

CERTIFICATE IN PENSIONS CALCULATIONS QUALIFICATION

RETIREMENTS PART 2

RETIREMENT BENEFITS WITH SPECIAL CIRCUMSTANCES

TUESDAY 16 SEPTEMBER 2025

9.30 AM – 1.00 PM

TIME ALLOWED:

3 HOURS 30 MINUTES

1. Answer **ALL** the questions.
2. Type all your answers in the answer box provided.
3. Show all your workings clearly.
4. Calculate the benefits payable and the options available using only the information given.
5. Where any relevant benefits are likely to exceed either the remaining Lump Sum Allowance or the Lump Sum & Death Benefit Allowance, clearly state in your answer that you would refer the case to your manager.
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 benefits payable and the options available for:

1. **PATRICIA REED – (OPQ)**
2. **NICK MCNEALY – (XYZ)**
3. **AMANDA PAVON – (RST)**
4. **JOO-HYUNG KIM – (RST)**
5. **BRYAN POSTON – (XYZ)**

Section B

6. Write a letter explaining the benefits payable and the options available for **NICK MCNEALY**.

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 “AN Other”.

CASE STUDY DETAILS**OPQ PLAN****RETIREMENTS PART 2
QUESTION 1****Event history**

Date of first event **02/10/2025** First event **RETIREMENT**

Date of second event Second event

Member details

Surname **REED** Forename **PATRICIA**

Date of birth **04/08/1957** Gender **FEMALE**

Spouse's date of birth **01/06/1950**

Child dependant's date of birth

Date of joining company **06/03/1999**

Date of joining plan **06/03/1999**

Target retirement date **04/08/2027**

Annual salary history for the plan year commencing 6 April

2017	2018	2019	2020	2021	2022	2023	2024	2025
35,000	37,000	39,700	41,900	43,000	45,800	47,250	49,500	51,580

Contribution history

Total member's normal contributions **£ 60,347.70**

Total employer's normal contributions **£ 96,556.32**

Total member's AVCs **£ 27,345.16**

Personal Retirement Account details

Member's Current Unit Holdings

Fund	Member's normal contributions Unit Holdings	Employer's normal contributions Unit Holdings	Member's AVCs Unit Holdings
Global Equity Fund			
Index Linked Bond Fund			
Balanced Fund			4,952.0800
Corporate Bond Fund			2,984.5050
Cash Fund			2,998.4800
Lifestyle Fund	28,945.1600	46,312.0000	

Investment Fund Unit Prices

Fund	Current Unit Price (£)
Global Equity Fund	5.147
Index Linked Bond Fund	1.399
Balanced Fund	4.117
Corporate Bond Fund	2.549
Cash Fund	1.014

Special circumstances / additional information

Patricia Reed has requested quotations assuming she uses the overall value of her Personal Retirement Account to take either (a) the maximum tax-free cash sum available to her, with the balance being used to purchase a non-increasing single-life annuity; or (b) a tax-free cash sum of £50,000.00 (provided this is within HMRC limits), with the balance being used to purchase a 50% joint-life annuity, increasing annually at the lower of 3.0% or RPI. When providing quotations for the annuity options, Patricia Reed has requested that the "Annuity Bureau" factors should be used.

Patricia Reed has additionally requested a quotation assuming she takes the entire proceeds of his Personal Retirement Account as a single Uncrystallised Funds Pension Lump Sum (UFPLS).

Patricia Reed's current available Lump Sum Allowance ('LSA') is £203,275.00.

Patricia Reed's current available Lump Sum & Death Benefit Allowance ('LS&DBA') is £1,008,100.00.

CASE STUDY DETAILS**XYZ SCHEME****RETIREMENTS PART 2
QUESTION 2****Event history**

Date of first event **30/09/2025** First event **RETIREMENT**

Date of second event Second event

Member details

Surname **MCNEALY** Forenames **NICK**

Date of birth **08/06/1964** Gender **MALE**

Spouse's date of birth **10/03/1975**

Child dependant's date of birth **02/04/1998**

Date of joining company **07/01/1986**

Date of joining scheme **07/02/1986**

Category of membership **A**

Pensionable salary history for the scheme year commencing 6 April

2017	2018	2019	2020	2021	2022	2023	2024	2025
45,000	47,300	49,200	51,000	53,475	55,000	57,000	58,000	54,500

Contribution history

Total member's normal contributions **£ 64,215.37**

Total member's AVCs **£**

Current value of AVCs **£**

Single life AVC pension (per annum) payable immediately **£**

Joint life AVC pension (per annum) payable immediately **£**

Contracting-out details at date of first event

Pre 06/04/1988

GMP (per annum)	£	102.96
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Post 05/04/1988

GMP (per annum)	£	2,079.48
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Special circumstances / additional information

Nick McNealy paid the default contribution rate (70ths accrual) from the date he joined the XYZ Pension and Life Assurance Scheme until 5 April 1995. From 6 April 1995, Nick McNealy varied his contribution rate to build up the following rates of pension accrual:

- 6 April 1995 to 5 April 2009 = 80ths
- 6 April 2009 to 5 April 2013 = 60ths
- 6 April 2013 to 5 April 2020 = 70ths
- 6 April 2020 onwards = 60ths

When being provided with the tax-free cash sum option, Nick McNealy has specified that he would like to take £100,000.00 as a cash sum, subject to this being within the maximum permitted under the rules of the XYZ Pension and Life Assurance Scheme.

Nick McNealy's current available Lump Sum Allowance ('LSA') is £268,275.00.

Nick McNealy's current available Lump Sum & Death Benefit Allowance ('LS&DBA') is £1,073,100.00.

THIS QUESTION ALSO REQUIRES A LETTER (QUESTION 6)

CASE STUDY DETAILS**RST SCHEME****RETIREMENTS PART 2
QUESTION 3****Event history**

Date of first event **24/09/2025** First event **ILL-HEALTH RETIREMENT**

Date of second event Second event

Member details

Surname **PAVON** Forename **AMANDA**

Date of birth **02/12/1963** Gender **FEMALE**

Spouse's date of birth **08/09/1961**

Child dependant's date of birth

Date of joining company **12/06/2001**

Date of joining scheme **06/04/2002**

Earnings history for the scheme year ending 5 April

2017	2018	2019	2020	2021	2022	2023	2024	2025
41,500	43,200	45,000	47,600	49,250	50,000	52,500	51,000	49,500

Contribution history

Total member's normal contributions **£ 38,975.42**

Total member's AVCs **£**

Current value of AVCs **£**

Single life AVC pension (per annum) payable immediately **£**

Joint life AVC pension (per annum) payable immediately **£**

Pre 6 April 2006 pension accrued as at 5 April 2025

CARE pension (per annum)	£ 2,894.05
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Post 5 April 2006 pension accrued as at 5 April 2025

CARE pension (per annum)	£ 13,769.80
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Special circumstances / additional information

Contractual Salary at date of first event (full-time equivalent)	£ 50,500.00
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Contractual Salary at date of first event (actual)	£ 40,400.00
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Pro-rata CPI from 6 April 2025 to date of first event is 1.5%.

Amanda Pavon reduced her working days from full-time (five days a week) to four days a week for the period from 31 May 2007 to 31 December 2011, inclusive.

Amanda Pavon further reduced her working days to two days a week from 1 January 2012 to 30 June 2016, inclusive.

Amanda Pavon increased her working days to four days a week from 1 July 2016 onwards.

Amanda Pavon's current available Lump Sum Allowance ('LSA') is £268,275.00.

Amanda Pavon's current available Lump Sum & Death Benefit Allowance ('LS&DBA') is £1,073,100.00.

CASE STUDY DETAILS**RST SCHEME****RETIREMENTS PART 2
QUESTION 4****Event history**

Date of first event	11/03/2015	First event	PRESERVED LEAVER
Date of second event	24/09/2025	Second event	RETIREMENT

Member details

Surname	KIM	Forenames	JOO-HYUNG
Date of birth	24/09/1960	Gender	MALE
Spouse's date of birth	10/03/1970		
Child dependant's date of birth			
Date of joining company	12/01/1989		
Date of joining scheme	06/04/1989		

Earnings history for the scheme year ending 5 April

2017	2018	2019	2020	2021	2022	2023	2024	2025

Contribution history

Total member's normal contributions	£ 32,745.98
Total member's AVCs	£
Current value of AVCs	£
Single life AVC pension (per annum) payable immediately	£
Joint life AVC pension (per annum) payable immediately	£

Pre 6 April 2006 pension accrued as at 5 April 2025

CARE pension (per annum) £

Post 5 April 2006 pension accrued as at 5 April 2025

CARE pension (per annum) £

Special circumstances / additional information

Pre 6 April 2006 preserved CARE pension (per annum) at date of first event £ 9,998.88

Post 5 April 2006 preserved CARE pension (per annum) at date of first event £ 11,656.24

Lower of 5.0% or CPI increases from date of first event to date of second event is 35.7%.

On 4 March 2005, Joo-Hyung Kim transferred into the RST Pension Scheme his benefits from a registered pension scheme of one of his former employers. The pension scheme was not contracted out.

The transfer in secured a fixed pension of £5,735.00 per annum, payable from Joo-Hyung Kim's Normal Pension Date. Once in payment, the transferred-in pension is subject to the normal rules of the RST Pension Scheme. The transferred-in pension is not included in the Scheme pension quoted above but should be included in the calculation of Joo-Hyung Kim's benefit options at retirement.

Joo-Hyung Kim's current available Lump Sum Allowance ('LSA') is £178,395.00.

Joo-Hyung Kim's current available Lump Sum & Death Benefit Allowance ('LS&DBA') is £983,220.00.

CASE STUDY DETAILS**XYZ SCHEME****RETIREMENTS PART 2
QUESTION 5****Event history**

Date of first event **03/10/2025** First event **RETIREMENT**

Date of second event Second event

Member details

Surname **POSTON** Forename **BRYAN**

Date of birth **03/10/1960** Gender **MALE**

Spouse's date of birth **10/10/1971**

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

2017	2018	2019	2020	2021	2022	2023	2024	2025
48,000	50,300	52,400	54,000	56,100	58,900	61,250	63,500	65,200

Contribution history

Total member's normal contributions **£**

Total member's AVCs **£**

Current value of AVCs **£**

Single life AVC pension (per annum) payable immediately **£**

Joint 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

Bryan Poston's Final Pensionable Salary at 3 July 2011 was £40,900.00.

Lower of 5.0% or RPI increases from 4 July 2011 to date of first event is 60.4%.

In February 2005, the Trustees (at the request of the Company) agreed that Bryan Poston's Accrual Rate would be enhanced to 1/50ths for all Pensionable Service from 6 April 2005 onwards.

Bryan Poston's current available Lump Sum Allowance ('LSA') is £268,275.00.

Bryan Poston's current available Lump Sum & Death Benefit Allowance ('LS&DBA') is £1,073,100.00.