



**Pensions  
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Moving pensions forward

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## **VOCATIONAL QUALIFICATIONS**

### **TRANSFERS IN AND TRANSFERS OUT**

**THURSDAY 12 SEPTEMBER 2019      1.30 PM – 4.30 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 transfer values of the benefits accrued by:

1. **JULIA MACKINTOSH – (RST)**
2. **GEORGE KETTLE – (OPQ)**
3. **SHAILESH PATRA – (XYZ)**

Calculate the benefits that can be provided by the transfer values received under the relevant scheme / plan for:

4. **BRANDON KENDRICK – (RST)**
5. **BETTINA O’SULLIVAN – (OPQ)**
6. **AMBER VALENTINE – (XYZ)**

### Section B

7. Write a letter concerning **SHAILESH PATRA** explaining the transfer out alternative and providing information as appropriate.

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

8. Write a letter concerning **BRANDON KENDRICK** explaining the benefits available in exchange for the transfer value and providing information as appropriate.

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

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

**CASE STUDY DETAILS****RST SCHEME****TRANS  
FERS  
QUESTION 1****Event history**

Date of first event	<b>15/02/2017</b>	First event	<b>PRESERVED LEAVER</b>
Date of second event	<b>11/09/2019</b>	Second event	<b>TRANSFER OUT</b>

**Member details**

Surname	<b>MACKINTOSH</b>	Forenames	<b>JULIA</b>
Date of birth	<b>07/09/1968</b>	Gender	<b>FEMALE</b>
Spouse's date of birth	<b>03/07/1962</b>		
Dependent child's date of birth			
Date of joining company	<b>09/07/1988</b>		
Date of joining scheme	<b>06/04/1989</b>		

**Contribution history**

Total member's normal contributions	<b>£</b>	<b>21,535.66</b>
Post 05/04/1997 member's normal contributions	<b>£</b>	<b>15,352.38</b>
Total member's AVCs	<b>£</b>	<b>11,000.23</b>
Current value of AVCs	<b>£</b>	<b>12,921.44</b>

### **Preserved benefits**

Member's total pension at age 65 (per annum): £ 23,911.45

Including:

- Member's pension earned between 06/04/1997 and 05/04/2006 at age 65 (per annum) £ 7,720.65
- Member's pension earned from 06/04/2006 at age 65 (per annum) £ 9,323.05

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

Spouse's pension on death after retirement (per annum) £ 9,564.58

Adjustment factor 0.97

**CASE STUDY DETAILS****OPQ PLAN****TRANSFERS  
QUESTION 2****Event history**

Date of first event	<b>17/01/2019</b>	First event	<b>PRESERVED LEAVER</b>
Date of second event	<b>10/09/2019</b>	Second event	<b>TRANSFER OUT</b>

**Member details**

Surname	<b>KETTLE</b>	Forenames	<b>GEORGE</b>
Date of birth	<b>15/07/1985</b>	Gender	<b>MALE</b>
Spouse's date of birth	<b>17/05/1982</b>		
Dependent child's date of birth			
Date of joining company	<b>14/09/2005</b>		
Date of joining plan	<b>14/09/2005</b>		
Target retirement date			

**Contribution history**

Total member's normal contributions	<b>£</b>	<b>7,911.24</b>
Total employer's normal contributions	<b>£</b>	<b>12,657.98</b>
Total member's AVCs	<b>£</b>	<b>3,799.65</b>

## 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	501.2233	801.9568	
Index Linked Bond Fund	1,612.5600	2,580.0960	729.2234
Balanced Fund	1,313.9998	2,102.3997	619.3456
Corporate Bond Fund			850.7896
Cash Fund			
Lifestyle Fund			

### Investment Fund Unit Prices

<b>Fund</b>	<b>Current Unit Price (£)</b>
Global Equity Fund	5.214
Index Linked Bond Fund	1.310
Balanced Fund	4.332
Corporate Bond Fund	1.522
Cash Fund	1.020

### Special circumstances / additional information

**CASE STUDY DETAILS****XYZ SCHEME****TRANS  
FERS  
QUESTION 3****Event history**

Date of first event	<b>03/07/2018</b>	First event	<b>PRESERVED LEAVER</b>
Date of second event	<b>09/09/2019</b>	Second event	<b>TRANSFER OUT</b>

**Member details**

Surname	<b>PATRA</b>	Forenames	<b>SHAILESH</b>
Date of birth	<b>08/07/1963</b>	Gender	<b>MALE</b>
Spouse's date of birth	<b>07/11/1967</b>		
Dependent child's date of birth			
Date of joining company	<b>05/05/1990</b>		
Date of joining scheme	<b>05/06/1990</b>		
Category of membership	<b>A</b>		

**Contribution history**

Total member's normal contributions	<b>£</b>	<b>20,332.44</b>
Post 05/04/1997 member's normal contributions	<b>£</b>	<b>15,381.67</b>
Total member's AVCs	<b>£</b>	<b>11,333.67</b>
Current value of AVCs	<b>£</b>	<b>12,789.32</b>

**Preserved benefits**

Member's total pension at age 65 (per annum)	£	<b>18,193.45</b>
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Including:

- |   |   |                  |
|---|---|------------------|
| • Post 05/04/1997 pension at age 65 (per annum) | £ | <b>13,763.51</b> |
| • Pre 06/04/1988 GMP at age 65 (per annum)      | £ |                  |
| • Post 05/04/1988 GMP at age 65 (per annum)     | £ | <b>432.64</b>    |
| • Total GMP at exit (per annum)                 | £ | <b>317.20</b>    |

**Special circumstances / additional information**

Spouse's pension on death after retirement (per annum)	£	<b>9,096.73</b>
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Adjustment factor		<b>0.99</b>
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**THIS ANSWER ALSO REQUIRES A LETTER (QUESTION 7)**



**CASE STUDY DETAILS****RST SCHEME****TRANSFERS  
QUESTION 4****Event history**

Date of first event	<b>11/09/2019</b>	First event	<b>TRANSFER IN</b>
Date of second event		Second event	

**Member details**

Surname	<b>KENDRICK</b>	Forenames	<b>BRANDON</b>
Date of birth	<b>12/09/1973</b>	Gender	<b>MALE</b>
Spouse's date of birth	<b>06/07/1960</b>		
Dependent child's date of birth			
Date of joining company	<b>03/05/2018</b>		
Date of joining scheme	<b>06/04/2019</b>		

**Contribution history**

Total member's normal contributions	<b>£</b>	<b>1,321.11</b>
Total member's AVC	<b>£</b>	<b>321.13</b>
Current value of AVCs	<b>£</b>	<b>325.33</b>

### **Preserved benefits from previous scheme**

Pension payable at age 65 (per annum)	£	<b>13,059.22</b>
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### **Transfer value details from previous scheme**

Member's total transfer value	£	<b>41,000.24</b>
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Including:

- |   |   |                  |
|---|---|------------------|
| • Member's total contributions                          | £ | <b>20,195.33</b> |
| • Transfer value in respect of post 05/04/1997 benefits | £ | <b>34,439.30</b> |
| • Member's post 05/04/1997 contributions                | £ | <b>16,963.63</b> |
| • Transfer value in respect of post 05/04/2006 benefits | £ | <b>19,678.32</b> |
| • Member's post 05/04/2006 contributions                | £ | <b>9,692.87</b>  |

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

Brandon Kendrick is considering transferring in his benefits from the registered Defined Benefit arrangement of his previous employer.

Adjustment factor	<b>0.99</b>
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**THIS ANSWER ALSO REQUIRES A LETTER (QUESTION 8)**



## Personal Retirement Account details

### Member's Current Unit Investment Choices

<b>Fund</b>	<b>Member's normal contributions</b>	<b>Employer's normal contributions</b>	<b>Member's AVCs</b>
	<b>Allocation (%)</b>	<b>Allocation (%)</b>	<b>Allocation (%)</b>
Global Equity Fund			
Index Linked Bond Fund			
Balanced Fund	25.00	25.00	25.00
Corporate Bond Fund			
Cash Fund			
Lifestyle Fund	75.00	75.00	75.00

### Investment Fund Unit Prices

<b>Fund</b>	<b>Current Unit Price (£)</b>
Global Equity Fund	5.218
Index Linked Bond Fund	1.310
Balanced Fund	4.330
Corporate Bond Fund	1.523
Cash Fund	1.018

### Transfer value details from previous scheme

Member's total transfer value (including AVCs) £ **20,345.68**

Including:

- Current value of member's contributions £ **7,998.32**
- Current value of AVCs £ **6,199.34**

### Special circumstances / additional information

Following Bettina O'Sullivan's written authority to proceed, the transfer in of her benefits from the registered Defined Contribution arrangement of her previous employer took place on 8 September 2019. The transfer in was allocated in accordance with Bettina O'Sullivan's current investment choices and was based on the Investment Fund Unit Prices detailed above.

**CASE STUDY DETAILS****XYZ SCHEME****TRANS  
FERS  
QUESTION 6****Event history**

Date of first event	<b>10/09/2019</b>	First event	<b>TRANSFER IN</b>
Date of second event		Second event	

**Member details**

Surname	<b>VALENTINE</b>	Forenames	<b>AMBER</b>
Date of birth	<b>07/02/1964</b>	Gender	<b>FEMALE</b>
Spouse's date of birth	<b>12/12/1963</b>		
Child dependent's date of birth			
Date of joining company	<b>01/02/2019</b>		
Date of joining scheme	<b>01/03/2019</b>		
Category of membership	<b>A</b>		

**Contribution history**

Total member's normal contributions	£	<b>532.44</b>
Total member's AVCs	£	
Current value of AVCs	£	

### **Preserved benefits from previous scheme**

Pension payable at age 65 (per annum)	£	<b>10,772.33</b>
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Including:

- |   |   |               |
|---|---|---------------|
| • Pre 06/04/1988 GMP at age 65 (per annum)  | £ |               |
| • Post 05/04/1988 GMP at age 65 (per annum) | £ | <b>462.28</b> |
| • GMP at exit (per annum)                   | £ | <b>327.60</b> |

### **Transfer value details from previous scheme**

Member's total transfer value (including GMP liability)	£	<b>21,458.99</b>
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Including:

- |   |   |                  |
|---|---|------------------|
| • Member's total contributions                          | £ | <b>9,123.87</b>  |
| • Transfer value in respect of post 05/04/1997 benefits | £ | <b>16,093.19</b> |
| • Member's post 05/04/1997 contributions                | £ | <b>6,842.46</b>  |

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

Amber Valentine is considering transferring in her benefits from the registered Defined Benefit arrangement of her previous employer.

Adjustment factor	<b>0.98</b>
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