

CERTIFICATE IN PENSIONS CALCULATIONS

LEAVERS PART 1

LEAVER BENEFITS WITHOUT SPECIAL CIRCUMSTANCES

MONDAY 7 SEPTEMBER 2026

8.00 AM – 9.30 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 benefits payable and the options available using only the information given.
5. 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 benefits payable and the options available for:

- **HANNAH KANE – (RST)**
- **MICHAEL RASHFORD – (XYZ)**

Section B – Draft Letter (Question 3)

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

- **HANNAH KANE – (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***).

LEAVERS PART 1

QUESTION 1

Contribution history

Pre 6 April 2006 pension accrued as at 5 April 2026

CARE pension (per annum)	£ 945.26
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Post 5 April 2006 pension accrued as at 5 April 2026

CARE pension (per annum)	£ 17,643.53
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Special circumstances / additional information

Contractual Salary at date of first event	£ 75,000.00
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Hannah Kane's reason for leaving was resignation.

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

LEAVERS PART 1

QUESTION 2

Contribution history

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

Michael Rashford's Final Pensionable Salary at 3 July 2011 was £27,000.00.

Lower of 5.0% or RPI increases from 4 July 2011 to date of first event is 63.8%.

Michael Rashford's reason for leaving was resignation.

Ms H Kane
Address 2
Address 3
Post Code

7 September 2026

Dear Ms Kane

I am writing to advise you of the options available to you following your leaving the 'RST Pension Scheme' (the Scheme) on 3 September 2006.

1. Preserved Benefits

At your date of leaving (DOL), your preserved benefits were as follows:

- Pre-6 April 2006 pension at DOL £[A] per annum
- Post-5 April 2004 pension at DOL £[B] per annum
- **Total pension at DOL** £[C] per annum

Your preserved benefits will be revalued from your DOL to the date you retire.

The actual rate of revaluation will be 5.0% per annum compound for each complete year from your DOL to the date you retire (or the increase in the CPI for this period, if lower).

Using an assumed revaluation rate of 2.5% per annum compound, your estimated pension at your Normal Pension Date (NPD) of [D] would be as follows:

- Estimated pre- 6 April 2006 pension at NPD £[E] per annum
- Estimated post-5 April 2006 pension at NPD £[F] per annum
- **Total estimated pension at NPD** £[G] per annum

At retirement, these figures will be recalculated to reflect the actual rate of revaluation. These recalculated figures may be higher or lower than the estimated figures above.

Once in payment, your pension will be increased as follows:

- Pre-6 April 2006 pension Lower of 5.5% or RPI
- Post-5 April 2006 pension Lower of 2.5% or RPI

These increases will be applied each year on the anniversary of the commencement of your pension.

When you retire, you may exchange part of your pension for a tax-free cash sum. This will reduce your pension.

You can choose to retire with a reduced pension earlier than your NPD. The minimum retirement age is currently 55 (rising to age 57 from 6 April 2028) although your pension may be paid earlier than the minimum retirement age if you are in ill health.

If you die before you retire, there will a refund of your member contributions amounting to [H]. The total payment will be made to one or more persons at the discretion of the Trustees.

If you die after you retire, and you are either married or have entered into a civil partnership, your spouse or civil partner will receive a pension of 50% of your pension. This will include any pension you exchanged for a tax-free cash sum when you retired, increased to your date of death.

At your DOL, the spouse or civil partner's pension was [I] per annum. Based on an assumed increase rate of 2.5% per annum, this would give a maximum pension of [J] per annum from age 65. However, the actual amount will be less if the revaluation index is lower than this. If your spouse or civil partner is more than 10 years younger than you when you die, the pension will be reduced.

Should you require further assistance, please do not hesitate to contact us.

Signed,

AN Other