

VOCATIONAL QUALIFICATIONS

LEAVERS PART 2

LEAVERS' BENEFITS WITH SPECIAL CIRCUMSTANCES

THURSDAY 14 MARCH 2019 9.30 AM – 12.30 PM

TIME ALLOWED: 3 HOURS

- 1. Answer **ALL** the questions.
- **2.** Write all your answers in the answer book provided.
- **3.** Begin each question on a new page.
- **4.** Show all workings clearly.
- **5.** Calculate the benefits using only the information given.
- **6.** Factors must be rounded in accordance with the instruction in the Table of Factors. Round all other figures to two decimal places (or whatever is the normal practice where you work).

Questions

Section A

Calculate the leaver benefits / options for:

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

Section B

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

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

Please note: Candidates <u>must not</u> sign letters with their own names. Letters should be signed "A N Other".

OPQ PLAN

LEAVERS PART 2 QUESTION 1

Event history

Date of first event **08/03/2019** First event **LEAVER**

Date of second event Second event

Member details

Surname JOHNSON Forenames ZAC

Date of birth 19/09/1958 Gender MALE

Spouse's date of birth

Dependent child's date of birth

Date of joining company 11/02/2019

Date of joining plan 11/02/2019

Target retirement date 19/09/2023

Annual salary history for the plan year commencing 6 April

2010	2011	2012	2013	2014	2015	2016	2017	2018
								52,709

Contribution history

Total member's normal contributions £ 219.62

Total employer's normal contributions £ 351.39

Total member's AVCs £ 77.63

Personal Retirement Account details

Member's Current Unit Holdings

Fund	Member's normal contributions	Employer's normal contributions	Member's AVCs
	Unit Holdings	Unit Holdings	Unit Holdings
Global Equity Fund			
Index Linked Bond Fund			
Balanced Fund			
Corporate Bond Fund			
Cash Fund			
Lifestyle Fund	45.2296	72.3674	15.9879

Investment Fund Unit Prices

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

Special circumstances / additional information

Zac Johnson's reason for leaving was resignation.

RST SCHEME

LEAVERS PART 2 QUESTION 2

Event history

Date of first event 13/03/2019 First event LEAVER

Date of second event Second event

Member details

Surname SMYTHE Forenames JAYNE-ANNE

Date of birth 15/06/1973 Gender FEMALE

Spouse's date of birth 14/02/1972

Dependent child's date of birth

Date of joining company 12/02/2004

Date of joining scheme 06/04/2004

Earnings history for the scheme year ending 5 April

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

Contribution history

Total member's normal contributions £ 27,161.62

Total member's AVCs £

Pre 6 April 2006 pension accrued as at 5 April 2018

CARE pension (per annum) £ 651.23

Post 5 April 2006 pension accrued as at 5 April 2018

CARE pension (per annum) £ 5,523.62

Special circumstances / additional information

Contractual Salary at date of first event (full-time equivalent) £ 75,000.00

Contractual Salary at date of first event (actual) £ 45,000.00

Jayne-Anne Smythe worked full time (five days a week) from the date she joined the Company until 12 May 2008, inclusive. From 13 May 2008 onwards, Jayne-Anne Smythe worked three days a week.

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

RST SCHEME

LEAVERS PART 2 QUESTION 3

Event history

Date of first event 07/03/2019 First event LEAVER

Date of second event Second event

Member details

Surname SPADA Forenames LUIGI

Date of birth **08/01/1973** Gender **MALE**

Spouse's date of birth 12/12/1973

Dependent child's date of birth

Date of joining company 18/08/2007

Date of joining scheme 06/04/2008

Earnings history for the scheme year ending 5 April

2010	2011	2012	2013	2014	2015	2016	2017	2018
57,136	57,823	58,165	59,134	59,615	60,123	60,824	61,352	62,357

Contribution history

Total member's normal contributions £ 36,715.13

Total member's AVCs £

Pre 6 April 2006 pension accrued as at 5 April 2018

CARE pension (per annum)

£

Post 5 April 2006 pension accrued as at 5 April 2018

CARE pension (per annum)

£ 6,936.86

Special circumstances / additional information

Contractual Salary at date of first event

£ 68,000.00

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

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

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

Luigi Spada's reason for leaving was resignation.

XYZ SCHEME

LEAVERS PART 2 QUESTION 4

Event history

Date of first event 09/03/2019 First event LEAVER

Date of second event Second event

Member details

Surname WATSON Forenames GEORGINA

Date of birth 12/06/1961 Gender FEMALE

Spouse's date of birth 15/05/1959

Dependent child's date of birth

Date of joining company 12/09/1983

Date of joining scheme 12/10/1983

Category of membership A

Pensionable salary history for the scheme year commencing 6 April

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

Contribution history

Total member's normal contributions £ 40,613.16

Total member's AVCs ₤

Contracting-out details at date of first event

Pre 06/04/1988

GMP (per annum) £ 638.04

Post 05/04/1988

GMP (per annum) £ 1,265.16

Special circumstances / additional information

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

Georgina Watson's reason for leaving was resignation.

Event history

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

Date of second event Second event

Member details

Surname MEDETEV Forenames MAGJAN

Date of birth 17/11/1970 Gender MALE

Spouse's date of birth

Dependent child's date of birth

Date of joining company **06/11/1997**

Date of joining scheme **06/11/1997**

Category of membership **B**

Pensionable salary history for the scheme year commencing 6 April

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

Contribution history

Total member's normal contributions £

Total member's AVCs £

Contracting-out details at date of first event

Pre 06/04/1988

GMP (per annum) £

Post 05/04/1988

GMP (per annum) £

Special circumstances / additional information

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

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

Magjan Medetev's reason for leaving was resignation.

THIS QUESTION ALSO REQUIRES A LETTER (QUESTION 6)