

CERTIFICATE IN PENSIONS CALCULATIONS

LEAVERS PART 2

LEAVER BENEFITS WITH SPECIAL CIRCUMSTANCES

TUESDAY 8 SEPTEMBER 2026

10.30 AM – 12.00 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 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:

- **JAMES HENDERSON – (XYZ)**
- **JOANNE PICKFORD – (OPQ)**

Section B – Draft Letter (Question 3)

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

- **JAMES HENDERSON – (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****LEAVERS PART 2
QUESTION 1****Event history**

Date of first event **03/09/2026** First event **LEAVER**

Date of second event Second event

Member details

Surname **HENDERSON** Forenames **JAMES**

Date of birth **14/12/1973** Gender **MALE**

Spouse's date of birth

Child dependant's date of birth

Date of joining company **14/02/1993**

Date of joining scheme **14/03/1993**

Category of membership **A**

Pensionable salary history for the scheme year commencing 6 April

2018	2019	2020	2021	2022	2023	2024	2025	2026
63,000	65,000	67,000	70,000	72,000	73,000	73,000	73,000	75,000

Contribution history

Total member's normal contributions **£ 81,543.37**

Total member's AVCs **£**

Current value of AVCs **£**

Contracting-out details at date of first event

Pre 06/04/1988

GMP (per annum)	£
-----------------	---

Post 05/04/1988

GMP (per annum)	£	835.64
-----------------	---	--------

Special circumstances / additional information

James Henderson contributed at the default rate from the date he joined the XYZ Pension and Life Assurance Scheme until 5 April 2024. For the period from 6 April 2024 onwards, James Henderson contributed at the higher contribution rate.

James Henderson's reason for leaving was resignation.

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

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

Date of first event **04/09/2026** First event **LEAVER**

Date of second event Second event

Member details

Surname **PICKFORD** Forenames **JOANNE**

Date of birth **17/05/1964** Gender **FEMALE**

Spouse's date of birth **12/09/1970**

Child dependant's date of birth

Date of joining company **12/07/2006**

Date of joining scheme **12/07/2006**

Target retirement date **17/05/2028**

Annual salary history for the plan year commencing 6 April

2018	2019	2020	2021	2022	2023	2024	2025	2026
52,000	53,000	54,000	54,500	55,000	56,000	56,000	57,000	57,500

Contribution history

Total member's normal contributions **£ 54,352.32**

Total employer's normal contributions **£ 86,963.71**

Total member's AVCs **£**

Personal Retirement Account details

Member's Current Unit Holdings

Fund	Member's normal contributions	Employer's normal contributions	Member's AVCs
	Unit Holdings	Unit Holdings	Unit Holdings
Global Equity Fund			
Index Linked Bond Fund			
Balanced Fund			
Corporate Bond Fund			
Cash Fund			
Lifestyle Fund	24,642.5847	39,428.1355	

Investment Fund Unit Prices

Fund	Current Unit Price (£)
Global Equity Fund	5.147
Index Linked Bond Fund	1.380
Balanced Fund	4.177
Corporate Bond Fund	2.628
Cash Fund	1.299

Special circumstances / additional information

In recognition of Joanne Pickford having recently completed a high-profile project, the Company (with the consent of the Trustees) agreed to make an augmentation payment of £75,000.00 into her Personal Retirement Account on 2 August 2026. This payment purchased an additional 28,582.3171 units in the Corporate Bond Fund, which are to be treated as Employer contributions. These units are not included in the Unit Holdings detailed above.

Joanne Pickford's reason for leaving was resignation.

Mr James Henderson
Address 1
Address 2
Address 3
Post Code

8 September 2026

Dear Mr Henderson

The XYZ Pension and Life Assurance Scheme (the ‘XYZ Scheme’)

Following your leaving the XYZ Scheme on 3 September 2026, I can confirm that the following options are available to you:

1. Preserved Pension

At your date of leaving (DOL), your preserved pension was split as follows:

- Excess pension at DOL £[A] per annum
- Post-1988 Guaranteed Minimum Pension at DOL £[B] per annum
- **Total pension at DOL £[C] per annum**

Your preserved pension takes into consideration the change in your accrual rate due to you paying contributions to the Scheme at a higher rate from [D].

Your preserved pension will be revalued from your DOL to your Normal Pension Date (NPD). Your NPD is your 60th birthday (14 December 2038).

The excess element of your pension will be increased by 5.0% per annum compound for each complete year from your DOL to NPD (or by the increase in the Retail Price Index (RPI) over this period, if lower).

Your post-1988 Guaranteed Minimum Pension (post-1988 GMP) will be increased by 3.0% per annum compound for each complete tax year from your DOL to NPD.

Using an assumed revaluation rate of 5.0% per annum compound for the excess element of your pension, your estimated pension at your NPD would be as follows:

- Estimated excess pension at NPD £[E] per annum
- Estimated post-1988 GMP at NPD £[F] per annum
- **Total estimated pension at NPD** **£[G] per annum**

Please note that the estimated figure at NPD for the excess element of your pension will be lower if the RPI over the revaluation period is lower than the assumed revaluation rate of 5.0% per annum compound for each complete year of the revaluation period.

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 2027) although your pension may be paid earlier than the minimum retirement age if you are in ill health.

If you die before your pension becomes payable, and if you are married or have entered into a civil partnership, your spouse or civil partner will receive a spouse's pension of half of your pension, increased to your date of death. At your DOL, the spouse's pension was [H] per annum.

If you die after you retire, and if you are married or have entered into a civil partnership, your spouse or civil partner will receive a pension of half 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's pension was [I] per annum. Based on the same assumptions used for estimating your pension at NPD, this would give a maximum spouse's pension of [J] per annum at your NPD.

2. Transfer to a suitable pension arrangement

As an alternative to preserving your benefits within the Scheme, you may opt to transfer your benefits to a suitable arrangement of your own choice. This may include the registered scheme of your new employer, a personal pension plan, stakeholder pension plan, or a buy-out insurance policy.

If you have any queries, or wish to transfer, please write to the Pensions Administration department.

Yours sincerely
AN Other