

# CERTIFICATE IN PENSIONS CALCULATIONS

## LEAVERS PART 1

### LEAVER BENEFITS WITHOUT SPECIAL CIRCUMSTANCES

**FRIDAY 16 JANUARY 2026**                      **9.00 AM – 10.30 AM**

**TIME ALLOWED:**                                      **1 HOUR 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. Round all factors and figures in accordance with the instructions provided in the *Tables of Factors* and the *Scheme / Plan Booklets*.

## Questions

### Section A – Calculations (Questions 1 and 2)

Calculate the benefits payable and the options available for:

- GRACE KIM – (OPQ)
- NOAH SINCLAIR – (XYZ)

### Section B – Draft Letter (Question 3)

Analyse a draft *Letter* that has been written to communicate the benefits payable and the options available for:

- NOAH SINCLAIR – (XYZ)

The draft *Letter* requires data derived from answering the *Case Study* to be accurately transcribed to the answer box. In addition, expected basic information not communicated in the draft *Letter* needs to be identified and detailed in the answer box, whilst information wrongly communicated in the draft *Letter* also needs to be identified and corrected in the answer box.

Using the answer box provided:

- a) Transcribe data derived from answering the *Case Study* (*the data to be transcribed is specifically indicated in the draft Letter by a capital letter in brackets*).
- b) Identify and detail expected basic information which has been omitted from the draft *Letter* (*there are 2 to 4 omissions to be identified and detailed*).
- c) Identify and correct information which has been wrongly communicated in the draft *Letter* (*there are 2 to 4 errors to be identified and corrected*).

**CASE STUDY DETAILS****OPQ PLAN****LEAVERS PART 1  
QUESTION 1****Event history**

Date of first event      **14/01/2026**                      First event      **LEAVER**  
Date of second event                                              Second event

**Member details**

Surname                      **KIM**                      Forenames      **GRACE**  
Date of birth                      **12/03/1957**                      Gender              **FEMALE**

Spouse's date of birth

Child dependant's date of birth

Date of joining company                      **19/03/2010**

Date of joining scheme                      **19/03/2010**

Target retirement date                      **12/03/2027**

**Annual salary history for the plan year commencing 6 April**

<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
<b>48,000</b>	<b>49,000</b>	<b>50,000</b>	<b>52,000</b>	<b>55,000</b>	<b>55,000</b>	<b>55,000</b>	<b>56,000</b>	<b>58,000</b>

**Contribution history**

Total member's normal contributions                      **£ 31,263.52**

Total employer's normal contributions                      **£ 50,021.63**

Total member's AVCs                      **£**

## Personal Retirement Account details

### Member's Current Unit Holdings

<b>Fund</b>	<b>Member's normal contributions  Unit Holdings</b>	<b>Employer's normal contributions  Unit Holdings</b>	<b>Member's AVCs  Unit Holdings</b>
Global Equity Fund			
Index Linked Bond Fund			
Balanced Fund			
Corporate Bond Fund			
Cash Fund			
Lifestyle Fund	17,217.0577	27,547.2923	

### Investment Fund Unit Prices

<b>Fund</b>	<b>Current Unit Price (£)</b>
Global Equity Fund	5.169
Index Linked Bond Fund	1.456
Balanced Fund	4.363
Corporate Bond Fund	2.662
Cash Fund	1.021

### **Special circumstances / additional information**

Grace Kim's reason for leaving was resignation.



**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**

Noah Sinclair's Final Pensionable Salary at 3 July 2011 was £60,000.00.

Lower of 5.0% or RPI increases from 4 July 2011 to date of first event is 62.7%.

Noah Sinclair's reason for leaving was resignation.

**THIS CASE STUDY ALSO RELATES TO THE DRAFT LETTER (QUESTION 3)**

Mr Noah Sinclair

Address 1

Address 2

Address 3

Post Code

22 January 2026

Dear Mr Sinclair,

### **The XYZ Pension and Life Assurance Scheme (the XYZ Scheme)**

Following your leaving the XYZ Scheme on 15 January 2024, I can confirm that the following options are available to you:

#### **1) Preserved Pension**

At your date of leaving, you had built up a pension of [A] per year.

Your pension will increase by the lower of the increase in the Consumer Price Index (CPI) and 5% per year compound for each complete year from date of leaving to your retirement date. Your Normal Pension Date is age 65 (12 January 2041).

Based on an increase of 5% a year, this would give a maximum of [B] a year from age 65. However, the actual amount will be less if the revaluation index is lower than this.

When you retire, you may exchange part of your pension for a tax-free cash sum. This will reduce your pension.

You can choose to retire with a reduced pension earlier than your Normal Pension Date (the minimum retirement age is 55, rising to age 57 from 6 April 2028, although it may be paid earlier than the minimum retirement age if you are in ill health).

If you die before your pension becomes payable and if you are married or have entered into a civil partnership, your spouse or civil partner will receive a pension of half of your pension, increased to your date of death. At your date of leaving, the spouse/civil partner pension was [C] a year.

If you die after you retire and within five years of the commencement of your pension, and if you are under age 70, a cash sum will be paid at the discretion of the Trustees equal to the unpaid balance of five years' payment of pension, or the unpaid balance of instalments up to age 70 if earlier, at the rate applicable at the date of death.

If you die after you retire and if you are married or have entered into a civil partnership, your spouse or civil partner will receive a pension of half of your pension including any pension you exchanged for a tax-free cash sum, increased to your date of death. At your date of leaving, the spouse/civil partner pension was [D] a year. Based on an increase of 5% a year, this would give a maximum of [E] a year from age 65. However, the actual amount will be less if the revaluation index is lower than this.

Once in payment, your pension will increase at 5% per year compound, or the increase in the Retail Prices Index (RPI) if lower. The increase is to be applied on 1st June each year.

If you have any queries or wish to transfer, please write to the Pensions Administration department.

Yours sincerely

AN Other