

OPQ – Answer

Name ERICA GREAVES (*Late Ret. from ACT – no special circumstances*)
DOR 14/09/2025
DOB 14/09/1955
NPD = SPA (*not relevant for answer*)
TRD 14/09/2025

Contributions (member) £27,334.87
Contributions (employer) £43,735.79

Lifestyle units (member) 38,334.7646
Lifestyle units (employer) 61,335.6234

Remaining 'LS&DBA' £1,033,100.00
Remaining 'LSA' £228,275.00

Quotes required (1): 50% joint-life annuity (non-escalating) – *No Cash*

Quotes required (2): 50% joint-life annuity (escalating by lower of 2.5% or RPI) – *No Cash*

Quotes required (3): 50% joint-life annuity (escalating by lower of 5.0% or RPI) – *No Cash*

Annuity factors: 50% joint-life option (non-escalating)
= 8.70 (age 70yrs & 0mths)

50% joint-life option (escalating by lower of 2.5% or RPI)
= 7.29 (age 70yrs & 0mths)

50% joint-life option (escalating by lower of 5.0% or RPI)
= 6.66 (age 70yrs & 0mths)

Lifestyle Details

Last switch date	01/09/2025
TRD	14/09/2025
Full months to TRD	0 months

Lifestyle Splits

Global Equity	00.00%
Index Linked Bond	75.00%
Cash	25.00%

Fund Prices

Global Equity	£3.998
Index Linked Bond	£1.632
Cash	£1.017

Personal Retirement Account

Member

Global Equity	38,334.7646	x	0.00%	=	0.0000	x	£3.998	=	£0.00
Index Linked Bond	38,334.7646	x	75.00%	=	28,751.0735	x	£1.632	=	£46,921.75
Cash	38,334.7646	x	25.00%	=	9,583.6912	x	£1.017	=	£9,746.61
TOTAL									£56,668.36

Employer

Global Equity	61,335.6234	x	0.00%	=	0.0000	x	£3.998	=	£0.00
Index Linked Bond	61,335.6234	x	75.00%	=	46,001.7176	x	£1.632	=	£75,074.80
Cash	61,335.6234	x	25.00%	=	15,333.9059	x	£1.017	=	£15,594.58
TOTAL									£90,669.38

Total Personal Retirement Account = £56,668.36 + £90,669.38 = **£147,337.74**

OPTION-1a

50% joint-life annuity (non-increasing)

Balance of fund: = £147,337.74

Annuity bureau charge: £147,337.74 x 0.065% = £95.77

£95.77 charge applies (*as exceeds minimum of £75.00*)

Amount left to purchase an annuity: £147,337.74 - £95.77 = £147,241.97

Member: £147,241.97 / 100 x 8.70 = **£12,810.05 pa**

Spouse: £12,810.05 x 50% = **£6,405.03 pa**

OPTION-1b

50% joint-life annuity (increasing by lower of 2.5% or RPI)

Balance of fund:		=	<i>£147,337.74</i>
Annuity bureau charge:	$£147,337.74 \times 0.065\%$	=	<i>£95.77</i>
	<i>£95.77 charge applies (as exceeds minimum of £75.00)</i>		
Amount left to purchase an annuity:	$£147,337.74 - £95.77$	=	<i>£147,241.97</i>
Member:	$£147,241.97 / 100 \times 7.29$	=	<u>£10,733.94 pa</u>
Spouse:	$£10,733.94 \times 50\%$	=	<u>£5,366.97 pa</u>

OPTION-1c

50% joint-life annuity (increasing by lower of 5.0% or RPI)

Balance of fund:		=	<i>£147,337.74</i>
Annuity bureau charge:	$£147,337.74 \times 0.065\%$	=	<i>£95.77</i>
	<i>£95.77 charge applies (as exceeds minimum of £75.00)</i>		
Amount left to purchase an annuity:	$£147,337.74 - £95.77$	=	<i>£147,241.97</i>
Member:	$£147,241.97 / 100 \times 6.66$	=	<u>£9,806.32 pa</u>
Spouse:	$£9,806.32 \times 50\%$	=	<u>£4,903.16 pa</u>

'LS&DBA' Check (ALL OPTIONS): = **N/A**

'LSA' Check (ALL OPTIONS): = **N/A**

OPTION-2

UFPLS

Tax-free amount: £147,337.74 x 25% = **£36,834.44**

Taxable at marginal rate: £147,337.74 x 75% = **£110,503.30**

'LS&DBA' Check: £36,834.44 vs £1,033,100.00 = **OK**

'LSA' Check: £36,834.44 vs £228,275.00 = **OK**

Summary Answer

Value of Personal Retirement Fund = £147,337.74

Options

- (1a) 50% joint-life annuity (non-escalating) of £12,810.05pa [*spouse = £6,405.03 pa*] – Annuity Bureau Charge of £95.77

OR

- (1b) 50% joint-life annuity (increasing by lower of 2.5% or RPI) of £10,733.94 pa [*spouse = £5,366.97 pa*] – Annuity Bureau Charge of £95.77

OR

- (1c) 50% joint-life annuity (increasing by lower of 5.0% or RPI) of £9,806.32 pa [*spouse = £4,903.16 pa*] – Annuity Bureau Charge of £95.77

OR

- (2) Uncrystallised Funds Pension Lump Sum (UFPLS) of £147,337.74, of which £36,834.44 will be paid tax-free and £110,503.30 (taxable element) will be paid assuming an emergency code on a month 1 basis – [tax-free element is within 'LS&DBA' of £1,033,100.00 and within 'LSA' of £228,275.00]

OR

- (3) Transfer entire Personal Retirement Account to a suitable alternative arrangement to take advantage of additional flexibilities (e.g. multiple UFPLS's or Flexi-Access Drawdown)

OR

- (4) Open Market Option