

# CERTIFICATE IN PENSIONS CALCULATIONS

## DEATHS PART 2

### DEATH BENEFITS WITH SPECIAL CIRCUMSTANCES

**FRIDAY 13 MARCH 2026**

**9.30 AM – 11.00 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 death benefits payable using only the information given.
5. Where any relevant death benefits are likely to exceed the remaining 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 – Calculations (Questions 1 and 2)

Calculate the death benefits payable for:

- **OLIVER HERRING – (XYZ)**
- **EFUA MENSAH – (OPQ)**

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

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

- **OLIVER HERRING – (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****XYZ SCHEME****DEATHS PART 2  
QUESTION 1****Event history**

Date of first event      **03/03/2026**                      First event      **DEATH**  
Date of second event    Second event

**Member details**

Surname                      **HERRING**                      Forenames      **OLIVER**  
Date of birth                      **25/12/1959**                      Gender              **MALE**  
Spouse's date of birth    **01/02/1960**  
Child dependant's date of birth  
Date of joining company    **01/08/1985**  
Date of joining scheme    **01/09/1985**  
Category of membership    **A**

**Pensionable salary history for the scheme 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>92,930</b>	<b>95,661</b>	<b>98,302</b>	<b>101,601</b>	<b>107,540</b>	<b>108,260</b>	<b>107,112</b>	<b>108,540</b>	<b>109,228</b>

**Contribution history**

Total member's normal contributions    **£ 147,865.38**  
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) £ 1,114.88

Post 05/04/1988

GMP (per annum) £ 2,604.16

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

Salary at date of first event £ 105,960.00

Oliver Herring paid the default contribution rate (70ths accrual) from the date he joined the XYZ Pension and Life Assurance Scheme until 5 April 2010, inclusive.

From 6 April 2010, Oliver Herring varied his contribution rate to build up the following rates of pension accrual:

- 6 April 2010 to 5 April 2015 = 60ths
- 6 April 2015 to 5 April 2021 = 70ths
- 6 April 2021 onwards = 60ths

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

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

**CASE STUDY DETAILS****OPQ PLAN****DEATHS PART 2  
QUESTION 2****Event history**

Date of first event      **06/03/2026**                      First event      **DEATH**  
Date of second event    Second event

**Member details**

Surname                      **MENSAH**                      Forenames      **EFUA**  
Date of birth                      **22/09/1964**                      Gender              **FEMALE**  
Spouse's date of birth    **12/11/1965**  
Child dependant's date of birth  
Date of joining company    **17/02/1998**  
Date of joining plan    **17/02/1998**  
Target retirement date    **22/08/2027**

**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>33,650</b>	<b>35,120</b>	<b>38,900</b>	<b>40,120</b>	<b>41,001</b>	<b>45,390</b>	<b>48,223</b>	<b>50,100</b>	<b>51,334</b>

**Contribution history**

Total member's normal contributions    **£ 40,980.17**  
Total employer's normal contributions    **£ 65,568.28**  
Total member's AVCs    **£**

## Personal Retirement Account details

### Member's Current Unit Holdings

<b>Fund</b>	<b>Member's normal contributions</b>	<b>Employer's normal contributions</b>	<b>Member's AVCs</b>
	<b>Unit Holdings</b>	<b>Unit Holdings</b>	<b>Unit Holdings</b>
Global Equity Fund			
Index Linked Bond Fund			
Balanced Fund			
Corporate Bond Fund			
Cash Fund			
Lifestyle Fund	28,772.2812	46,035.6452	

### Investment Fund Unit Prices

<b>Fund</b>	<b>Current Unit Price (£)</b>
Global Equity Fund	6.002
Index Linked Bond Fund	1.507
Balanced Fund	5.295
Corporate Bond Fund	1.821
Cash Fund	1.191

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

On 12 December 2000, Efua Mensah transferred in to the OPQ Retirement & Death Benefits Plan her non-contracted-out benefits from the registered pension scheme of one of her previous employers. The value of Efua Mensah's transferred-in benefits amounted to £26,991.12.

The transfer in, which is not included in Efua Mensah's Personal Retirement Account detailed above, is currently invested as follows:

- Global Equity Fund (Member): 1,349.5560 Units
- Global Equity Fund (Employer): 2,024.3340 Units
- Corporate Bond Fund (Member): 4,498.5203 Units
- Corporate Bond (Employer): 6,747.7818 Units

Efua Mensah's current available Lump Sum & Death Benefit Allowance (LS&DBA) is £992,324.12.

The Trustees of the XYZ Pension and Life Assurance Scheme

Address 1

Address 2

Address 3

Post Code

13 March 2026

Dear Sir or Madam

**The XYZ Pension and Life Assurance Scheme (the Scheme) – Oliver Herring (Deceased)**

Date of Death: 3 March 2026

Further to notification of the death of this member, details of the benefits payable from the Scheme are set out below.

**Lump sum death benefit**

As the deceased member died in active service after Normal Pension Date (NPD), there is a lump sum death benefit (LSDB) payable of [A]. This amount is equal to the balance of 5 years' pension payments assuming the member retired on their date of death.

The LSDB is payable to persons at the discretion of yourselves, the Scheme's Trustees. Please could you confirm the beneficiaries you would like to be paid and, if there is more than one beneficiary, please could you confirm the amount required to be paid to each beneficiary.

The LSDB of [A] is within the deceased member's available Lump Sum & Death Benefit Allowance (LS&DBA) of [B].

**Spouse's pension**

A spouse's pension is payable of [C] per annum. This includes:

- [D] per annum of Widow's Guaranteed Minimum Pension (WGMP) accrued before 6 April 1988
- [E] per annum of Widow's Guaranteed Minimum Pension (WGMP) accrued from 6 April 1997
- [F] per annum, which is the balance over and above the WGMP elements

This pension takes into consideration each of the member's elected variations in accrual rates over his period of Scheme membership.

### **Payment of pension**

The spouse's pension is payable from 1 April 2026. The pension is payable for life and payments are treated as taxable income through PAYE.

### **Pension increases**

The pension in payment will be reviewed each year on 1 January. The pre-1988 WGMP will not increase, the post-1988 WGMP will increase by the lower of the rise in the Consumer Prices Index (CPI) and 3%, and the balance of the pension over and above the GMP elements will increase by the lower of the rise in the Retail Prices Index (RPI) and 2.5%.

### **Details required**

Before the spouse's pension can be put into payment, the following will be required:

- 1) The member's original death certificate
- 2) The member and spouse's original marriage certificate
- 3) The completed bank details form for the spouse (*form enclosed*)

If you have any queries, please do not hesitate to contact me.

Yours faithfully,

AN Other