

XYZ (CAT A) – LEAVER – PRESERVED / CETV (WITH AVCs)

Letter to **EVIE MORGAN**

Key Points

1. Date of leaving (**02/09/2026**)
2. Preserved pension at DOL of **£13,794.44** per annum (including post 1988 GMP of **£292.24** per annum and excess pension of **£13,502.20** per annum)
3. Mention AVCs (value at DOL = **£18,661.95**) will remain invested within the scheme and will be used to provide additional benefits on retirement (*but mention that if the member wishes to take advantage of the new flexibilities, the AVCs will need to be transferred to another suitable pension arrangement*)
4. Normal pension date [NPD] (**23/04/2039**) or age (**65**)
5. Post 1988 GMP revaluation rate to NPD assumes **3.25%** for each complete tax year to 'GMP due date' (with statutory increases applying between 'GMP due date' and NPD)
6. Excess revaluation rate to NPD assumes **5.0%** per annum compound ('true' annual revaluation rate will be **lower of 5.0% and RPI**)
7. Total pension at NPD of **£24,829.42** per annum (including post 1988 GMP of **£581.36** per annum and excess pension of **£24,248.06** per annum)
8. Tax-free cash sum option
9. Death before retirement lump sum death benefit (stating refund of member contributions paid of **£32,487.62** and stating refund of value of AVCs, which are currently **£18,661.95** at DOL) payable to legal personal representatives
10. Death before retirement spouse's / civil partner's pension of **£6,897.22** per annum (based on member's pension at DOL)
11. Death after retirement lump sum death benefit (provided death occurs before reaching age 75 and before receiving 5 years of pension payments) equal to the lower of the balance of 5 years of pension payments or the unpaid balance of pension payments that would have been received up to the member's 75th birthday
12. Death after retirement spouse's / civil partner's pension of **£12,414.71** per annum (based on member's pension at DOL, revalued to NPD)
13. Post retirement pension increases will be applied each year on 1st April:
 - a. If member is below 'GMP due date' on 1st April, the whole pension will be increased each year by **5.0%** (or by the **increase in the RPI if less**)
 - b. If the member has attained 'GMP due date' on 1st April, the excess pension will be increased each year by **5.0%** (or by the **increase in the RPI if less**) and the post 1988 GMP will be increased each year by **3.0%** (or by the **increase in the CPI if less**)
14. Transfer option

NOTE –

For the purposes of the CPC examinations, candidates will be presented with a draft Letter. They will then be expected to:

- a) *Transcribe data required to be populated in the draft Letter accurately from their Case Study answers to the answer box*
- b) *Identify and detail basic expected information not communicated in the draft Letter to the answer box*
- c) *Identify and correct information wrongly communicated in the draft Letter to the answer box*