

**OPQ – Answer**

Name LUCY ROCHE (*Normal Ret. from ACT – with AVCs*)  
DOR 15/09/2026  
DOB 15/06/1960  
NPD = SPA (*not relevant for answer*)  
TRD 30/09/2026

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Contributions (member) £44,120.80  
Contributions (employer) £70,593.28  
AVCs (member) £46,881.88

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Lifestyle units (member) 42,111.0222  
Lifestyle units (employer) 67,377.6355  
Units (AVCs) 13,009.4998 (*Balanced*)

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Remaining 'LS&DBA' £1,073,100.00  
Remaining 'LSA' £268,275.00

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Quotes required (1): £50,000.00 tax-free cash sum (provided this is within HMRC limits) and single-life annuity (non-escalating)

Quotes required (2): £50,000.00 tax-free cash sum (provided this is within HMRC limits) and single-life annuity (escalating by lower of 5.0% or RPI)

Quotes required (3): No tax-free cash and single-life annuity (non-escalating)

Quotes required (4): No tax-free cash and single-life annuity (escalating by lower of 5.0% or RPI)

Quotes required (5): Single 'Uncrystallised Funds Pension Lump Sum' (UFPLS)

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Annuity factors: Single-life option (non-escalating)  
= 9.08 (age 66yrs & 3mths)  
 $9.00 + ([9.32 - 9.00] \times 3/12 = 0.08000)$   
  
Single-life option (escalating by lower of 5.0% or RPI)  
= 6.98 (age 66yrs & 3mths)  
 $6.90 + ([7.22 - 6.90] \times 3/12 = 0.08000)$

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### Lifestyle Details

Last switch date	01/09/2026
TRD	30/09/2026
Full months to TRD	1 month

### Lifestyle Splits

Global Equity	1.67%
Index Linked Bond	73.75%
Cash	24.58%

### Fund Prices

Global Equity	£3.911
Index Linked Bond	£1.604
Cash	£1.015
Balanced	£4.904

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### Personal Retirement Account

#### **Member**

Global Equity	42,111.0222	x	1.67%	=	703.2541	x	£3.911	=	£2,750.43
Index Linked Bond	42,111.0222	x	73.75%	=	31,056.8789	x	£1.604	=	£49,815.23
Cash	42,111.0222	x	24.58%	=	10,350.8893	x	£1.015	=	£10,506.15
TOTAL									<b>£63,071.81</b>

#### **Employer**

Global Equity	67,377.6355	x	1.67%	=	1,125.2065	x	£3.911	=	£4,400.68
Index Linked Bond	67,377.6355	x	73.75%	=	49,691.0062	x	£1.604	=	£79,704.37
Cash	67,377.6355	x	24.58%	=	16,561.4288	x	£1.015	=	£16,809.84
TOTAL									<b>£100,914.89</b>

#### **AVCs**

Balanced					13,009.4998	x	£4.904	=	£63,798.59
TOTAL									<b>£63,798.59</b>

Total Personal Retirement Account	=	£63,071.81	+	£100,914.89					
						+ £63,798.59	=	<b><u>£227,785.29</u></b>	

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### OPTION-1a

#### Tax-free cash sum

Amount required: = **£50,000.00**

*Maximum permitted:* £227,785.29 x 25% = £56,946.32 (ok)

#### Single-life annuity (non-increasing)

Balance of fund: £227,785.29 - £50,000.00 = £177,785.29

Annuity bureau charge: £177,785.29 x 0.065% = £115.56

**£115.56** charge applies (as exceeds minimum of £75.00)

Amount left to purchase an annuity: £177,785.29 - £115.56 = £177,669.73

Member: £177,669.73 / 100 x 9.08 = **£16,132.41 pa**

Spouse: = **N/A**

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### OPTION-1b

#### Tax-free cash sum

Amount required: = **£50,000.00**

*Maximum permitted:* £227,785.29 x 25% = £56,946.32 (ok)

#### Single-life annuity (increasing by lower of 5.0% or RPI)

Balance of fund: £227,785.29 - £50,000.00 = £177,785.29

Annuity bureau charge: £177,785.29 x 0.065% = £115.56

**£115.56** charge applies (as exceeds minimum of £75.00)

Amount left to purchase an annuity: £177,785.29 - £115.56 = £177,669.73

Member: £177,669.73 / 100 x 6.98 = **£12,401.35 pa**

Spouse: = **N/A**

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'LS&DBA' Check (BOTH OPTIONS): £50,000.00 vs £1,073,100.00 = **OK**

'LSA' Check (BOTH OPTIONS): £50,000.00 vs £268,275.00 = **OK**

**OPTION-1c**

**Single-life annuity (non-increasing)**

Balance of fund:		=	£227,785.29
Annuity bureau charge:	£227,785.29 x 0.065%	=	£148.06
	<b>£148.06</b> charge applies ( <i>as exceeds minimum of £75.00</i> )		
Amount left to purchase an annuity:	£227,785.29 - £148.06	=	£227,637.23
Member:	£227,637.23 / 100 x 9.08	=	<b><u>£20,669.46 pa</u></b>
Spouse:		=	<b>N/A</b>

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**OPTION-1d**

**Single-life annuity (increasing by lower of 5.0% or RPI)**

Balance of fund:		=	£227,785.29
Annuity bureau charge:	£227,785.29 x 0.065%	=	£148.06
	<b>£148.06</b> charge applies ( <i>as exceeds minimum of £75.00</i> )		
Amount left to purchase an annuity:	£227,785.29 - £148.06	=	£227,637.23
Member:	£227,637.23 / 100 x 6.98	=	<b><u>£15,889.08 pa</u></b>
Spouse:		=	<b>N/A</b>

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

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

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## OPTION-2

### UFPLS

Tax-free amount: £227,785.29 x 25% = **£56,946.32**

Taxable at marginal rate: £227,785.29 x 75% = **£170,838.97**

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'LS&DBA' Check: £56,946.32 vs £1,073,100.00 = **OK**

'LSA' Check: £56,946.32 vs £268,275.00 = **OK**

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### Summary Answer

Value of Personal Retirement Fund = £227,785.29

#### Options

- (1a) Tax-free cash sum of £50,000.00 – [within 'LS&DBA' of £1,073,100.00 and within 'LSA' of £268,275.00]

#### **PLUS**

Single-life annuity (non-increasing) of £16,132.41 pa [*spouse = N/A*] – Annuity Bureau Charge of £115.56

#### **OR**

- (1b) Tax-free cash sum of £50,000.00 – [within 'LS&DBA' of £1,073,100.00 and within 'LSA' of £268,275.00]

#### **PLUS**

Single-life annuity (increasing by lower of 5.0% or RPI) of £12,401.35 pa [*spouse = N/A*] – Annuity Bureau Charge of £115.56

#### **OR**

- (1c) Single-life annuity (non-increasing) of £20,669.46 pa [*spouse = N/A*] – Annuity Bureau Charge of £148.06

#### **OR**

- (1d) Single-life annuity (increasing by lower of 5.0% or RPI) of £15,889.08 pa [*spouse = N/A*] – Annuity Bureau Charge of £148.06

**OR**

- (2) Uncrystallised Funds Pension Lump Sum (UFPLS) of £227,785.29, of which £56,946.32 will be paid tax-free and £170,838.97 (taxable element) will be paid assuming an emergency code on a month 1 basis – [tax-free element is within 'LS&DBA' of £1,073,100.00 and within 'LSA' of £268,275.00]

**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