



# VOCATIONAL QUALIFICATIONS

## LEAVERS PART 2

### LEAVERS' BENEFITS WITH SPECIAL CIRCUMSTANCES

**THURSDAY 12 SEPTEMBER 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. THEO TU – (XYZ)
2. HANNAH SMITH-BRIDGE – (OPQ)
3. BENJAMIN GRANDE – (XYZ)
4. CLAIRE RIDGES – (RST)
5. KEN SINGH-TUN – (RST)

### Section B

6. Write a letter explaining the benefits payable and the options available to **BENJAMIN GRANDE**.

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****XYZ SCHEME****LEAVERS PART 2  
QUESTION 1****Event history**

Date of first event      **05/09/2019**                      First event      **LEAVER**  
Date of second event                                      Second event

**Member details**

Surname                      **TU**                      Forenames      **THEO**  
Date of birth                      **26/07/1972**                      Gender              **MALE**  
Spouse's date of birth  
Dependent child's date of birth  
Date of joining company                      **11/06/1994**  
Date of joining scheme                      **11/07/1994**  
Category of membership                      **A**

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

<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
<b>36,264</b>	<b>38,346</b>	<b>39,734</b>	<b>40,246</b>	<b>41,742</b>	<b>42,785</b>	<b>43,753</b>	<b>45,963</b>	<b>44,745</b>

**Contribution history**

Total member's normal contributions                      **£ 71,634.34**  
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) £ **1,573.52**

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

Theo Tu paid the default contribution rate from the date he joined the XYZ Pension and Life Assurance Scheme until 5 April 2006 inclusive. From 6 April 2006 to 5 April 2009 inclusive, he adjusted his contribution to the higher rate. Theo Tu reverted to the default contribution rate from 6 April 2009 onwards.

Theo Tu's reason for leaving was resignation.

**CASE STUDY DETAILS**

**OPQ PLAN**

**LEAVERS PART 2  
QUESTION 2**

**Event history**

Date of first event    **10/09/2019**                      First event    **LEAVER**  
Date of second event                                  Second event

**Member details**

Surname               **SMITH-BRIDGE**   Forenames    **HANNAH**  
Date of birth         **02/09/1984**       Gender         **FEMALE**  
Spouse's date of birth                            **28/06/1987**  
Dependent child's date of birth  
Date of joining company                        **14/08/2009**  
Date of joining plan                            **14/08/2009**  
Target retirement date

**Annual salary history for the plan year commencing 6 April**

<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
<b>43,164</b>	<b>44,724</b>	<b>45,274</b>	<b>47,835</b>	<b>48,272</b>	<b>49,276</b>	<b>50,863</b>	<b>51,345</b>	<b>52,174</b>

**Contribution history**

Total member's normal contributions         **£ 24,734.23**  
Total employer's normal contributions         **£ 39,574.77**  
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	1,002.8733	1,604.5973	
Index Linked Bond Fund			
Balanced Fund	5,390.4709	8,624.7535	
Corporate Bond Fund			
Cash Fund	1,021.0408	1,633.6652	
Lifestyle Fund			

### 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**

On 17 June 2019, Hannah Smith-Bridge transferred into the OPQ Retirement & Death Benefits Plan the value of her Money Purchase benefits from a non-contracted out registered pension scheme of one of her former employers. The transfer value of £25,000.00 purchased an additional 24,327.0462 units in the Cash Fund. These units are not included in the Unit Holdings detailed above.

Hannah Smith-Bridge'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**

Benjamin Grande's Final Pensionable Salary at 3 July 2011 £ 29,421.00

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

Benjamin Grande worked full time (five days a week) from the date he joined the Company until 16 May 2004, inclusive. From 17 May 2004 onwards, Benjamin Grande worked four days a week.

Benjamin Grande's reason for leaving was resignation.

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



**CASE STUDY DETAILS****RST SCHEME****LEAVERS PART 2  
QUESTION 4****Event history**

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

**Member details**

Surname **RIDGES**    Forenames **CLAIRE**  
Date of birth **09/06/1969**    Gender **FEMALE**  
Spouse's date of birth **12/06/1972**  
Dependent child's date of birth  
Date of joining company **12/05/2003**  
Date of joining scheme **06/04/2004**

**Earnings history for the scheme year ending 5 April**

2011	2012	2013	2014	2015	2016	2017	2018	2019
26,835	27,864	28,266	29,786	30,743	31,422	32,753	33,864	34,341

**Contribution history**

Total member's normal contributions    £ **24,735.86**  
Total member's AVCs    £  
Current value of AVCs    £

**Pre 6 April 2006 pension accrued as at 5 April 2019**

CARE pension (per annum) £ 501.62

**Post 5 April 2006 pension accrued as at 5 April 2019**

CARE pension (per annum) £ 4,234.26

**Special circumstances / additional information**

Contractual Salary at date of first event £ 36,000.00

In recognition of Claire Ridges having recently completed a significant project, the Company (with the consent of the Trustees) agreed to make an augmentation payment which provided her with an additional 7 years and 3 months of Pensionable Service in the RST Pension Scheme.

The additional service credit should not be included in any comparisons between the CARE pension and the Underpin pension.

The additional service credit should be treated as post 5 April 2006 CARE pension. It is not included in the CARE pension figures referred to above and is subject to the normal rules of the RST Pension Scheme.



**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) £ **1,964.05**

**Special circumstances / additional information**

Contractual Salary at date of first event £ **175,000.00**

Ken Singh-Tun's reason for leaving was resignation.