CALCULATE AND QUOTE PENSION SCHEME TRANSFERS IN AND TRANSFERS OUT

PERFORMANCE CRITERIA	SCOPE

You must be able to:
 	
1. Use the correct personal details from the member's record
 	
2. **Show full range of requested options which are allowed based on the member's record, the scheme rules and legislation**
 	
3. Apply **scheme** definitions accurately
 	
4. **Apply all relevant legislation correctly according to the dates of joining and leaving the scheme**
 	
5. **Set out the calculations for each option according to accepted procedures**
 	
6. Carry out the **calculations** manually without arithmetical errors
 	
7. **Write a letter to the member, sponsor or Trustee and quote benefits which match your calculations**
 	
8. Show the benefit options in an approved format and in accordance with accepted procedure
 	
9. Provide complete and accurate information to accompany the quotation
 	
10. Give instructions to the addressee on the response you require
	In meeting the performance criteria you must show you can:
	
	(A) Identify and apply **scheme** rules and definitions for <u>all</u> of the following:
	
	   (i) Final salary
	   (ii) Career average revalued earnings (CARE)
	   (iii) Money purchase
	   (iv) Not contracted-out of SERPS/S2P
	   (v) Contracted-out of SERPS/S2P
	
	(B) Set out and provide fully worked manual **calculations** for <u>all</u> of the following:
	
	   (i) The transfer value of benefits accrued while a member of an occupational pension scheme
	   (ii) The additional benefits secured in a member's current scheme by the transfer value from a previous pension arrangement
	
	(C) Determine the **options** open to members taking into account <u>all</u> of the following:
	
	   (i) The member's record
	   (ii) Scheme rules
	   (iii) Relevant legislation
	
	(D) Use the calculations from <u>one</u> of the case studies completed to **write a letter** to the member, sponsor or Trustee quoting benefits purchased in respect of a transfer-in from a previous Scheme
	
	(E) Use the calculations from <u>one</u> of the case studies completed to **write a letter**

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	to the member, sponsor or Trustee quoting the transfer value available to a new Scheme

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Knowledge and Understanding

You need to show that you know and understand:

K1   The scheme rules for each of the schemes used in the case study examinations relating to the calculation of transfer values out and the benefits provided by transfer values in

K2   How to apply actuarial factors

K3   The effects of overriding legislation on the benefits and options available in exchange for a transfer value

K4   The Disclosure requirements

K5   The distinction between giving financial information and financial advice (in accordance with the latest Financial Services and Market Act)

K6   What information and documentation is required before the scheme can settle the benefits

K7   The requirements of legislation on time scales and the guarantee period for the quotation