



**Pensions
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Moving pensions forward

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VOCATIONAL QUALIFICATIONS

LEAVERS PART 1

LEAVERS' BENEFITS WITHOUT SPECIAL CIRCUMSTANCES

WEDNESDAY 11 SEPTEMBER 2019 2.00 PM – 4.30 PM

TIME ALLOWED: 2 HOURS 30 MINUTES

1. Answer **ALL** the questions.
2. Write all your answers in the answer book provided.
3. Begin each question on a new page.
4. Show all workings clearly.
5. Calculate the benefits using only the information given.
6. Factors must be rounded in accordance with the instruction in the Table of Factors. Round all other figures to two decimal places (or whatever is the normal practice where you work).

Questions

Section A

Calculate the leaver benefits / options for:

1. **MARY GALLAGHER – (RST)**
2. **BARRY SNODGRASS – (RST)**
3. **KIM JONES – (OPQ)**
4. **PABLO CASTELLANO – (XYZ)**
5. **KATHRYN JENKINS – (XYZ)**

Section B

6. Write a letter explaining the benefits payable and the options available to **BARRY SNODGRASS**.

The letter may be addressed either to the member or to the Trustees (whichever is the normal practice in the organisation for which you work).

Please note: Candidates must not sign letters with their own names. Letters should be signed “A N Other”.

CASE STUDY DETAILS**RST SCHEME****LEAVERS PART 1
QUESTION 1****Event history**

Date of first event **07/09/2019** First event **LEAVER**
Date of second event Second event

Member details

Surname **GALLAGHER** Forenames **MARY**
Date of birth **14/08/1968** Gender **FEMALE**
Spouse's date of birth **12/07/1965**
Dependent child's date of birth
Date of joining company **14/02/2018**
Date of joining scheme **06/04/2018**

Earnings history for the scheme year ending 5 April

| 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 |
|------|------|------|------|------|------|------|------|---------------|
| | | | | | | | | 32,523 |

Contribution history

Total member's normal contributions £ **3,171.00**
Total member's AVCs £
Current value of AVCs £

Pre 6 April 2006 pension accrued as at 5 April 2019

CARE pension (per annum) £

Post 5 April 2006 pension accrued as at 5 April 2019

CARE pension (per annum) £ **406.54**

Special circumstances / additional information

Contractual Salary at date of first event £ **40,000.00**

Mary Gallagher's reason for leaving was resignation.

Pre 6 April 2006 pension accrued as at 5 April 2019

CARE pension (per annum) £ 401.82

Post 5 April 2006 pension accrued as at 5 April 2019

CARE pension (per annum) £ 6,775.12

Special circumstances / additional information

Contractual Salary at date of first event £ 52,000.00

Barry Snodgrass' reason for leaving was resignation.

THIS QUESTION ALSO REQUIRES A LETTER (QUESTION 6)

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 | 12,062.7535 | 19,300.4056 | |

Investment Fund Unit Prices

| Fund | Current Unit Price (£) |
|------------------------|-------------------------------|
| Global Equity Fund | 5.403 |
| Index Linked Bond Fund | 1.404 |
| Balanced Fund | 4.563 |
| Corporate Bond Fund | 1.682 |
| Cash Fund | 1.028 |

Special circumstances / additional information

Kim Jones' reason for leaving was resignation.

CASE STUDY DETAILS**XYZ SCHEME****LEAVERS PART 1
QUESTION 4****Event history**

Date of first event **09/09/2019** First event **LEAVER**
Date of second event Second event

Member details

Surname **CASTELLANO** Forenames **PABLO**
Date of birth **14/06/1962** Gender **MALE**
Spouse's date of birth **19/06/1963**
Dependent child's date of birth
Date of joining company **12/09/1984**
Date of joining scheme **12/10/1984**
Category of membership **A**

Pensionable salary history for the scheme year commencing 6 April

| 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 |
|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| 24,624 | 25,734 | 26,853 | 27,413 | 27,413 | 27,413 | 27,413 | 27,935 | 28,724 |

Contribution history

Total member's normal contributions **£ 44,626.24**
Total member's AVCs **£**
Current value of AVCs **£**

Contracting-out details at date of first event

Pre 06/04/1988

| | | |
|-----------------|---|---------------|
| GMP (per annum) | £ | 231.40 |
|-----------------|---|---------------|

Post 05/04/1988

| | | |
|-----------------|---|-----------------|
| GMP (per annum) | £ | 1,764.36 |
|-----------------|---|-----------------|

Special circumstances / additional information

Pablo Castellano contributed at the default rate (70ths accrual) throughout his period of membership of the XYZ Pension and Life Assurance Scheme.

Pablo Castellano's reason for leaving was resignation.

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

Kathryn Jenkins' Final Pensionable Salary at 3 July 2011 was £28,264.00.

Lower of 5.0% / RPI increases from 4 July 2011 to date of first event is 26.3%.

Kathryn Jenkins' reason for leaving was resignation.