CERTIFICATE IN PENSIONS CALCULATIONS

DEATHS PART 2

DEATH BENEFITS WITH SPECIAL CIRCUMSTANCES

TUESDAY 7 JULY 2026	**11.00 AM – 12.30 NOON**
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:

- **CHINJU PANICKER – (XYZ)**
- **WILLIAM BEACON – (RST)**

Section B – Draft Letter (Question 3)

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

- **WILLIAM BEACON – (RST)**

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	**28/02/2024**	First event	**RETIREMENT**
Date of second event	**02/07/2026**	Second event	**DEATH**

Member details

Surname	**PANICKER**	Forenames	**CHINJU**
Date of birth	**28/02/1959**	Gender	**FEMALE**

Spouse's date of birth **02/02/1955**

Dependent child's date of birth

Date of joining company **06/11/1997**

Date of joining scheme **06/11/1997**

Category of membership **B**

Pensionable salary history for the scheme year commencing 6 April

2018	2019	2020	2021	2022	2023	2024	2025	2026

Contribution history

Total member's normal contributions	**£**
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) **£**

Post 05/04/1988

GMP (per annum) **£**

Special circumstances / additional information

Pension in payment at date of second event is £8,166.32 per annum (*excluding* an additional transferred-in pension in payment of £6,150.22 per annum, which is subject to the normal rules of the XYZ Pension and Life Assurance Scheme).

Lower of 5.0% or RPI increases from date of first event to date of second event is 12.7%.

On retirement, Chinju Panicker commuted £1,902.12 per annum of pension in return for a tax-free cash sum of £39,945.00.

Chinju Panicker's current available Lump Sum & Death Benefit Allowance (LS&DBA) is £1,033,155.00.

CASE STUDY DETAILS **RST SCHEME** **DEATHS PART 2**
QUESTION 2

Event history

Date of first event **30/06/2026** First event **DEATH**

Date of second event Second event

Member details

Surname **BEACON** Forenames **WILLIAM**

Date of birth **11/11/1956** Gender **MALE**

Spouse's date of birth **04/03/1969**

Child dependant's date of birth

Date of joining company **01/03/1995**

Date of joining scheme **06/04/1995**

Earnings history for the scheme year ending 5 April

2018	2019	2020	2021	2022	2023	2024	2025	2026
65,920	66,100	67,030	69,996	71,350	70,100	70,110	68,350	70,892

Contribution history

Total member's normal contributions £ **96,414.33**

Total member's AVCs £

Current value of AVCs £

Single life AVC pension (per annum) payable immediately £

Joint life AVC pension (per annum) payable immediately £

Pre 6 April 2006 pension accrued as at 5 April 2026

CARE pension (per annum)	**£ 9,315.20**

Post 5 April 2006 pension accrued as at 5 April 2026

CARE pension (per annum)	**£ 20,832.71**

Special circumstances / additional information

Contractual Salary at date of first event	**£ 71,350.50**

Pro-rata CPI from 6 April 2026 to date of first event is 0.6%.

The Company (with the consent of the Trustees) agreed to augment the rate of Pension Accrual for Willam Beacon's CARE Pension to 50ths for Pensionable Service from 6 November 2021.

It was also agreed by the Company (with the consent of the Trustees) to augment the rate of Pension Accrual to 65ths in the calculation of the Final Salary Underpin Pension for Pensionable Service from 6 November 2021.

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

Mrs Beacon
Address 1
Address 2
Address 3
Post Code

7 July 2026

Dear Mrs Beacon,

The RST Pension Scheme (the Scheme) – William Beacon (Deceased)

Date of Death: 30 May 2026

I write further to receiving notification of the death of this member. Please accept my condolences for your loss.

Details of the benefits payable from the Scheme are set out below.

<u>Lump sum death benefit</u>

As the deceased member died after Normal Pension Date (NPD) whilst an active member of the Scheme, a lump sum death benefit (LSDB) will be payable of [**A**]. This amount is made up of:

- Life Assurance [**B**]

The LSDB is payable to one or more persons at the discretion of the Scheme's Trustees. If the deceased member completed a 'Nomination Form' to indicate any person(s) to whom he wanted the LSDB to be paid, the Trustees will take these wishes into consideration. However, they will have absolute discretion as to whom the lump sum death benefit will be paid.

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

<u>Spouse's pension</u>

A spouse pension is payable to you of [**D**] per annum, of which [**E**] per annum is in respect of pension earned prior to 6 April 2006 and [**F**] per annum is in respect of pension earned from 6 April 2006.

The Company (with the consent of the Trustees) agreed to augment the rate of Pension Accrual for Willam Beacon's CARE Pension to 50ths for Pensionable Service from 6 November 2021.

It was also agreed by the Company (with the consent of the Trustees) to augment the rate of Pension Accrual to 65ths in the calculation of William Beacon's Final Salary Underpin Pension for Pensionable Service from 6 November 2021.

Your spouse's pension has been calculated to include these enhanced accrual rates and has been based on the higher CARE Pension.

Your spouse's pension has been reduced as you are more than 10 years older than the deceased member.

Payment of pension

Your spouse's pension will commence on 1 July 2026, and it will be payable monthly in advance. The pension will be payable for life, and the payments will be treated as taxable income through PAYE.

Pension increases

Once in payment, your spouse's pension will be increased each year on the anniversary of the deceased member's date of death, as follows:

- The pension earned up to 5 April 2006 will be increased by the change in the Retail Price Index (RPI)

- The pension earned from 6 April 2006 will be increased by the change in the RPI, subject to a maximum of 2.5%

Details required

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

1) Your (and the deceased member's) original marriage certificate

2) Your original birth certificate

3) Your completed bank details *(form enclosed)*

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

Yours faithfully,

AN Other

DEATHS 2
QUESTION 3