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# **VOCATIONAL QUALIFICATIONS**

## **LEAVERS PART 2**

### **LEAVERS' BENEFITS WITH SPECIAL CIRCUMSTANCES**

**THURSDAY 14 MARCH 2019**

**9.30 AM – 12.30 PM**

**TIME ALLOWED:**

**3 HOURS**

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. **ZAC JOHNSON – (OPQ)**
2. **JAYNE-ANNE SMYTHE – (RST)**
3. **LUIGI SPADA – (RST)**
4. **GEORGINA WATSON – (XYZ)**
5. **MAGJAN MEDETEV – (XYZ)**

### Section B

6. Write a letter explaining the benefits payable and the options available to **MAGJAN MEDETEV**.

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”.

## LEAVERS PART 2

### QUESTION 1

## Contribution history

## **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	45.2296	72.3674	15.9879

### **Investment Fund Unit Prices**

<b>Fund</b>	<b>Current Unit Price (£)</b>
Global Equity Fund	5.402
Index Linked Bond Fund	1.406
Balanced Fund	4.564
Corporate Bond Fund	1.684
Cash Fund	1.027

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

Zac Johnson's reason for leaving was resignation.

**LEAVERS PART 2**  
**QUESTION 2**

Date of first event	<b>13/03/2019</b>	First event	<b>LEAVER</b>
Date of second event		Second event	

Surname	SMYTHE	Forenames	JAYNE-ANNE
Date of birth	15/06/1973	Gender	FEMALE
Spouse's date of birth	14/02/1972		
Dependent child's date of birth			
Date of joining company	12/02/2004		
Date of joining scheme	06/04/2004		

2010	2011	2012	2013	2014	2015	2016	2017	2018
56,274	57,822	58,623	59,671	60,125	63,722	67,316	69,167	71,145

Total member's normal contributions	£ 27,161.62
Total member's AVCs	£
Current value of AVCs	£

**Pre 6 April 2006 pension accrued as at 5 April 2018**

CARE pension (per annum)	£	<b>651.23</b>
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**Post 5 April 2006 pension accrued as at 5 April 2018**

CARE pension (per annum)	£	<b>5,523.62</b>
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**Special circumstances / additional information**

Contractual Salary at date of first event (full-time equivalent)	£	<b>75,000.00</b>
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Contractual Salary at date of first event (actual)	£	<b>45,000.00</b>
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Jayne-Anne Smythe worked full time (five days a week) from the date she joined the Company until 12 May 2008, inclusive. From 13 May 2008 onwards, Jayne-Anne Smythe worked three days a week.

Jayne-Anne Smythe's reason for leaving was resignation.

**LEAVERS PART 2**  
**QUESTION 3**

## Contribution history

**Pre 6 April 2006 pension accrued as at 5 April 2018**

CARE pension (per annum) £

**Post 5 April 2006 pension accrued as at 5 April 2018**

CARE pension (per annum) £ 6,936.86

**Special circumstances / additional information**

Contractual Salary at date of first event £ 68,000.00

On 12 June 2012, Luigi Spada transferred into the RST Pension Scheme the value of his Money Purchase benefits from a non-contracted out registered pension scheme of one of his former employers. The transfer value of £43,274.13 consisted entirely of employer contributions and provided Luigi Spada with an additional revalued retirement pension in the RST Pension Scheme of £1,976.32 per annum, payable from Normal Pension Date.

The transferred-in benefits, which are to be treated as post 5 April 2006 benefits, are not included in the CARE pension figures referred to above and are subject to the normal rules of the RST Pension Scheme.

For the purpose of any comparisons, the transferred-in pension should be excluded from both the CARE Pension and the Underpin Pension.

Luigi Spada's reason for leaving was resignation.



**LEAVERS PART 2**  
**QUESTION 4**

## Event history

Date of first event	<b>09/03/2019</b>	First event	<b>LEAVER</b>
Date of second event		Second event	

## Member details

Surname	WATSON	Forenames	GEORGINA
Date of birth	12/06/1961	Gender	FEMALE
Spouse's date of birth	15/05/1959		
Dependent child's date of birth			
Date of joining company	12/09/1983		
Date of joining scheme	12/10/1983		
Category of membership	A		

### Pensionable salary history for the scheme year commencing 6 April

2010	2011	2012	2013	2014	2015	2016	2017	2018
18,512	18,512	18,512	19,835	19,835	19,835	20,511	20,100	20,100

## Contribution history

Total member's normal contributions	£ 40,613.16
Total member's AVCs	£
Current value of AVCs	£

**Contracting-out details at date of first event**

Pre 06/04/1988

GMP (per annum)	£	<b>638.04</b>
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Post 05/04/1988

GMP (per annum)	£	<b>1,265.16</b>
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**Special circumstances / additional information**

Georgina Watson paid the default contribution rate from the date she joined the XYZ Pension and Life Assurance Scheme until 5 April 2000 inclusive. From 6 April 2000 onwards, Georgina Watson adjusted her contribution to the lower rate.

Georgina Watson's reason for leaving was resignation.

**CASE STUDY DETAILS****XYZ SCHEME****LEAVERS PART 2  
QUESTION 5****Event history**

Date of first event      **11/03/2019**                      First event      **LEAVER**

Date of second event                                      Second event

**Member details**

Surname                      **MEDETEV**                      Forenames      **MAGJAN**

Date of birth                      **17/11/1970**                      Gender              **MALE**

Spouse's date of birth

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**

2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>26,753</b>	<b>27,246</b>	<b>28,624</b>	<b>29,723</b>	<b>30,616</b>	<b>31,734</b>	<b>32,724</b>	<b>33,852</b>	<b>34,612</b>

**Contribution history**

Total member's normal contributions                      **£**

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) £

**Special circumstances / additional information**

Magjan Medetev's Final Pensionable Salary at 3 July 2011 £ 27,246.00

Lower of 5.0% / RPI increases from 4 July 2011 to date of first event is 24.1%.

The Company (with the consent of the Trustees) awarded Magjan Medetev an enhanced accrual rate of 1/50ths for the first five years of his membership of the XYZ Pension and Life Assurance Scheme.

Magjan Medetev's reason for leaving was resignation.

**THIS QUESTION ALSO REQUIRES A LETTER (QUESTION 6)**