

CPC EXAMINERS' REPORT SEPTEMBER 2024

For this series of examinations, the average pass rate across all seven units was broadly the same as March 2024 (**56% v 57%**).

Candidates generally fared better than March 2024, or roughly the same, for the Part 2 papers (**59% v 35%** for **Retirements**, **69% v 60%** for **Deaths** and **51% v 56%** for **Leavers**, respectively) whilst they tended to be less successful for the corresponding Part 1 papers (**40% v 62%** for **Retirements**, **70% v 82%** for **Deaths** and **58% v 63%** for **Leavers**, respectively). Transfers was higher for this series (**55% v 49%**)

The paper for **Leavers Part 1** was attempted well by many candidates. The only *Case Study* to consistently cause difficulties was the one relating to the *XYZ Pension and Life Assurance Scheme (Category A)*. As the member was female, the GMP elements should initially have been revalued from date of leaving to 'GMP due date' before applying the relevant statutory increases from 'GMP due date' to normal pension date. However, many candidates incorrectly applied the revaluation in a single step as if the member was male, basing the calculation solely on complete tax years from the date of leaving to normal pension date. In addition, numerous candidates did not revalue the GMP from date of leaving to 'GMP due date' using the stipulated method detailed in the appendices to the scheme booklet.

At the other extreme, the *Case Study* for the *XYZ Pension and Life Assurance Scheme (Category B)* caused fewest concerns. Where errors occurred, these related frequently to candidates either failing to cap pensionable service to 3 July 2011 or making arithmetical errors with the salary comparison check.

For **Leavers Part 1**, there were two *Case Studies* for the *OPQ Retirement & Death Benefits Plan*. For the first *Case Study*, most candidates correctly identified that the member had less than 30 days' qualifying service, which meant the member was entitled only to a refund. However, whilst recognising that preserving benefits within the *OPQ Retirement & Death Benefits Plan* was not an option, some candidates suggested incorrectly that a transfer out was an option. It was noticeable that several candidates based the refund solely on the contributions paid by the member with no reference being made to the current value of the member's element of the Personal Retirement Account. The taxable element, being based on the contributions paid by the member, was usually correct.

With the second *Case Study* for the *OPQ Retirement & Death Benefits Plan*, the member was invested entirely in the lifestyle fund. For this *Case Study*, many candidates made the same common error by using the member's actual date of leaving (rather than the first day of the month of leaving) when calculating the number of complete months to target retirement date. In addition, some candidates did not always show the full breakdown of units for the individual funds comprising the lifestyle fund (split by contribution type) after applying the relevant investment allocation percentages to the lifestyle units; or, if they did, they did not always round the units to four decimal places. The *Letter* for **Leavers Part 1** was associated with this *Case Study* and it was answered competently in most cases. Some candidates did not mention that the benefits would remain invested in the lifestyle fund (assuming the member does not switch investments or transfer his preserved benefits) or that an annual benefit statement would be issued.

For **Leavers Part 1**, the single *Case Study* relating to the *RST Pension Scheme* presented few issues. Arithmetical errors were occasionally made in deriving the year-to-date pensionable service for both the CARE pension and the Underpin pension. In addition, some candidates correctly identified that the Underpin pension was higher than the CARE pension but still went on to use the figures for the CARE pension as the basis for answering the remainder of the question.

The paper for **Leavers Part 2** was attempted with mixed levels of success, with the special circumstances causing difficulties for many candidates. Although the *Case Study* on the *XYZ Pension and Life Assurance Scheme (Category A)* showed similarities to the corresponding *Case Study* for **Leavers Part 1**, there was less complexity as there was no pre-1988 GMP. However, some candidates still revalued the post-1988 GMP from the date of leaving to normal pension date in a single step, as if the member was male. With the varied accrual rates, it was noticeable that some candidates did not always attribute the correct accrual rate to the associated contribution rate.

The *Case Study* for the *XYZ Pension and Life Assurance Scheme (Category B)* was tackled competently by most candidates. Although many candidates made a good attempt at dealing with the member's part-time service, there were a few instances where arithmetical errors were made in determining the full-time and part-time service splits. In addition, part-time service was not always capped to 3 July 2011. The *Letter* for **Leavers Part 2** was associated with this *Case Study*. Although it presented few problems, some candidates did not make reference to the member's part-time service. Further, some candidates made reference to a refund of contributions being payable on death before retirement when the *XYZ Pension and Life Assurance Scheme (Category B)* is non-contributory.

For **Leavers Part 2**, there were two *Case Studies* relating to the *RST Pension Scheme*. For the first *Case Study*, not all candidates calculated both a refund option and a preserved option. With the preserved option, many candidates did not make it clear that the pension was all post-2006 (and therefore subject to increases in payment at the lower of 2.5% and RPI). In addition, several candidates failed to state that, for the preserved option, the member's AVCs would remain invested.

The second *Case Study* for the *RST Pension Scheme* was attempted with varying degrees of success, with numerous candidates not dealing correctly with the transferred-in pension. In some instances, candidates added the transferred-in pension to the preserved pension at the date of leaving, when it was payable from normal pension date. In addition, many candidates did not mention that the transferred-in pension was a pre-2006 benefit (and therefore subject to increases in payment at the lower of 5.0% or RPI).

For the single *Case Study* for the *OPQ Retirement & Death Benefits Plan*, the member and employer contributions were invested wholly in the lifestyle fund. Most candidates dealt with this aspect of the calculation well. However, a few candidates were confused with the redundancy payment, which merely had to be added to the corporate bond fund and treated as an employer contribution.

Deaths Part 1 had the best pass rate across all units, with most candidates answering the *Case Studies* to a high standard. The *Case Studies* which candidates tended to find the most difficult were the ones for the *XYZ Pension and Life Assurance Scheme (Category A and Category B)*. With the *Case Study* for *Category A*, which was 'death-in-deferment', a few candidates did not use the correct column from the *Tables of Factors* (i.e. the 4.75% column) when determining the GMP revaluation factor to be used as part of the calculation for the spouse's pension. In addition, there were many instances whereby candidates wrongly assumed a pre-1988 WGMP would be payable (when the deceased member was female). Additionally, a few candidates stated that the total lump sum death benefit would be payable to one or more persons at the trustees' discretion when they should have stated that the benefit would be payable to the deceased member's estate / legal personal representatives. The *Letter* for **Deaths Part 1** was associated with this *Case Study*. It was generally answered to a very high standard, with the required information usually being accurately provided.

For the *Case Study* relating to *Category B*, some candidates did not appear to have a thorough understanding of the underlying methodology for the late retirement calculation; particularly in relation to revaluing the final pensionable salary at 3 July 2011 to normal pension date for the first part of the

salary comparison and then determining the final pensionable salary (highest pensionable salary in the last five years prior to normal pension date) for the second part of the salary comparison. A handful of candidates failed to cap the pensionable service to 3 July 2011. In addition, some candidates did not apply a late retirement factor to the deceased member's pension calculated to normal pension date.

There were two *Case Studies* for the *RST Pension Scheme* and neither of these presented too many difficulties. For the first *Case Study*, which was death-in-retirement, some candidates did not cap the remaining instalments to what would have been the deceased member's 75th birthday. With the second *Case Study*, which was death-in-service before normal pension date, a few candidates based the spouse's pension on the deceased member's actual pensionable service rather than the projected pensionable service to normal pension date. In addition, there were a few instances where the young spouse reduction was not applied (albeit the calculation was nearly always correct when the reduction was applied).

For the *Case Study* relating to the *OPQ Retirement & Death Benefits Plan*, the deceased member was in the lifestyle fund. Although this *Case Study* was answered well by most candidates, there were occasions when fund units were not shown after applying the relevant lifestyle investment allocation percentages and before being multiplied by the relevant unit prices (or, if the fund units were shown, they were not always rounded to the requisite four decimal places).

The overall pass rate for **Deaths Part 2** was also encouragingly high, with none of the *Case Studies* causing specific problems. The *Case Study* relating to the *XYZ Pension and Life Assurance Scheme (Category A)* was 'death-in-service' before normal pension date and contained varied accrual rates as a 'special circumstance'. Whilst most candidates applied the correct accrual rates to the correct tranches of pensionable service, a few errors were made when determining the exact number of days for the first and last tranches (where the pensionable service was not a whole number of years). Where arithmetical errors occurred, it was usually by either one day too much or one day too little.

The *Case Study* for the *XYZ Pension and Life Assurance Scheme (Category B)* was 'death-in-retirement' and it caused few issues, other than where some candidates incorrectly interpreted the transferred-in pension. In some cases, this benefit was not added to the deceased member's current pension in payment. This adversely impacted the calculation for both the spouse's pension and the lump sum death benefit (where the number of outstanding instalments needed to be applied to the deceased member's current overall pension in payment). In other cases, the transferred-in benefit was treated as having been commuted at retirement and was therefore wrongly revalued for the period between the deceased member's date of retirement and date of death.

As with **Deaths Part 1**, there were two *Case Studies* relating to the *RST Pension Scheme*. Neither of these presented too many issues, with most candidates dropping minimal marks. The first *Case Study* contained an enhanced accrual rate for both the CARE pension and the Underpin pension. Where errors occurred, these tended to be where candidate made arithmetical errors splitting the post-2006 pensionable service for the deceased member's Underpin pension prior to applying either the standard or enhanced accrual rate. For the second *Case Study relating to the RST Pension Scheme*, there were occasional errors when dealing with the deceased member's different elements of part-time service, particularly for the Underpin pension. In some instances, periods of part-time service were calculated incorrectly. In other instances, incorrect part-time adjustments were applied to the relevant part-time service splits. For the year-to-date CARE pension, the part-time adjustment was sometimes ignored altogether. The *Letter* for **Deaths Part 2** was associated with this *Case Study*, and it was answered perfectly by most candidates.

For the *Case Study* relating to the *OPQ Retirement & Death Benefits Plan*, contributions were invested in a mixture of the lifestyle fund (member and employer contributions) and non-lifestyle funds (AVCs). With the lifestyle element to this *Case Study* (and as with **Deaths Part 1**), some candidates did not always show the full and complete breakdown of required components as they progressed through to the end answer. The most common error occurred when candidates incorrectly stated that the total lump sum death benefit would be payable to one or more persons at the trustees' discretion when they should have stated that the benefit would be payable to the deceased member's estate or legal personal representatives (as the *Case Study* was 'death-in-deferment').

The pass rate for **Retirements Part 1** was very low for this series of examinations. Interestingly, it was the *Letter* associated with the *OPQ Retirement & Death Benefits Plan* rather than any of the *Case Studies* that presented the most difficulties. Although the requirements for a *Letter* are detailed on the CPC portal, this was the first time in a while that such a *Letter* had been requested in the actual CPC examinations. Errors were generally incurred when candidates omitted key information. It should be stressed that candidates were not penalised a second time if the same omissions occurred within the actual *Case Study*. Where information was included in the *Letter*, the most common error was where candidates communicated the incorrect commencement date in relation to the annuity options (frequently stating a commencement date of either 11 September or 1 October rather than 11 October). With the actual *Case Study*, key errors included a missing (or incomplete) statement relating to the tax treatment of the Uncrystallised Funds Pension Lump Sum (UFPLS) or a failure to make reference to the availability of an open market option.

For **Retirements Part 1**, there were two *Case Studies* for the *RST Pension Scheme*. For the first *Case Study*, a surprisingly high number of candidates identified the requirement for an early retirement factor but then failed to apply the correctly derived factor to the member's accrued pension. In addition, some candidates did not recognise that a potential young spouse reduction might apply on the death of the member. For the second *Case Study*, which was retirement on the grounds of ill health, some candidates based their answers on actual pensionable service rather than prospective pensionable service to the member's normal pension date. For both *Case Studies*, candidates did not always split out the member's residual pension. In addition, reference to a spouse's post-commutation pension was occasionally omitted (this being the same as the spouse's pre-commutation pension).

The *Case Study* for the *XYZ Pension and Life Assurance Scheme (Category A)* was late retirement from active status, and this caused a few common issues. For instance, many candidates failed to restrict the overall pensionable service to the member's normal pension date and a significant number of candidates incorrectly derived the final pensionable salary by looking at the best one in five pensionable salaries from the date of retirement rather than from the member's normal pension date. For this *Case Study*, many candidates made reference to a potential young spouse's pension reduction. Although the age differential between the member and the spouse was indeed greater than 10 years, a spouse reduction only ever applies to the *RST Pension Scheme*.

The *Case Study* for **Retirements Part 1** that related to the *XYZ Pension and Life Assurance Scheme (Category B)* was normal retirement from preserved status and it was answered without error by many candidates. The only observation was where the occasional candidate applied the revaluation percentage incorrectly for the period between the member's date of leaving and his normal pension date (i.e. 37.5% meant the pension at the date of leaving should have been multiplied by 1.375).

The pass rate for **Retirements Part 2** was far higher than in more recent series. The *Case Study* relating to the *XYZ Pension and Life Assurance Scheme (Category A)* did not present too many issues, with the varied accrual rates being dealt with correctly by most candidates. However, when determining the

tax-free cash sum, some candidates used the HMRC maximum tax-free cash sum rather than restricting the amount to the requested £150,000.00.

The *Case Study* for the *XYZ Pension and Life Assurance Scheme (Category B)* was normal retirement from preserved status. This was also generally well answered, although this time several candidates allowed the requested tax-free cash sum of £125,000.00 to be paid when it was slightly higher than the maximum tax-free amount permitted by HMRC. For this *Case Study*, a few candidates omitted the transferred-in pension altogether when they should have added this to the member's revalued scheme pension at normal pension date.

As with **Retirements Part 1**, there were two *Case Studies* relating to the *RST Pension Scheme*. For both, candidates did not always specify that the spouse's pension would remain unchanged in the event of some of the member's pension being exchanged for a tax-free cash sum. For the first *Case Study*, there were occasional difficulties when dealing with the part-time elements of the Underpin pension. A few candidates did not always apply the part-time adjustments correctly or apply them to the correct periods of part-time service. The second *Case Study* was ill-health from active status. Although some candidates failed to include the prospective pensionable service to the member's normal pension date, the enhanced accrual rates from 6 April 2012 for the CARE pension and the Underpin pension presented few problems. It was noticeable, however, that numerous candidates were out by one month when calculating the member's age for deriving the commutation factor (with the member being one day short of being 60 years and 10 months).

With the *Case Study* for the *OPQ Retirement & Death Benefits Plan*, the member was invested in a mixture of the lifestyle fund (member and employer contributions) and non-lifestyle funds (AVCs). For this *Case Study*, the correct range of requested options was not always provided. In addition, and as with **Retirements Part 1**, the statement relating to the tax treatment of the Uncrystallised Funds Pension Lump Sum (UFPLS) was often incomplete and, in a few instances, reference to the open market option was omitted.

The *Letter* for **Retirements Part 2** was associated with the first *Case Study* for the *RST Pension Scheme* and most candidates provided everything required, and in the format required.

The pass rate for **Transfers** was encouragingly higher than in more recent series. The transfer out *Case Studies* for the *RST Pension Scheme* and the *XYZ Pension and Life Assurance Scheme (Category A)* were both answered well, with most errors tending to be arithmetical. As with previous examination series, some candidates failed to state that independent financial advice needed to be provided by an authorised adviser regulated under the Financial Services and Markets Act 2000 (as the transfer values exceeded £30,000.00).

With the transfer in *Case Studies* for these schemes, arithmetical errors were again commonplace. In addition, a few candidates failed to provide full or accurate details of the attaching benefits associated with the transfer in (e.g. reference was occasionally made to a spouse's pension being payable for death before retirement for the *RST Pension Scheme*).

The *Case Studies* for the *OPQ Retirement & Death Benefits Plan* were attempted reasonably well by most candidates. For the transfer out *Case Study*, the member was invested in various non-lifestyle funds. For this *Case Study*, errors were occasionally made when transcribing units or unit prices (with the unit price being applied to a particular fund sometimes being that of a totally different fund).

For the transfer in *Case Study* relating to the *OPQ Retirement & Death Benefits Plan*, there was a requirement for the transferred-in contributions to purchase units in a mixture of both lifestyle and

non-lifestyle funds. It was noticeable that many candidates failed to initially round the transferred-in contributions (split by each contribution type) to 2 decimal places after applying the relevant allocation percentages (i.e. 70% to the lifestyle fund, 10% to the global equity fund and 20% to the balanced fund).

In some cases, full workings were not always shown when deriving the subsequent split of contributions to be allocated to the individual funds comprising the lifestyle fund. Where full workings were provided, the transferred-in contributions after applying the relevant lifestyle investment allocation percentages (split by each contribution type within each fund) were not always rounded to 4 decimal places prior to dividing by the appropriate unit prices to derive the units purchased.

In addition, units purchased were not always rounded by candidates to the requisite 4 decimal places, whether within the lifestyle fund or non-lifestyle funds.

Both *Letters* for **Transfers** were answered reasonably well. However, it was noticeable that there were many candidates who, for the *Letter* relating to the transfer out of benefits from the *RST Pension Scheme*, failed to mention the key information required to be communicated from a legislative perspective. As the transfer contained AVCs (and as the member was over age 50), the *Letter* should have made reference to the trustees having to offer to book a pensions guidance appointment with Pension Wise on behalf of the member. In addition, the *Letter* should have explained to the member that the transfer would not be able to proceed without the member having received appropriate pensions guidance from Pension Wise (unless the member provided an opt-out notification to the trustees declining such guidance).

By highlighting the key areas where candidates fell short of the required standard, it is hoped that similar failings will be avoided in the next series of examinations. The final paragraphs below remain largely unaltered from previous Examiners' Reports since the comments are still apt and yet still get overlooked in many instances.

The Chief and Senior Examiners would advise candidates:

- To clearly show their workings since arithmetical errors are penalised less harshly than errors where the cause cannot be easily identified.
- To save time by only summarising their calculation results at the end of a question when the various options and values are not clear from the preceding calculations.
- To save time by transcribing only relevant information from the *Case Study* at the start of each question rather than writing down every item of data.
- To not leave the *Letters* until last as more errors are incurred for an incomplete *Letter* than an incomplete *Case Study*.

The Chief and Senior Examiners would remind centres and candidates that **scripts will not be marked** in any of the following circumstances:

- Where a candidate's name appears anywhere on the answer script (e.g. where a *Letter* is signed with a name other than AN Other).
- Where a centre or candidate has been proven to have followed incorrect formal procedures relating to the examinations. **This includes the cutting and pasting of templates in relation to either the *Case Studies* or the *Letters*. This is not permitted under any circumstances.**

The Chief and Senior Examiners believe that preparation and training are essential ingredients for success. Many candidates are fortunate to receive training organised by their centres / employers. However, the Committee would like to stress the importance of all training materials being checked on a regular basis to ensure they are fully up to date and accurate. The Committee would also like to emphasise that centres and their candidates should not wait until the final moments before raising any calculation queries with the PMI, as there is no guarantee that such queries will be answered in time.

It should be stressed that candidates are expected to familiarise themselves fully with the latest 'Scheme Booklets' and 'Tables of Factors'. It should also be pointed out that the latest sample *Case Studies* and *Letters* on the CPC Website, whilst providing a very useful guide, will never cover each and every scenario that may be encountered within the CPC examinations.

On a final point, candidates should be aware that there will be NO changes to the 'Scheme Booklets' or 'Tables of Factors' for the next series of CPC examinations in March 2025.

THE STATISTICS

The table below provides a detailed breakdown and summary of the key statistics relating to the September 2024 CPC examinations.

Unit	Entries	Withdrawn (or deferred)	Absent	Scripts received	Pass	Fail	Success rate
Retirements Part 1	75	3	0	72	29	43	40%
Retirements Part 2	81	4	1	76	45	31	59%
Deaths Part 1	46	1	1	44	31	13	70%
Deaths Part 2	57	0	3	54	37	17	69%
Leavers Part 1	118	11	4	103	60	43	58%
Leavers Part 2	106	10	1	95	48	27	51%
Transfers	81	17	2	62	34	28	55%
TOTAL	564	46	12	506	284	222	56%

COMMON ERRORS WHERE CANDIDATES FAILED TO MEET THE STANDARDS

LEAVERS: PART 1

Qu.1 – (OPQ)

- Transfer option was occasionally stated (*when this is not applicable for less than 30 days' qualifying service*)
- Preserved option was sometimes calculated (*when this is not applicable for less than 30 days' qualifying service*)
- Employer element of member's PRA was occasionally calculated for the refund option (*although this was not penalised provided the employer element was not included in the actual refund calculation*)

Qu.2 – (RST)

- CARE pension was sometimes calculated as being higher than the Underpin pension (*when it was slightly lower*)

Qu.3 – (XYZ: Category A)

- Pre-1997 and post-1997 pensionable service splits were occasionally calculated incorrectly (*usually by either one day too much or one day too little*)
- Pre-1998 GMP and post-1988 GMP elements were not always revalued from DOL to 'GMP due date' in accordance with the statutory method detailed in the appendices of the XYZ Pension and Life Assurance Scheme booklet (*i.e. the revalued pre-1988 GMP at 'GMP due date' should have been derived by deducting the revalued post-1988 GMP at 'GMP due date' from the revalued total GMP at 'GMP due date'*)
- GMP elements were sometimes revalued in one stage from DOL to NPD (*as if the member was male*) rather than initially revaluing from DOL to 'GMP due date' before applying the relevant statutory increases to each element from 'GMP due date' to NPD
- Revalued GMP elements were occasionally not calculated to be divisible by 52

Qu.4 – (OPQ)

- Number of complete months from the last switch date to the member's TRD was occasionally based on the member's actual DOL (*rather than the first day of the month of DOL*)
- Unit holdings after applying the relevant lifestyle investment allocation percentages (*split by each contribution type within each fund*) were not always rounded to 4 decimal places – or even shown – prior to multiplying by the relevant unit prices

Qu.5 – (XYZ: Category B)

- Final pensionable salary indexed from 4 July 2011 was occasionally calculated as being higher than the final pensionable salary at DOL (*based on the highest pensionable salary in the previous 5 years*) when it was slightly lower
- Pensionable service was sometimes not capped to 3 July 2011

Qu.6 – (Letter for Qu.4)

- Individual splits for unit holdings and fund values were not always provided
- Statement that the member's preserved benefits will remain invested specifically in the lifestyle fund within the OPQ Retirements & Death Benefits Plan (*unless the member switches investments or transfers out*) was sometimes omitted
- Requirement to provide the member with an annual statement if the preserved benefits remain invested in the OPQ Retirement & Death Benefits Plan was not always mentioned

LEAVERS: PART 2

Qu.1 – (OPQ)

- Unit holdings after applying the relevant lifestyle investment allocation percentages (*split by each contribution type within each fund*) were not always rounded to 4 decimal places – or even shown – prior to multiplying by the relevant unit prices
- Confusion was sometimes encountered with the treatment of the redundancy payment, with the redundancy amount just needing to be added as an additional component to the employer's element of the member's PRA (*albeit applying the unit price for the corporate bond fund to the units purchased in the corporate bond fund would have resulted in the same answer*)

Qu.2 – (XYZ: Category A)

- Pre-1997 and post-1997 pensionable service splits were occasionally calculated incorrectly for the first and last tranches (*but were generally correct for the intermediate tranches, which were complete years*)
- Varied accrual rates were not always correctly associated with the member's change in contribution rates
- Post-1988 GMP was sometimes revalued in one stage from DOL to NPD (*as if the member was male*) rather than initially revaluing from DOL to 'GMP due date' before applying the relevant statutory increases from 'GMP due date' to NPD
- Revalued post-1988 GMP at NPD was not always rounded to be divisible by 52

Qu.3 – (RST)

- Refund option was sometimes omitted (*with only the preserved option being calculated*)
- Preserved option was sometimes omitted (*with only the refund option being calculated*)
- Statement was not always provided to confirm that the CARE pension was all post-2006 (*and therefore subject to increases in payment at the lower of 2.5% or RPI*)
- AVCs were not always mentioned as being additional to the pension at DOL (*if taking the preserved option*) – or the value of the AVCs was not always stated
- Reference was seldom made to the AVCs remaining invested (*if taking the preserved option*)

Qu.4 – (XYZ: Category B)

- Arithmetical errors were sometimes made in determining the full-time and part-time pensionable service splits
- Pensionable service split for the part-time element was occasionally not capped to 3 July 2011

Qu.5 – (RST)

- CARE pension was sometimes calculated as being higher than the Underpin pension at DOL (*when it was slightly lower*)
- Transferred-in pension was occasionally accumulated to the Underpin pension at DOL (*but this benefit is only payable from NPD*)
- Transferred-in pension was sometimes omitted from the spouse's pension on death after retirement
- Statement that the transferred-in pension was to be treated as a pre-2006 benefit was frequently omitted (*i.e. to confirm the whole of the transferred-in pension increases in payment at the lower of 5.0% or RPI*)

Qu.6 – (Letter for Qu.4)

- Mention of an ‘assumed’ revaluation rate of 5.0% per annum compound being used to revalue the pension from DOL to NPD was sometimes omitted (*although the ‘true’ revaluation rate of the lower of 5.0% or RPI was usually stated*)
- Mention was sometimes incorrectly made of a refund of contributions being paid on death before retirement
- Actual values for the spouse’s pension (*based on both the member’s pension at DOL, and the member’s pension at DOL revalued to NPD*) were sometimes omitted

DEATHS: PART 1

Qu.1 – (RST)

- Number of instalments was occasionally not capped to the deceased member’s 75th birthday when determining the outstanding balance of payments for the LSDB
- Number of instalments was sometimes calculated incorrectly for the balance of payments for the LSDB (*even when the start date and ‘capped’ end date were correct*)

Qu.2 – (OPQ)

- Start date for calculating the number of complete months from the last switch date to the deceased member’s TRD was sometimes based on DOD rather than the first day of the month of death
- Arithmetical errors were occasionally made when calculating the number of complete months from the last switch date to the deceased member’s TRD (*even when the start date for the last switch was correctly stated*)
- Unit holdings after applying the relevant lifestyle investment allocation percentages (*split by each contribution type within each fund*) were not always rounded to 4 decimal places – or even shown – prior to multiplying by the relevant unit prices

Qu.3 – (XYZ: Category A)

- GMP revaluation percentage rate was sometimes taken from the wrong column from the *Tables of Factors* (*i.e. the 4.75% column was not always used*)
- GMP revaluation period was sometimes based on complete years rather than complete tax years
- Splits for the excess and post-1988 WGMP elements for the spouse’s pension were occasionally not calculated (*or they were calculated but with the spouse’s post-1988 WGMP element not always being divisible by 52*)
- Spouse’s pre-1988 WGMP was occasionally calculated when this was not applicable (*since the deceased member was female*)
- LSDB was occasionally stated as being payable to ‘persons at the discretion of the trustees’ when it should have been stated as being payable to the ‘deceased member’s legal personal representatives or estate’

Qu.4 – (XYZ: Category B)

- Highest pensionable salary in last 5 years was not always restricted to NPD
- Final pensionable salary at 3 July 2011 (*revalued to NPD*) was not always clearly compared against the best pensionable salary figure in the last 5 years (*capped at NPD*)
- Pensionable service was occasionally not capped to 3 July 2011
- LRF was not always applied (*or the LRF was applied but the factor was not always correctly rounded to 3 decimal places*)

Qu.5 – (RST)

- CARE pension and Underpin pension figures were not always calculated using pensionable service projected to the deceased member's NPD
- Calculation of the young spouse reduction was occasionally omitted (*but it was usually correct when it was calculated*)

Qu.6 – (Letter for Qu.1)

- Statement was not always provided to accurately confirm that the LSDB was within the deceased member's remaining LS&DBA

DEATHS: PART 2

Qu.1 – (RST)

- Enhanced accrual rate was not always applied when calculating the deceased member's year-to-date CARE pension
- Post-2006 pensionable service was not always split out correctly before applying the enhanced accrual rate in the calculation of the deceased member's Underpin pension

Qu.2 – (XYZ: Category B)

- Number of instalments was sometimes calculated incorrectly for the balance of payments for the LSDB (*even when the start and end dates were correct*)
- Transferred-in pension was not always accumulated to the deceased member's overall pension in payment
- Transferred-in pension was sometimes treated as having been commuted at the deceased member's DOR (*and was therefore wrongly revalued from the deceased member's DOR to DOD*)

Qu.3 – (OPQ)

- Confusion was sometimes encountered due to the deceased member's AVCs being invested in a mixture of non-lifestyle funds, but with the regular contributions (*member and employer*) being invested in the lifestyle fund
- Unit holdings after applying the relevant lifestyle investment allocation percentages to the non-AVC elements of the deceased member's PRA (*split by each contribution type within each fund*) were not always rounded to 4 decimal places – or even shown – prior to multiplying by the relevant unit prices
- LSDB was occasionally stated as being payable to 'persons at the discretion of the trustees' when it should have been stated as being payable to the 'deceased member's legal personal representatives or estate'

Qu.4 – (XYZ-A)

- Pre-1997 and post-1997 pensionable service splits were occasionally wrong for the first and last tranches (*usually by either one day too much or one day too little*)
- Contracted-out check was sometimes omitted (*although it was usually correct when it was calculated*)
- Splits for the excess and post-1988 WGMP elements of the spouse's pension were occasionally not provided

Qu.5 – (RST)

- Part-time adjustment was not always applied for the deceased member's year-to-date CARE pension
- Pensionable service splits were not always determined correctly in all cases prior to applying the relevant part-time adjustments in the calculation of the deceased member's Underpin pension
- Correct part-time adjustments were not always applied when calculating the deceased member's Underpin pension
- Calculation of the young spouse reduction was occasionally omitted (*although it was usually correct when it was calculated*)

Qu.6 – (Letter for Qu.5)

- Mention of a young spouse reduction having been applied was occasionally omitted
- Mention of any special circumstances (*i.e. the deceased member's various periods of part-time service*) was sometimes omitted
- Statement was not always provided to accurately confirm that the LSDB was within the deceased member's remaining LS&DBA

RETIREMENTS: PART 1

Qu.1 – (OPQ)

- Correct range of requested options was not always provided (*i.e. there was a specific requirement for the maximum tax-free cash sum with either (a) single-life annuity {non-escalating} or (b) 50% joint-life annuity {escalating at the lower of 2.5% or RPI}*)
- Taxable element of the UFPLS was often not stated as being taxed at the member's marginal rate (*or to be paid assuming an emergency code on a month 1 basis*)
- Mention of the open market option was occasionally omitted

Qu.2 – (RST)

- ERF was sometimes not applied to the member's accrued pension (*even when the requirement for an ERF was correctly identified and calculated to 3 decimal places at the outset of the calculation*)
- Splits were not always provided for the pre-2006 and post-2006 elements of the member's residual pension
- Spouse's post-commutation pension was occasionally not stated
- Mention of a potential young spouse reduction was frequently omitted (*the spouse was slightly more than 10 years younger than the member*)

Qu.3 – (XYZ: Category A)

- Pensionable service was not always capped to NPD
- Final pensionable salary was sometimes based on the highest figure in the 5 years prior to DOR (*rather than the highest figure in the 5 years prior to NPD*)
- LRF was sometimes not applied to the member's accrued pension at NPD (*even when the requirement for a LRF was correctly identified and calculated to 3 decimal places at the outset of the calculation*)
- Check to determine if the member's residual pension covered the GMP was occasionally omitted
- Reference was occasionally made to a potential young spouse reduction (*when this is not relevant for the XYZ Pension and Life Assurance Scheme*)

Qu.4 – (RST)

- Pensionable service for ill-health was occasionally based on the member's actual retirement date (*rather than being projected to the member's NPD*)
- Pensionable service splits were not always provided for the pre-2006 and post-2006 elements of the member's residual pension
- Spouse's post-commutation pension was occasionally not stated

Qu.5 – (XYZ: Category B)

- Revaluation rate for the member's preserved pension at DOL was sometimes applied incorrectly (*i.e. 37.50% meant the excess pension should have been revalued by a factor of 1.375*)

Qu.6 – (Letter for Qu.1)

- Full range of requested cash and annuity options was not always provided
- Amount for 'Annuity Bureau Charge' was occasionally omitted
- Complete and accurate information relating to the treatment of the taxable element of the UFPLS was frequently not provided
- Reference to Pensions Wise was not always made (*specifically in relation to the non-annuity options*)
- Commencement date in the event of taking either of the annuity options was frequently incorrect (*i.e. the commencement date for the annuities was often stated as 1 October 2024 rather than 11 October 2024*)

RETIREMENTS: PART 2

Qu.1 – (XYZ: Category A)

- Pre-1997 and post-1997 pensionable service splits were occasionally wrong for the first and last tranches (*usually by either one day too much or one day too little*)
- Incorrect accrual rates were occasionally applied to the various tranches of pensionable service
- Maximum tax-free cash sum was sometimes used (*rather than being restricted to £150,000.00*)
- Check to determine if the member's residual pension covered the GMP was occasionally omitted
- Potential for a young spouse reduction was sometimes mentioned (*when this is not relevant for the XYZ Pension and Life Assurance Scheme*)

Qu.2 – (OPQ)

- Unit holdings after applying the relevant lifestyle investment allocation percentages (*split by each contribution type within each fund*) were not always rounded to 4 decimal places – or even shown – prior to multiplying by the relevant unit prices
- Correct range of requested options was not always provided (*i.e. there was a specific requirement for either (a) single-life annuity with maximum tax-free cash sum, or (b) 50% joint-life annuity with no cash*)
- Taxable element of the UFPLS was often not stated as being taxed at the member's marginal rate (*or to be paid assuming an emergency code on a month 1 basis*)
- Mention of the open market option was occasionally omitted

Qu.3 – (RST)

- Part-time adjustment was not always applied to the member's year-to-date CARE pension
- Pensionable service splits were not always calculated accurately before applying the part-time adjustments in the calculation of the member's Underpin pension
- Correct part-time adjustments were not always applied to the respective splits of pensionable service when calculating the member's Underpin pension

- Maximum tax-free cash sum was occasionally used (*rather than being restricted to £60,000.00*)
- Pensionable service splits were not always provided for the pre-2006 and post-2006 elements of the member's residual pension
- Spouse's post-commutation pension was occasionally not stated

Qu.4 – (RST)

- Pensionable service for ill-health was occasionally based on the member's actual retirement date (*rather than being projected to the member's NPD*)
- Commutation factor was occasionally based on the wrong age (*i.e. the member was one day short of being 60 years and 10 months*)
- Pensionable service splits were not always provided for the pre-2006 and post-2006 elements of the member's residual pension
- Spouse's post-commutation pension was occasionally not stated

Qu.5 – (XYZ: Category B)

- Transferred-in benefit was not always accumulated to the overall pension (*or it was occasionally omitted from the calculation of the tax-free cash sum*)
- Requested tax-free cash sum was sometimes used despite being higher than the maximum amount permitted by HMRC

Qu.6 – (Letter for Qu.3)

- Reference was not always made to the member's periods of part-time service

TRANSFERS

Qu.1 – (RST)

- Actual age was occasionally used for determining the factors rather than age next birthday
- Statement was not always provided for the requirement to take independent financial advice from an authorised adviser regulated under the Financial Services and Markets Act 2000 if transferring to an arrangement where benefits can be accessed flexibly (*as the transfer value exceeded £30,000.00*) or – more commonly – a statement was provided but without any specific reference to the requirement for the adviser to be regulated under the Financial Services and Markets Act 2000

Qu.2 – (OPQ)

- Transcription errors were occasionally made with the unit prices (*with the unit price applied for a particular fund sometimes being the unit price of a totally different fund*)
- Arithmetical errors were sometimes made either when applying a unit price to a particular fund or when accumulating the total values for each contribution type within a particular fund

Qu.3 – (XYZ)

- Statement was not always provided relating to the requirement to take independent financial advice from an authorised adviser regulated under the Financial Services and Markets Act 2000 if transferring to an arrangement where benefits can be accessed flexibly (*as the transfer value exceeds £30,000.00*) or – more commonly – a statement was provided but without any specific reference to the requirement for the adviser to be regulated under the Financial Services and Markets Act 2000

Qu.4 – (RST)

- Full list of attaching benefits was not always accurate (*e.g. no spouse's pension should be payable on death-in-deferment*)
- Arithmetical errors were occasionally made at various stages of the calculations

Qu.5 – (OPQ)

- Confusion was occasionally encountered due to the complexity of the member's transferred-in contributions needing to be invested in a mixture of lifestyle and non-lifestyle funds
- Transferred-in contributions to be allocated to the lifestyle fund (*split by each contribution type*) were not always rounded to 2 decimal places after applying the relevant allocation percentage (*70% for lifestyle*)
- Transferred-in contributions to be allocated to the non-lifestyle funds (*split by each contribution type*) were not always rounded to 2 decimal places after applying the relevant allocation percentages (*10% for global equity and 20% for balanced*)
- Values for transferred-in contributions after applying the relevant lifestyle investment allocation percentages (*split by each contribution type within each fund*) were not always rounded to 4 decimal places prior to dividing by the relevant unit prices
- Units purchased (*split by each contribution type within each fund*) were not always rounded to 4 decimal places

Qu.6 – (XYZ)

- Full list of attaching benefits was not always provided
- Arithmetical errors were occasionally made at various stages of the calculations

Qu.7 – (Letter for Qu.1)

- Mention that trustees must ensure the adviser has the correct permissions to proceed by verifying details on the Financial Services Register was often omitted
- Mention of all relevant information in relation to Pensions Wise was frequently omitted; specifically in relation to the trustees being required to offer to book a pensions guidance appointment on behalf of the member (*as the member had already attained age 50*) and needing to advise the member that the transfer cannot proceed without an appointment having taken place or the member having provided an opt-out notification
- Mention of benefits no longer remaining in the ceding scheme (*should the transfer out proceed*) was not always stated
- Mention that financial advice cannot be provided was sometimes omitted

Qu.8 – (Letter for Qu.5)

- Breakdown of individual units purchased (*split by each contribution type fund within each fund*) was not always provided
- Reference was not always made to transferred-in benefits no longer remaining in the ceding scheme
- Mention was occasionally omitted of transferred-in benefits being subject to the rules of the OPQ Retirements & Death Benefits Plan

SUMMARY OF WORKED ANSWERS

Leavers Part 1 – Question 1

Calculation

- (1) Refund ONLY of **£96.82**

Leavers Part 1 – Question 2

Calculation

- (1) Preserved 'Underpin' pension at DOL of **£9,666.67 p.a.** {*v preserved 'CARE' pension of £8,881.99*} (pre-2006 = **£500.00 p.a.** and post-2006 = **£9,166.67 p.a.**) which, when revalued to NPD, would result in a pension of **£15,453.63 p.a.** (pre-2006 = **£799.33 p.a.** and post-2006 = **£14,654.30 p.a.**) – *assuming annual increases from DOL to NPD of 2.5%*

Spouse's pension on death after retirement of **£3,866.67 p.a.** (pre-2006 = **£200.00 p.a.** and post-2006 = **£3,666.67 p.a.** – {*based on member's pension at DOL*}) which, when revalued to NPD, would result in a pension of **£6,181.45 p.a.** (pre-2006 = **£319.73 p.a.** and post-2006 = **£5,861.72 p.a.** – {*based on member's pension at DOL, revalued to NPD*})

OR

- (2) Transfer value to another pension arrangement

Leavers Part 1 – Question 3

Calculation

- (1) Preserved pension at DOL of **£28,741.52 p.a.** (excess over GMP = **£25,109.84 p.a.**, pre-1988 GMP = **£68.64 p.a.** and post-1988 GMP = **£3,563.04 p.a.**) which, when revalued to NPD, could result in a maximum pension of **£41,470.66 p.a.** (excess over GMP = **£35,332.06 p.a.**, pre-1988 GMP = **£100.36 p.a.** and post-1988 GMP = **£6,038.24 p.a.**) – *assuming annual increases on excess from DOL to NPD of 5.0% and increases on GMP from DOL to age 60 (= 'GMP due date') at fixed rate of revaluation (3.25%), with statutory increases applying thereafter from 'GMP due date' to NPD*

Spouse's pension on death before / after retirement of **£14,370.76 p.a.** {*based on member's pension at DOL*} which, when revalued to NPD, could result in a maximum pension of **£20,735.33 p.a.** {*based on member's pension at DOL, revalued to NPD*}

OR

- (2) Transfer value to another pension arrangement

Leavers Part 1 – Question 4

Calculation

- (1) Preserved benefit of **£140,920.32**

OR

- (2) Transfer value to another pension arrangement

Letter: Question 6 – (Relating to Question 4)

- (1) Date of leaving (**05/09/2024**)
- (2) Personal Retirement Account at leaving (**£140,920.32**)
- State unit price of each fund (*optional*)
 - State units for each fund within each contribution type
 - State values for each fund within each contribution type
 - State values for combined funds within each contribution type
- (3) Must mention member's NPD (= **State Pension Date**) or TRD (**03/03/2027**)
- (4) Must mention member's options on leaving:
- Funds will remain invested (but can be accessed immediately as member has already attained age 55), with member/employer element of PRA remaining invested in Lifestyle Fund
 - Transfer option
- (5) Must mention annual statements will be issued if funds remain invested
- (6) Must mention member's available options when taking benefits from the Plan:
- Full annuity using 'Annuity Bureau' factors (single life vs joint life and increasing vs non-increasing) without tax-free cash sum
 - Reduced annuity using 'Annuity Bureau' factors (single life vs joint life and increasing vs non-increasing) with tax-free cash sum
 - Single Uncrystallised Funds Pension Lump Sum
- (7) Must mention member's benefits on death before retirement
- Value of Personal Retirement Account paid to Legal Personal Representatives

Leavers Part 1 – Question 5

Calculation

- (1) Preserved pension at DOL of **£7,898.61 p.a.** which, when revalued to NPD, could result in a maximum pension of **£14,184.80 p.a.** – *assuming annual increases from DOL to NPD of 5.0%*

Spouse's pension on death before / after retirement of **£3,949.31 p.a.** {*based on member's pension at DOL*} which, when revalued to NPD, could result in a maximum pension of **£7,092.40 p.a.** {*based on member's pension at DOL, revalued to NPD*}

OR

- (2) Transfer value to another pension arrangement

Leavers Part 2 – Question 1

Calculation

- (1) Preserved benefit of **£155,756.83** (including a redundancy payment of **£35,000.00**)

OR

- (2) Transfer value to another pension arrangement

Leavers Part 2 – Question 2

Calculation

- (1) Preserved pension at DOL of **£22,981.25 p.a.** (excess over GMP = **£22,864.77 p.a.** and post-1988 GMP = **£116.48 p.a.**) which, when revalued to NPD, could result in a maximum pension of **£37,454.28 p.a.** (excess over GMP = **£37,244.20 p.a.** and post-1988 GMP = **£210.08 p.a.**) – assuming annual increases on excess from DOL to NPD of 5.0% and increases on post-1988 GMP from DOL to age 60 (=‘GMP due date’) at fixed rate of revaluation (3.25%), with statutory increases applying thereafter from ‘GMP due date’ to NPD

Spouse’s pension on death before / after retirement of **£11,490.63 p.a.** {based on member’s pension at DOL} which, when revalued to NPD, could result in a maximum pension of **£18,727.14 p.a.** {based on member’s pension at DOL, revalued to NPD}

OR

- (2) Transfer value to another pension arrangement

Leavers Part 2 – Question 3

Calculation

- (1) Net refund of **£6,766.14**

OR

- (2) Preserved ‘CARE’ pension at date of leaving of **£1,197.77 p.a.** {v preserved ‘Underpin’ pension of **£865.74 p.a.**} (all post-2006) which, when revalued to NPD, would result in a pension of **£3,378.91 p.a.** (all post-2006 – assuming increases from date of leaving to NPD of 2.5% per annum compound); PLUS current AVC value of **£3,423.12**

Spouse’s pension on death after retirement of **£479.11 p.a.** (all post-2006 – based on member’s pension at DOL) which, when revalued to NPD, would result in a pension of **£1,351.56 p.a.** (all post-2006 – based on member’s pension at DOL revalued to NPD)

OR

- (3) Transfer value to another pension arrangement

Leavers Part 2 – Question 4

Calculation

- (1) Preserved pension at DOL of **£21,415.06 p.a.** which, when revalued to NPD, could result in a maximum pension of **£40,381.31 p.a.** – *assuming annual increases from DOL to NPD of 5.0%*

Spouse's pension on death before / after retirement of **£10,707.53 p.a.** {based on member's pension at DOL} which, when revalued to NPD, could result in a maximum pension of **£20,190.66 p.a.** {based on member's pension at DOL, revalued to NPD}

OR

- (2) Transfer value to another pension arrangement

Letter: Question 6 – (Relating to Question 4)

- (1) Date of leaving {DOL} (**12/09/2024**)
- (2) Preserved pension at DOL (**£21,415.06 p.a.**)
- (3) Must mention member's NPD (**19/02/2038**) or member's specific age at NPD (**65**)
- (4) Must mention actual revaluation rate from DOL to NPD (**lower of 5.0% or RPI**)
- (5) Pension at NPD (**£40,381.31 p.a.**) {assuming annual increases from DOL to NPD of 5.0%}
- (6) Must mention part-time service
- (7) Must mention tax-free cash sum option on retirement
- (8) Death before retirement
 - Spouse's pension (**£10,707.53 p.a. at DOL, revalued to DOD**)
 - Refund of contributions (**N/A**)
- (9) Death after retirement
 - Spouse's pension (**£10,707.53 p.a. at DOL, revalued to max £20,190.66 at NPD**)
 - LSDB (**provided death occurs within 5 years of retirement**)
- (10) Post retirement increases (**lower of 5.0% or RPI**)
- (11) Must mention transfer option

Leavers Part 2 – Question 5

Calculation

- (1) Preserved 'Underpin' pension at DOL of **£13,555.55 p.a.** {v preserved 'CARE' pension of **£13,310.12 p.a.**} (pre-2006 = **£3,733.33 p.a.** and post-2006 = **£9,822.22 p.a.**) which, when revalued to NPD, would result in a pension of **£21,670.58 p.a.** (pre-2006 = **£5,968.29 p.a.** and post-2006 = **£15,702.29 p.a.**) – *assuming annual increases from DOL to NPD of 2.5%*; PLUS transferred-in pension at NPD of **£523.32 p.a.** (all pre-2006), resulting in a total pension at NPD of **£22,193.90 p.a.**

Spouse's pension on death after retirement of **£5,422.22 p.a.** (pre-2006 = **£1,493.33 p.a.** and post-2006 = **£3,928.89 p.a.** – {based on member's pension at DOL}) which, when revalued to NPD, would result in a pension of **£8,668.24 p.a.** (pre-2006 = **£2,387.32 p.a.** and post-2006 = **£6,280.92 p.a.** – {based on member's pension at DOL, revalued to NPD}); PLUS transferred-in pension at NPD of **£209.33 p.a.** (all pre-2006), resulting in a total pension at NPD of **£8,877.57 p.a.**

OR

- (2) Transfer value to another pension arrangement

Deaths Part 1 – Question 1

Calculation

- (1) LSDB of **£23,371.74** payable at Trustees' Discretion (comprising balance of 5 years' member pension instalments only since death in retirement) – [LSDB of **£23,371.74** within remaining LS&DBA of **£965,925.80**]

PLUS

- (2) Spouse's pension of **£9,116.97 p.a.** (pre-2006 = **£2,243.09 p.a.** and post-2006 = **£6,873.88 p.a.**)

Deaths Part 1 – Question 2

Calculation

- (1) LSDB of **£480,888.71** payable at Trustees' Discretion (comprising refund of Personal Retirement Account of **£320,223.71** plus life assurance of **£160,665.00** since death in service before NPD) – [LSDB of **£480,888.71** within remaining LS&DBA of **£1,073,100.00**]

Deaths Part 1 – Question 3

Calculation

- (1) LSDB of **£41,982.17** payable to Legal Personal Representatives / Estate (comprising refund of contributions only since death in deferment) – [LSDB of **£41,982.17** within remaining LS&DBA of **£669,533.12**]

PLUS

- (2) Spouse's pension of **£12,724.07 p.a.** (excess over WGMP = **£11,199.43 p.a.** and post-1988 WGMP = **£1,524.64 p.a.**)

Letter: Question 6 – (Relating to Question 3)

- (1) Date of death:
- **04/09/2024**
- (2) Total lump sum death benefit (**£41,982.17**), stating the following details:
- Refund of contributions (**£41,982.17**)
- Payable to **Estate / Legal Personal Representatives**
- (3) Spouse's pension (**£12,724.07 p.a.**), stating the following details:
- Post-1988 WGMP (**£1,524.64 p.a.**)
- Excess (**£11,199.43 p.a.**)

- Commencement date (**01/10/2024**)
 - Increase rates (post-1988 WGMP = **lower of 3.0% or CPI** and excess = **lower of 5.0% or RPI**)
 - Frequency of payment (**monthly**)
 - Increase date (**1st April each year**)
- (4) Lump sum & death benefits allowance (LS&DBA):
- Amount used by lump sum death benefit (**£41,982.17**)
 - Counts against deceased member's remaining LS&DBA (**£669,533.12**)
- (5) Action required:
- Member's death certificate
 - Spouse's birth & marriage certificates
 - Bank details

Deaths Part 1 – Question 4

Calculation

- (1) LSDB of **£78,395.42** payable at Trustees' Discretion (comprising 5 years' member pension instalments only since death in service after NPD) – [LSDB of **£78,395.42** within remaining LS&DBA of **£1,073,100.00**]

PLUS

- (2) Spouse's pension of **£7,839.54 p.a.**

Deaths Part 1 – Question 5

Calculation

- (1) LSDB of **£204,460.88** payable at Trustees' Discretion (comprising refund of contributions of **£21,970.88** plus life assurance of **£182,490.00** since death in service before NPD) – [LSDB of **£204,460.88** within remaining LS&DBA of **£1,073,100.00**]

PLUS

- (2) Spouse's pension of **£12,180.55 p.a.** (pre-2006 = **£417.09 p.a.** and post-2006 = **£11,763.46 p.a.** {including young spouse reduction})

Deaths Part 2 – Question 1

Calculation

- (1) LSDB of **£231,742.80** payable at Trustees' Discretion (comprising refund of contributions of **£72,847.80** plus life assurance of **£158,895.00** since death in service after NPD) – [LSDB of **£231,742.80** within remaining LS&DBA of **£1,073,100.00**]

PLUS

- (2) Spouse's pension of **£7,736.66 p.a.** (pre-2006 = **£1,840.34 p.a.** and post-2006 = **£5,896.32 p.a.**)

Deaths Part 2 – Question 2

Calculation

- (1) LSDB of **£28,945.14** payable at Trustees' Discretion (comprising balance of 5 years' member pension instalments only since death in retirement) – [LSDB of **£28,945.14** within remaining LS&DBA of **£904,332.12**]

PLUS

- (2) Spouse's pension of **£5,704.02 p.a.**

Deaths Part 2 – Question 3

Calculation

- (1) LSDB of **£327,479.22** payable to Legal Personal Representatives / Estate (comprising refund of Personal Retirement Account only since death in deferment) – [LSDB of **£327,479.22** within remaining LS&DBA of **£965,222.80**]

Deaths Part 2 – Question 4

Calculation

- (1) LSDB of **£414,003.45** payable at Trustees' Discretion (comprising refund of contributions of **£85,383.45** plus life assurance of **£328,620.00** since death in service before NPD) – [LSDB of **£414,003.45** within remaining LS&DBA of **£1,073,100.00**]

PLUS

- (2) Spouse's pension of **£25,992.80 p.a.** (excess over WGMP = **£25,629.32 p.a.** and post-1988 WGMP = **£363.48 p.a.**)

Deaths Part 2 – Question 5

Calculation

- (1) LSDB of **£181,409.89** payable at Trustees' Discretion (comprising refund of contributions of **£70,259.89** plus life assurance of **£111,150.00** since death in service before NPD) – [LSDB of **£181,409.89** within remaining LS&DBA of **£1,073,100.00**]

PLUS

- (2) Spouse's pension of **£10,056.98 p.a.** (pre-2006 = **£1,212.21 p.a.** and post-2006 = **£8,844.77 p.a.** {including young spouse reduction})

Letter: Question 6 – (Relating to Question 5)

- (1) Date of death:
 - **01/09/2024**
- (2) Total lump sum death benefit (**£181,409.89**), *stating the following details:*
 - Life assurance (**£111,150.00**)
 - Refund of contributions (**£70,259.89**)
 - Payable at **Trustees' Discretion**
- (3) Spouse's pension (**£10,056.98 p.a.**), *stating the following details:*
 - Pre-2006 split (**£1,212.21 p.a.**)
 - Post-2006 split (**£8,844.77 p.a.**)
 - Commencement date (**01/10/2024**)
 - Increase rates (pre-2006 = **lower of 5.0% or RPI** and post-2006 = **lower of 2.5% or RPI**)
 - Frequency of payment (**monthly**)
 - Increase date (**each year on anniversary of DOD**)
- (4) Additional information:
 - Must mention young spouse reduction
 - Must mention part-time service
- (5) Lump sum & death benefits allowance (LS&DBA):
 - Amount used by lump sum death benefit (**£181,409.89**)
 - Counts against deceased member's remaining LS&DBA (**£1,073,100.00**)
- (6) Action required:
 - Member's death certificate
 - Spouse's birth & marriage certificates
 - Bank details

Retirements Part 1 – Question 1

Calculation

Value of Personal Retirement Account = **£189,048.18**

Options

- (1) PCLS of **£37,809.64** – [within remaining LSA of **£224,455.00** and LS&DBA of **£1,029,280.00**]

PLUS

Annuity of **£13,602.62 p.a.** (non-increasing and single life) – {Annuity Bureau Charge of **£98.31**}

OR

- (2) PCLS of **£37,809.64** – [within remaining LSA of **£224,455.00** and LS&DBA of **£1,029,280.00**]

PLUS

Annuity of **£9,476.49 p.a.** (increasing at the lower of 2.5% or RPI) with a spouse's annuity of **£4,738.25 p.a.** – {Annuity Bureau Charge of **£98.31**}

OR

- (3) Uncrystallised Funds Pension Lump Sum of **£189,048.18** (tax-free element = **£47,262.05** and taxable element = **£141,786.13**, which is taxed at member's marginal rate and paid assuming an Emergency Code on a Month 1 basis) – [tax-free element of **£47,262.05** within remaining LSA of **£224,455.00** and LS&DBA of **£1,029,280.00**]

OR

- (4) Open Market Option

Letter: Question 6 – (Relating to Question 1)

- (1) Date of retirement:
- **11/09/2024**
- (2) Details of Personal Retirement Account:
- Total value = **£189,048.18**
- (3) Option 1(a) [PCLS and Annuity]:
- PCLS = **£37,809.64** (within remaining LSA of **£224,455.00** and LS&DBA of **£1,029,280.00**), *PLUS*
- Single-life annuity = **£13,602.62 p.a. (non-increasing)**
- Spouse's annuity = **N/A**
- Annuity Bureau Charge = **£98.31**
- (4) Option 1(b) – [PCLS and Annuity]:
- PCLS = **£37,809.64** (within remaining LSA of **£224,455.00** and LS&DBA of **£1,029,280.00**), *PLUS*
- Joint-life annuity = **£9,476.49 p.a. (increasing at lower of 2.5% or RPI)**
- 50% spouse's annuity = **£4,738.25 p.a. (payable on death of member)**
- Annuity Bureau Charge = **£98.31**
- (5) Option 2 – [UFPLS]:
- Single UFPLS = **£189,048.18**
- Tax-free element = **£47,262.05** (within remaining LSA of **£224,455.00** and LS&DBA of **£1,029,280.00**)
- Taxable element = **£141,786.13**
- Must mention taxable element will be paid assuming an emergency code on a month 1 basis
- (6) Additional Option 3:
- Must mention open market option
- (7) Details of annuity:
- Commencement date = **11/10/2024**
- Frequency of payment = **monthly**
- Increase rate = **dependent on chosen annuity**
- Increase date = **anniversary of date of commencement**
- (8) Additional information:
- Must make reference to Pensions Wise (*in event of a non-annuity option being taken*)
- (9) Action required:
- Member's choice of option
- Member's birth certificate
- Member's bank details

Retirements Part 1 – Question 2

Calculation

Options

- (1) Full 'CARE' pension of **£13,978.47 p.a.** {vs 'Underpin' pension of **£10,087.38 p.a.**} (pre-2006 = **£3,821.72 p.a.** and post-2006 = **£10,156.75 p.a.**) with a spouse's pension of **£5,591.39 p.a.** (pre-2006 = **£1,528.69 p.a.** and post-2006 = **£4,062.70 p.a.**)

OR

- (2) PCLS of **£71,070.22** – [within remaining LSA of **£268,275.00** and LS&DBA of **£1,073,100.00**]

PLUS

Residual 'CARE' pension of **£10,660.53 p.a.** (pre-2006 = **£3,821.72 p.a.** and post-2006 = **£6,838.81 p.a.**) with a spouse's pension of **£5,591.39 p.a.** (pre-2006 = **£1,528.69 p.a.** and post-2006 = **£4,062.70 p.a.**)

Retirements Part 1 – Question 3

Calculation

Options

- (1) Full pension of **£25,897.59 p.a.** (excess over GMP = **£23,448.91 p.a.**, pre-1988 GMP = **£210.60 p.a.** and post-1988 GMP = **£2,238.08 p.a.**) with a spouse's pension of **£12,948.80 p.a.**

OR

- (2) PCLS of **£128,897.28** – [within remaining LSA of **£235,704.00** and LS&DBA of **£1,040,529.00**]

PLUS

Residual pension of **£19,334.59 p.a.** (excess over GMP = **£16,885.91 p.a.** pre-1988 GMP = **£210.60 p.a.** and post-1988 GMP = **£2,238.08 p.a.**) with a spouse's pension of **£12,948.80 p.a.**

Retirements Part 1 – Question 4

Calculation

Options

- (1) Full 'CARE' pension of **£28,964.64 p.a.** {vs 'Underpin' pension of **£17,481.76 p.a.**} (pre-2006 = **£10,128.87 p.a.** and post-2006 = **£18,835.77 p.a.**) with a spouse's pension of **£11,585.86 p.a.** (pre-2006 = **£4,051.55 p.a.** and post-2006 = **£7,534.31 p.a.**)

OR

- (2) PCLS of **£147,780.16** – [within remaining LSA of **£268,275.00** and LS&DBA of **£1,073,100.00**]

PLUS

Residual 'CARE' pension of **£22,167.02 p.a.** (pre-2006 = **£10,128.87 p.a.** and post-2006 = **£12,038.15 p.a.**) with a spouse's pension of **£11,585.86 p.a.** (pre-2006 = **£4,051.55 p.a.** and post-2006 = **£7,534.31 p.a.**)

Retirements Part 1 – Question 5

Calculation

Options

- (1) Full pension of **£14,710.44 p.a.** with a spouse's pension of **£7,355.22 p.a.**

OR

- (2) PCLS of **£74,438.37** – [within remaining LSA of **£180,695.00** and LS&DBA of **£985,520.00**]

PLUS

Residual pension of **£11,165.76 p.a.** with a spouse's pension of **£7,355.22 p.a.**

Retirements Part 2 – Question 1

Calculation

Options

- (1) Full pension of **£32,018.30 p.a.** (excess over GMP = **£29,959.10 p.a.**, pre-1988 GMP = **£79.04 p.a.** and post-1988 GMP = **£1,980.16 p.a.**) with a spouse's pension of **£16,009.15 p.a.**

OR

- (2) PCLS of **£150,000.00** – [within remaining LSA of **£268,275.00** and LS&DBA of **£1,073,100.00**]

PLUS

Residual pension of **£26,551.83 p.a.** (excess over GMP = **£24,492.63 p.a.** pre-1988 GMP = **£79.04 p.a.** and post-1988 GMP = **£1,980.16 p.a.**) with a spouse's pension of **£16,009.15 p.a.**

Retirements Part 2 – Question 2

Calculation

Value of Personal Retirement Account = **£266,035.43** (including AVCs of **£44,033.24**)

Options

- (1) PCLS of **£66,508.86** – [within remaining LSA of **£212,544.00** and LS&DBA of **£1,017,369.00**]

PLUS

Annuity of **£18,862.94 p.a.** (non-increasing and single life) – {Annuity Bureau Charge of **£129.69**}

OR

- (2) Annuity of **£16,829.10 p.a.** (increasing at the lower of 3.0% or RPI) with a spouse's annuity of **£8,414.55 p.a.** {Annuity Bureau Charge of **£172.92**}

OR

- (3) Uncrystallised Funds Pension Lump Sum of **£266,035.43** (tax-free element = **£66,508.86** and taxable element = **£199,526.57**, which is taxed at member's marginal rate and paid assuming an Emergency Code on a Month 1 basis) – [tax-free element of **£66,508.86** within remaining LSA of **£212,544.00** and LS&DBA of **£1,017,369.00**]

OR

- (4) Open Market Option

Retirements Part 2 – Question 3

Calculation

Options

- (1) Full 'CARE' pension of **£12,769.35 p.a.** {vs 'Underpin' pension of **£10,523.34 p.a.**} (pre-2006 = **£3,419.58 p.a.** and post-2006 = **£9,349.77 p.a.**) with a spouse's pension of **£5,107.74 p.a.** (pre-2006 = **£1,367.83 p.a.** and post-2006 = **£3,739.91 p.a.**)

OR

- (2) PCLS of **£60,000.00** – [within remaining LSA of **£268,275.00** and LS&DBA of **£1,073,100.00**]

PLUS

Residual 'CARE' pension of **£9,526.11 p.a.** (pre-2006 = **£3,419.58 p.a.** and post-2006 = **£6,106.53 p.a.**) with a spouse's pension of **£5,107.74 p.a.** (pre-2006 = **£1,367.83 p.a.** and post-2006 = **£3,739.91 p.a.**)

Letter: Question 6 – (Relating to Question 5)

- (1) Date of retirement:
- **11/10/2024**
- (2) Options available:
- Full 'CARE' pension = **£12,769.35 p.a.** (vs 'Underpin' pension of **£10,523.34 p.a.**), *stating the following details:*
- Pre-2006 = **£3,419.58 p.a.**
- Post-2006 = **£9,349.77 p.a.**

OR

- Pension commencement lump sum [PCLS] = **£60,000.00**, PLUS
 - Residual 'CARE' pension = **£9,526.11 p.a.**, stating the following details:
 - Pre-2006 = **£3,419.58 p.a.**
 - Post-2006 = **£6,106.53 p.a.**
- (3) Details of pension:
- Commencement date = **01/11/2024**
 - Frequency of payment = **monthly**
 - Increase rates:
 - Pre-2006 = **lower of 5.0% or RPI**
 - Post-2006 = **lower of 2.5% or RPI**
 - Increase date = **anniversary of date of commencement**
- (4) Details of spouse's pension payable on death of member:
- Spouse's pension = **£5,107.74 p.a.** stating the following details:
 - Pre-2006 = **£1,367.83 p.a.**
 - Post-2006 = **£3,739.91 p.a.**
- (5) Must mention part-time service
- (6) Must mention LSDB payable if death occurs within 5 years of retirement
- (7) LSA and LS&DBA checks:
- Amount used by PCLS (**£60,000.00**)
 - Counts against member's remaining LSA (**£268,275.00**) and LS&DBA (**£1,073,100.00**)
- (8) Action required:
- Member's choice of option
 - Member's birth certificate
 - Member's bank details

Retirements Part 2 – Question 4

Calculation

Options

- (1) Full pension of **£24,287.35 p.a.** (pre-2006 = **£2,012.32 p.a.** and post-2006 = **£22,275.03 p.a.**) with a spouse's pension of **£9,714.94 p.a.** (pre-2006 = **£804.93 p.a.** and post-2006 = **£8,910.01 p.a.**)

OR

- (2) PCLS of **£122,240.18** – [within remaining LSA of **£268,275.00** and LS&DBA of **£1,073,100.00**]

PLUS

Residual 'CARE' pension of **£18,336.03 p.a.** (pre-2006 = **£2,012.32 p.a.** and post-2006 = **£16,323.71 p.a.**) with a spouse's pension of **£9,714.94 p.a.** (pre-2006 = **£804.93 p.a.** and post-2006 = **£8,910.01 p.a.**)

Retirements Part 2 – Question 5

Options

- (1) Full pension of **£24,158.23 p.a.** (including a transferred-in pension of **£3,987.05 p.a.**) with a spouse's pension of **£12,079.12 p.a.**

OR

(2) PCLS of **£122,246.47** – [within remaining LSA of **£205,945.00** and LS&DBA of **£1,010,770.00**]

PLUS

Residual pension of **£18,336.97 p.a.** with a spouse's pension of **£12,079.12 p.a.**

Transfers – Question 1

Calculation

Total Transfer Value of **£231,791.26**, which includes the post-1997 Transfer Value of **£209,246.07** (member additionally has an AVC Fund Value of **£19,800.12**) – *mention requirement for independent financial advice from authorised adviser regulated under Financial Services & Markets Act 2000 if transferring to an arrangement where benefits can be accessed flexibly (as TV exceeds £30,000)*

Letter: Question 7 – (Relating to Question 1)

- (1) Total Transfer Value *excluding* AVCs = **£231,791.26**
- (2) Total Transfer Value *including* AVCs = **£251,591.38** {of which AVCs = **£19,800.12**}
- (3) Post-1997 element of Transfer Value = **£209,246.07**
- (4) Must mention option to transfer to a suitable alternative pension arrangement
- (5) Must mention (*if the member is transferring to an arrangement where benefits can be accessed flexibly*):
 - requirement of the member to take independent financial advice from an authorised adviser regulated under the Financial Services and Markets Act 2000 should the transfer proceed
 - requirement of the member to apply for the transfer in writing to the Trustees within 3 months of the guarantee date (date on which the transfer was calculated)
 - requirement of the member to confirm to the Trustees within 3 months of receiving the transfer quotation that independent financial advice has been received
 - requirement of the Trustees to verify within 6 months of the guarantee date that independent financial advice has been received and that the adviser has the correct permission to proceed by verifying details on the Financial Services Register before carrying out the transfer
 - requirement of the Trustees (unless they hear to the contrary) to assume the transfer will be to an arrangement where benefits can be accessed flexibly
 - requirement of the Trustees to offer to book a pensions guidance appointment with Pensions Wise on behalf of the member (*as member is over age 50*)
 - requirement of the Trustees to explain to the member that the transfer cannot proceed until they have received appropriate pensions guidance from Pensions Wise
 - requirement of the Trustees to explain to the member that he can only opt out of the Pensions Wise guidance by giving the Trustees an opt-out notification
- (6) Must mention that financial advice cannot be given
- (7) Must make reference to “Pension Scams”
- (8) Must mention that – if transfer out proceeds – no benefits will remain in the XYZ Pension and Life Assurance Scheme

Transfers – Question 2

Calculation

Total Transfer Value of **£78,017.61** (including **£17,709.42** in respect of AVCs), which is split between Funds and Contribution Types as follows:

Global Equity Fund – (non-Lifestyle)

Member contributions	-	£14,275.81
Employer contributions	-	£22,841.29
AVCs	-	£14,830.67
<i>Total</i>	-	£51,947.77

Index Linked Bond Fund – (non-Lifestyle)

Member contributions	-	£1,655.56
Employer contributions	-	£2,648.90
AVCs	-	£2,878.75
<i>Total</i>	-	£7,183.21

Balanced Fund – (non-Lifestyle)

Member contributions	-	£6,789.92
Employer contributions	-	£10,863.87
<i>Total</i>	-	£17,653.79

Corporate Bond Fund – (non-Lifestyle)

Member contributions	-	£474.17
Employer contributions	-	£758.67
<i>Total</i>	-	£1,232.84

OR

Member Contributions – (non-Lifestyle)

Global Equity Fund	-	£14,275.81
Index Linked Bond Fund	-	£1,655.56
Balanced Fund	-	£6,789.92
Corporate Bond Fund	-	£474.17
<i>Total</i>	-	£23,195.46

Employer Contributions – (non-Lifestyle)

Global Equity Fund	-	£22,841.29
Index Linked Bond Fund	-	£2,648.90
Balanced Fund	-	£10,863.87
Corporate Bond Fund	-	£758.67
<i>Total</i>	-	£37,112.73

AVCs – (non-Lifestyle)

Global Equity Fund	-	£14,830.67
Index Linked Bond Fund	-	£2,878.75
<i>Total</i>	-	£17,709.42

Transfers – Question 3

Calculation

Total Transfer Value of **£70,586.95**, which includes the post-1997 Transfer Value of **£62,261.75** (member additionally has an AVC Fund Value of **£13,122.34**) – *mention requirement for independent financial advice from authorised adviser regulated under Financial Services & Markets Act 2000 if transferring to an arrangement where benefits can be accessed flexibly (as TV exceeds £30,000).*

Transfers – Question 4

Calculation

- (1) At NPD, a pension of **£9,673.69 p.a.** (including post-1997 pension of **£8,970.13 p.a.**) would be payable
- (2) On death before retirement a refund of member contributions would be payable
- (3) On death after retirement a lump sum death benefit would be payable (provided death occurs within 5 years of retirement) and a spouse's pension would also be payable
- (4) All benefits will be payable in accordance with the provisions of the RST Pension Scheme

Transfers – Question 5

Calculation

The Transfer-in of **£52,811.53** would purchase units in the member's Personal Retirement Account split between Funds and Contribution Types as follows:

Global Equity Fund – (Lifestyle)

Member contributions	-	916.4005 units
Employer contributions	-	1,658.9191 units
AVCs	-	514.9549 units
Total		3,090.2745 units

Index Linked Bond Fund – (Lifestyle)

Member contributions	-	3,436.5643 units
Employer contributions	-	6,221.0596 units
AVCs	-	1,931.1160 units
Total		11,588.7399 units

Cash Fund – (Lifestyle)

Member contributions	-	1,268.5069 units
Employer contributions	-	2,296.3216 units
AVCs	-	712.8148 units
Total		4,277.6433 units

Global Equity Fund – (non-Lifestyle)

Member contributions	-	280.5105 units
Employer contributions	-	507.7969 units
AVCs	-	157.6285 units
Total		945.9359 units

Balanced Fund – (non-Lifestyle)

Member contributions	-	697.2796 units
Employer contributions	-	1,262.2551 units
AVCs	-	391.8232 units
Total		2,351.3579 units

OR

Member Contributions – (Lifestyle)

Global Equity Fund	-	916.4005 units
Index Linked Bond Fund	-	3,436.5643 units
Cash Fund	-	1,268.5069 units
Total		N/A

Employer Contributions – (Lifestyle)

Global Equity Fund	-	1,658.9191 units
Index Linked Bond Fund	-	6,221.0596 units
Cash Fund	-	2,296.3216 units
Total		N/A

AVCs – (Lifestyle)

Global Equity Fund	-	514.9549 units
Index Linked Bond Fund	-	1,931.1160 units
Cash Fund	-	712.8148 units
Total		N/A

Member Contributions – (non-Lifestyle)

Global Equity Fund	-	280.5105 units
Balanced Fund	-	697.2796 units
Total		N/A

Employer Contributions – (non-Lifestyle)

Global Equity Fund	-	507.7969 units
Balanced Fund	-	1,262.2551 units
Total		N/A

AVCs – (non-Lifestyle)

Global Equity Fund	-	157.6285 units
Balanced Fund	-	391.8232 units
Total		N/A

Letter: Question 8 – (Relating to Question 5)

- (1) Transfer Value = **£52,811.53**
- Total member contributions = **£15,660.91**
 - Total employer's contributions = **£28,350.25**
 - Total AVCs = **£8,800.37**

- (2a) Global Equity Fund – (*Lifestyle*) = **3,090.2745 units**
- Member contributions = **916.4005 units**
 - Employer contributions = **1,658.9191 units**
 - AVCs = **514.9549 units**
- Index Linked Bond Fund – (*Lifestyle*) = **11,588.7399 units**
- Member contributions = **3,436.5643 units**
 - Employer contributions = **6,221.0596 units**
 - AVCs = **1,931.1160 units**
- Cash Fund – (*Lifestyle*) = **4,277.6433 units**
- Member contributions = **1,268.5069 units**
 - Employer contributions = **2,296.3216 units**
 - AVCs = **712.8148 units**
- Global Equity Fund – (*non-Lifestyle*) = **945.9359 units**
- Member contributions = **280.5105 units**
 - Employer contributions = **507.7969 units**
 - AVCs = **157.6285 units**
- Balanced Fund – (*non-Lifestyle*) = **2,351.3579 units**
- Member contributions = **697.2796 units**
 - Employer contributions = **1,262.2551 units**
 - AVCs = **391.8232 units**

OR

- (2b) Member – (*Lifestyle*) = **N/A**
- Global Equity Fund = **916.4005 units**
 - Index Linked Bond Fund = **3,436.5643 units**
 - Cash Fund = **1,268.5069 units**
- Employer – (*Lifestyle*) = **N/A**
- Global Equity Fund = **1,658.9191 units**
 - Index Linked Bond Fund = **6,221.0596 units**
 - Cash Fund = **2,296.3216 units**
- AVCs – (*Lifestyle*) = **N/A**
- Global Equity Fund = **514.9549 units**
 - Index Linked Bond Fund = **1,931.1160 units**
 - Cash Fund = **712.8148 units**
- Member – (*non-Lifestyle*) = **N/A**
- Global Equity Fund = **280.5105 units**
 - Balanced Fund = **697.2796 units**
- Employer – (*non-Lifestyle*) = **N/A**
- Global Equity Fund = **507.7969 units**
 - Balanced Fund = **1,262.2551 units**
- AVCs – (*non-Lifestyle*) = **N/A**
- Global Equity Fund = **157.6285 units**
 - Balanced Fund = **391.8232 units**

(3) Must penalise if financial advice 'actually' given

(4) Must penalise if member's written authority to proceed is mentioned (as transfer in has already occurred and written authority has already been received)

- (5) Must penalise if 'Guarantee' period is mentioned (as not relevant for OPQ Retirement & Death Benefits Plan and transfer in has already occurred)
- (6) Must mention that no benefits remain in the previous scheme
- (7) Must mention that benefits are subject to the rules of OPQ Retirement & Death Benefits Plan

Transfers – Question 6

Calculation

- (1) At NPD, a pension of **£5,523.74 p.a.** (including excess pension of **£4,506.62 p.a.** and post-1988 GMP of **£1,017.12 p.a.** {and including post-1997 pension of **£3,732.57 p.a.**}) would be payable
 - (2) On death before retirement before NPD a refund of contributions would be payable and a spouse's pension would also be payable
 - (3) On death before retirement on or after NPD (*from active status only, as late retirement not permitted from preserved status*) a lump sum death benefit would be payable (calculated on the assumption that the member retired on the date of death) and a spouse's pension would also be payable
 - (4) On death after retirement a lump sum death benefit would be payable (provided death occurs within 5 years of retirement) and a spouse's pension would also be payable
 - (5) All benefits will be payable in accordance with the provisions of the XYZ Pension and Life Assurance Scheme
-