6.** Round all factors and figures in accordance with the instructions provided in the *Tables of Factors* and the *Scheme / Plan Booklets*.

Questions

Section A

Calculate the leaver benefits / options for:

1. SOPHIA MILLER – (OPQ)
2. ETHAN JONES – (RST)
3. MIA MOORE – (XYZ)
4. WILLIAM NG – (XYZ)
5. ABIGAIL JOHNSON – (RST)

Section B

6. Write a letter explaining the benefits payable and the options available to **MIA MOORE**.

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

Please note: Candidates must not sign letters with their own names. Letters should be signed “A N Other”.

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			26.8536
Index Linked Bond Fund			
Balanced Fund			
Corporate Bond Fund			
Cash Fund			
Lifestyle Fund	79.8252	127.7203	

Investment Fund Unit Prices

Fund	Current Unit Price (£)
Global Equity Fund	5.263
Index Linked Bond Fund	1.438
Balanced Fund	4.974
Corporate Bond Fund	1.586
Cash Fund	1.023

Special circumstances / additional information

Sophia Miller's reason for leaving was redundancy.

Pre 6 April 2006 pension accrued as at 5 April 2023

CARE pension (per annum) £ 2,103.64

Post 5 April 2006 pension accrued as at 5 April 2023

CARE pension (per annum) £ 5,251.35

Special circumstances / additional information

Contractual Salary at date of first event £ 36,000.00

Ethan Jones worked full time (five days a week) from the date he joined the Company until 5 May 2008, inclusive. Ethan Jones then worked on a part-time basis as follows:

- 6 May 2008 to 5 May 2012 = 4.0 days per week
- 6 May 2012 to 5 September 2023 = 3.0 days per week

From 6 September 2023 onwards, Ethan Jones worked full time.

Ethan Jones' reason for leaving was resignation.

CASE STUDY DETAILS**XYZ SCHEME****LEAVERS PART 2
QUESTION 3****Event history**

Date of first event **06/03/2024** First event **PRESERVED LEAVER**
Date of second event Second event

Member details

Surname **MOORE** Forenames **MIA**
Date of birth **20/02/1976** Gender **FEMALE**
Spouse's date of birth **14/05/1977**
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
56,000	58,000	60,000	62,000	62,400	62,300	63,000	62,000	62,800

Contribution history

Total member's normal contributions **£**
Total member's AVCs **£**
Current value of AVCs **£**

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

Mia Moore's Final Pensionable Salary at 3 July 2011 was £41,000.00.

Lower of 5% or RPI increases from 4 July 2011 to date of first event is 54.2%.

The Company (with the consent of the Trustees) awarded Mia Moore an enhanced Accrual Rate of 1/40ths for the first three years of her membership of the XYZ Pension and Life Assurance Scheme. The standard Accrual Rate applied thereafter.

Mia Moore's reason for leaving was resignation.

THIS QUESTION ALSO REQUIRES A LETTER (QUESTION 6)

CASE STUDY DETAILS**XYZ SCHEME****LEAVERS PART 2
QUESTION 4****Event history**

Date of first event **07/03/2024** First event **LEAVER**
Date of second event Second event

Member details

Surname **NG** Forenames **WILLIAM**
Date of birth **30/09/1965** Gender **MALE**

Spouse's date of birth

Child dependant's date of birth

Date of joining company **01/10/1986**

Date of joining scheme **01/11/1986**

Category of membership **A**

Pensionable salary history for the scheme year commencing 6 April

2015	2016	2017	2018	2019	2020	2021	2022	2023
39,050	40,642	41,642	42,755	43,764	44,753	45,753	45,973	46,231

Contribution history

Total member's normal contributions **£ 82,642.34**

Total member's AVCs **£**

Current value of AVCs **£**

Contracting-out details at date of first event

Pre 06/04/1988

GMP (per annum)	£	962.00
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Post 05/04/1988

GMP (per annum)	£	4,362.28
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Special circumstances / additional information

William Ng contributed at the default rate (70ths accrual) from the date he joined the XYZ Pension and Life Assurance Scheme until 5 April 1993. For the period from 6 April 1993 to 5 April 2001, William Ng contributed at the higher rate (60ths accrual). From 6 April 2001 onwards, William Ng contributed at the default contribution rate (70ths accrual).

William Ng's reason for leaving was resignation.

CASE STUDY DETAILS**RST SCHEME****LEAVERS PART 2
QUESTION 5****Event history**

Date of first event **08/03/2024** First event **LEAVER**
Date of second event Second event

Member details

Surname **JOHNSON** Forenames **ABIGAIL**
Date of birth **12/12/1992** Gender **FEMALE**
Spouse's date of birth **14/02/1993**
Child dependant's date of birth
Date of joining company **14/05/2021**
Date of joining scheme **06/04/2022**

Earnings history for the scheme year ending 5 April

2015	2016	2017	2018	2019	2020	2021	2022	2023
								40,000

Contribution history

Total member's normal contributions **£ 5,750.00**
Total member's AVCs **£**
Current value of AVCs **£**

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) £ 533.33

Special circumstances / additional information

Contractual Salary at date of first event £ 50,000.00

On 14 February 2023, Abigail Johnson transferred into the RST Pension Scheme the value of her Money Purchase benefits from the non-contracted out registered pension scheme of one of her former employers. The transfer value of £14,643.43 consisted entirely of employer contributions and provided Abigail Johnson with an additional revalued pension in the RST Pension Scheme of £835.34 per annum, payable from her Normal Pension Date.

The transferred-in benefits, which are to be treated as post 5 April 2006 benefits, are not included in the CARE pension figures referred to above and are subject to the normal rules of the RST Pension Scheme.

For the purpose of any comparisons, the transferred-in pension should be excluded from both the CARE pension and the Underpin pension.

Abigail Johnson's reason for leaving was resignation.