

OPQ – Answer

Name OLIVER LAVER (*Early Ret. from ACT – with transferred-in benefits*)
DOR 19/09/2026
DOB 12/10/1969
NPD = SPA (*not relevant for answer*)
TRD N/A

Contributions (member) £65,402.40
Contributions (employer) £104,643.84
TV (member / employer) £130,440.44

Units (member) 16,889.8864 (*Balanced*)
Units (member) 4,667.4200 (*Cash*)
Units (employer) 27,023.8182 (*Balanced*)
Units (employer) 7,467.8720 (*Cash*)
TV units (member) 21,190.6663 (*Corporate Bond*)
TV units (employer) 42,381.3326 (*Corporate Bond*)

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

Quotes required (1): 25% tax-free cash sum (provided this is within HMRC limits) and single-life annuity (non-escalating)

Quotes required (2): 25% tax-free cash sum (provided this is within HMRC limits) and single-life annuity (escalating by lower of 3.0% or RPI)

Annuity factors: Single-life option (non-escalating)
= 6.95 (age 56yrs & 11mths)
 $6.80 + [(6.96 - 6.80) \times 11/12 = 0.14667]$

Single-life option (escalating by lower of 3.0% or RPI)
= 5.20 (age 56yrs & 11mths)
 $5.05 + [(5.21 - 5.05) \times 11/12 = 0.14667]$

Fund Prices

| | |
|----------------|--------|
| Balanced | £4.904 |
| Cash | £1.015 |
| Corporate Bond | £2.738 |

Personal Retirement Account

Member

| | | | | | |
|--------------|-------------|---|--------|---|-------------------|
| Balanced | 16,889.8864 | x | £4.904 | = | £82,828.00 |
| Cash | 4,667.4200 | x | £1.015 | = | £4,737.43 |
| TOTAL | | | | | £87,565.43 |

Employer

| | | | | | |
|--------------|-------------|---|--------|---|--------------------|
| Balanced | 27,023.8182 | x | £4.904 | = | £132,524.80 |
| Cash | 7,467.8720 | x | £1.015 | = | £7,579.89 |
| TOTAL | | | | | £140,104.69 |

Member (TVin)

| | | | | | |
|----------------|-------------|---|--------|---|-------------------|
| Corporate Bond | 21,190.6663 | x | £2.738 | = | £58,020.04 |
| TOTAL | | | | | £58,020.04 |

Employer (TVin)

| | | | | | |
|----------------|-------------|---|--------|---|--------------------|
| Corporate Bond | 42,381.3326 | x | £2.738 | = | £116,040.09 |
| TOTAL | | | | | £116,040.09 |

| | | | | | |
|-----------------------------------|---|----------------------------|---|--|---------------------------|
| Total Personal Retirement Account | = | £87,565.43 + £140,104.69 | | | |
| | | + £58,020.04 + £116,040.09 | = | | <u>£401,730.25</u> |

OPTION-1a

Tax-free cash sum

| | | | |
|-------------------------|-------------------|---|---------------------------|
| Amount required: | £401,730.25 x 25% | = | <u>£100,432.56</u> |
|-------------------------|-------------------|---|---------------------------|

| | | | |
|---------------------------|-------------------|---|------------------|
| Maximum permitted: | £401,730.25 x 25% | = | £100,432.56 (ok) |
|---------------------------|-------------------|---|------------------|

Single-life annuity (non-increasing)

| | | | |
|--|---------------------------------|---|---|
| Balance of fund: | $£401,730.25 - £100,432.56$ | = | <i>£301,297.69</i> |
| Annuity bureau charge: | $£301,297.69 \times 0.065\%$ | = | £195.84 |
| | | | £195.84 charge applies (<i>as exceeds minimum of £75.00</i>) |
| Amount left to purchase an annuity: | $£301,297.69 - £195.84$ | = | <i>£301,101.85</i> |
| Member: | $£301,101.85 / 100 \times 6.95$ | = | <u>£20,926.58 pa</u> |
| Spouse: | | = | N/A |

OPTION-1b

Tax-free cash sum

| | | | |
|---------------------------|---------------------------|---|--------------------------------|
| Amount required: | $£401,730.25 \times 25\%$ | = | <u>£100,432.56</u> |
| Maximum permitted: | $£401,730.25 \times 25\%$ | = | <i>£100,432.56 (ok)</i> |

Single-life annuity (increasing by lower of 3.0% or RPI)

| | | | |
|--|---------------------------------|---|---|
| Balance of fund: | $£401,730.25 - £100,432.56$ | = | <i>£301,297.69</i> |
| Annuity bureau charge: | $£301,297.69 \times 0.065\%$ | = | £195.84 |
| | | | £195.84 charge applies (<i>as exceeds minimum of £75.00</i>) |
| Amount left to purchase an annuity: | $£301,297.69 - £195.84$ | = | <i>£301,101.85</i> |
| Member: | $£301,101.85 / 100 \times 5.20$ | = | <u>£15,657.30 pa</u> |
| Spouse: | | = | N/A |

| | | | |
|---|----------------------------------|---|-----------|
| 'LS&DBA' Check (BOTH OPTIONS): | $£100,432.56$ vs $£1,073,100.00$ | = | OK |
| 'LSA' Check (BOTH OPTIONS): | $£100,432.56$ vs $£268,275.00$ | = | OK |

Summary Answer

Value of Personal Retirement Fund = £401,730.25

Options

- (1a) Tax-free cash sum of £100,432.56 – [within 'LS&DBA' of £1,073,100.00 and within 'LSA' of £268,275.00]

PLUS

Single-life annuity (non-increasing) of £20,926.58 pa [*spouse = N/A*] – Annuity Bureau Charge of £195.84

OR

- (1b) Tax-free cash sum of £100,432.56 – [within 'LS&DBA' of £1,073,100.00 and within 'LSA' of £268,275.00]

PLUS

Single-life annuity (increasing by lower of 3.0% or RPI) of £15,657.30 pa [*spouse = N/A*] – Annuity Bureau Charge of £195.84

OR

- (2) 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

- (3) Open Market Option

Note *Single UFPLS option specifically NOT requested*