



**Pensions
Management
Institute**

VOCATIONAL QUALIFICATIONS

TRANSFERS IN AND TRANSFERS OUT

MONDAY 13 SEPTEMBER 2021

1.30 PM – 5.00 PM

TIME ALLOWED:

3 HOURS 30 MINUTES

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. **STEWART BRENTWOOD – (RST)**
2. **FREYA ELLISON – (OPQ)**
3. **RUPERT HARDWICK – (XYZ)**

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

4. **ROSEMARY PLANT – (RST)**
5. **ARIANA SIMMS – (OPQ)**
6. **MARC WOLFSON – (XYZ)**

Section B

7. Write a letter concerning **RUPERT HARDWICK** 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 **ARIANA SIMMS** 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****TRANSFERS
QUESTION 1****Event history**

Date of first event	13/06/2021	First event	PRESERVED LEAVER
Date of second event	11/09/2021	Second event	TRANSFER OUT

Member details

Surname	BRENTWOOD	Forenames	STEWART
Date of birth	04/02/1965	Gender	MALE
Spouse's date of birth	03/03/1969		
Dependent child's date of birth			
Date of joining company	09/11/1987		
Date of joining scheme	06/04/1988		

Contribution history

Total member's normal contributions	£	62,936.24
Post 05/04/1997 member's normal contributions	£	45,314.09
Total member's AVCs	£	12,111.11
Current value of AVCs	£	13,219.87

Preserved benefits

Member's total pension at age 65 (per annum): £ 23,459.88

Including:

- Member's pension earned between 06/04/1997 and 05/04/2006 at age 65 (per annum) £ 6,334.17
- Member's pension earned from 06/04/2006 at age 65 (per annum) £ 10,721.17

Special circumstances / additional information

Spouse's pension on death after retirement (per annum) £ 9,383.95

Adjustment factor 0.97

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

Date of first event	09/06/2019	First event	PRESERVED LEAVER
Date of second event	03/09/2021	Second event	TRANSFER OUT

Member details

Surname	ELLISON	Forenames	FREYA
Date of birth	20/05/1958	Gender	FEMALE
Spouse's date of birth	27/09/1952		
Dependent child's date of birth			
Date of joining company	01/11/1998		
Date of joining plan	01/11/1998		
Target retirement date	20/05/2023		

Contribution history

Total member's normal contributions	£	12,675.99
Total employer's normal contributions	£	20,281.58
Total member's AVCs	£	4,997.63

Personal Retirement Account details

Member's Current Unit Holdings

Fund	Member's normal contributions Unit Holdings	Employer's normal contributions Unit Holdings	Member's AVCs Unit Holdings
Global Equity Fund			
Index Linked Bond Fund			
Balanced Fund	987.1112	1,579.3779	
Corporate Bond Fund	634.0087	1,014.4139	459.3435
Cash Fund			
Lifestyle Fund	3,999.3598	6,398.9757	1,898.6653

Investment Fund Unit Prices

Fund	Current Unit Price (£)
Global Equity Fund	5.116
Index Linked Bond Fund	1.330
Balanced Fund	4.232
Corporate Bond Fund	1.543
Cash Fund	1.013

Special circumstances / additional information

CASE STUDY DETAILS**XYZ SCHEME****TRANSFERS
QUESTION 3****Event history**

Date of first event	10/03/2021	First event	PRESERVED LEAVER
Date of second event	07/09/2021	Second event	TRANSFER OUT

Member details

Surname	HARDWICK	Forenames	RUPERT
Date of birth	02/02/1963	Gender	MALE
Spouse's date of birth	04/06/1959		
Dependent child's date of birth			
Date of joining company	12/09/1994		
Date of joining scheme	12/10/1994		
Category of membership	A		

Contribution history

Total member's normal contributions	£	40,595.55
Post 05/04/1997 member's normal contributions	£	36,536.00
Total member's AVCs	£	6,657.99
Current value of AVCs	£	8,443.98

Preserved benefits

Member's total pension at age 65 (per annum)	£	17,555.98
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Including:

- | | | |
|---|---|------------------|
| • Post 05/04/1997 pension at age 65 (per annum) | £ | 15,800.38 |
| • Pre 06/04/1988 GMP at age 65 (per annum) | £ | |
| • Post 05/04/1988 GMP at age 65 (per annum) | £ | 382.20 |
| • Total GMP at exit (per annum) | £ | 310.96 |

Special circumstances / additional information

Spouse's pension on death after retirement (per annum)	£	8,777.99
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Adjustment factor		0.98
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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	05/09/2021	First event	TRANSFER IN
Date of second event		Second event	

Member details

Surname	PLANT	Forenames	ROSEMARY
Date of birth	05/08/1967	Gender	FEMALE
Spouse's date of birth	01/12/1965		
Dependent child's date of birth			
Date of joining company	10/10/2020		
Date of joining scheme	06/04/2021		

Contribution history

Total member's normal contributions	£	1,329.07
Total member's AVC	£	
Current value of AVCs	£	

Preserved benefits from previous scheme

Pension payable at age 65 (per annum)	£	17,886.50
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Transfer value details from previous scheme

Member's total transfer value	£	42,555.09
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Including:

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|---|---|------------------|
| • Member's total contributions | £ | 18,543.04 |
| • Transfer value in respect of post 05/04/1997 benefits | £ | 30,334.43 |
| • Member's post 05/04/1997 contributions | £ | 13,883.11 |
| • Transfer value in respect of post 05/04/2006 benefits | £ | 19,575.34 |
| • Member's post 05/04/2006 contributions | £ | 8,529.80 |

Special circumstances / additional information

Rosemary Plant is considering a transfer in of her benefits from the registered Defined Benefit arrangement of her previous employer to the RST Pension Scheme.

Adjustment factor	0.98
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CASE STUDY DETAILS**OPQ PLAN****TRANSFERS
QUESTION 5****Event history**

Date of first event	09/09/2021	First event	TRANSFER IN
Date of second event		Second event	

Member details

Surname	SIMMS	Forenames	ARIANA
Date of birth	29/06/1957	Gender	FEMALE
Spouse's date of birth	17/05/1967		
Dependent child's date of birth			
Date of joining company	07/02/2021		
Date of joining plan	07/02/2021		
Target retirement date	29/06/2022		

Contribution history

Total member's normal contributions	£	567.09
Total employer's normal contributions	£	907.34
Total member's AVCs	£	112.33

Personal Retirement Account details

Member's Current Unit Investment Choices

Fund	Member's normal contributions	Employer's normal contributions	Member's AVCs
	Allocation (%)	Allocation (%)	Allocation (%)
Global Equity Fund			
Index Linked Bond Fund			
Balanced Fund			
Corporate Bond Fund			
Cash Fund			
Lifestyle Fund	100.00	100.00	100.00

Investment Fund Unit Prices

Fund	Current Unit Price (£)
Global Equity Fund	5.132
Index Linked Bond Fund	1.421
Balanced Fund	4.359
Corporate Bond Fund	1.530
Cash Fund	1.031

Transfer value details from previous scheme

Member's total transfer value (including AVCs) £ 27,001.22

Including:

- Current value of member's contributions £ 11,739.49
- Current value of AVCs £ 5,488.44

Special circumstances / additional information

Following Ariana Simms' written authority to proceed, the transfer in of her benefits from the registered Defined Contribution arrangement of her previous employer to the OPQ Retirement & Death Benefits Plan took place on 9 September 2021. The transfer in was allocated in accordance with Ariana Simms' current investment choices and was based on the Investment Fund Unit Prices detailed above.

THIS ANSWER ALSO REQUIRES A LETTER (QUESTION 8)

**TRANSFERS
QUESTION 5**

CASE STUDY DETAILS**XYZ SCHEME****TRANSFERS
QUESTION 6****Event history**

Date of first event	12/09/2021	First event	TRANSFER IN
Date of second event		Second event	

Member details

Surname	WOLFSON	Forenames	MARC
Date of birth	09/04/1964	Gender	MALE
Spouse's date of birth	05/08/1963		
Dependent child's date of birth			
Date of joining company	03/03/2021		
Date of joining scheme	03/04/2021		
Category of membership	A		

Contribution history

Total member's normal contributions	£	755.59
Total member's AVCs	£	
Current value of AVCs	£	

Preserved benefits from previous scheme

Pension payable at age 65 (per annum)	£	13,888.45
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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) | £ | 495.56 |
| • GMP at exit (per annum) | £ | 363.48 |

Transfer value details from previous scheme

Member's total transfer value (including GMP liability)	£	28,333.09
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Including:

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|---|---|------------------|
| • Member's total contributions | £ | 9,556.90 |
| • Transfer value in respect of post 05/04/1997 benefits | £ | 21,533.15 |
| • Member's post 05/04/1997 contributions | £ | 7,263.24 |

Special circumstances / additional information

Marc Wolfson is considering a transfer in of his benefits from the registered Defined Benefit arrangement of his previous employer to the XYZ Pension and Life Assurance Scheme.

Adjustment factor	0.97
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