



**Pensions
Management
Institute**

VOCATIONAL QUALIFICATIONS

DEATHS PART 2

DEATH BENEFITS WITH SPECIAL CIRCUMSTANCES

THURSDAY 24 MARCH 2022

9.30 AM – 1.00 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.** Where the benefits are likely to exceed the remaining Individual Lifetime Allowance, state in your answer book that you would refer the case to your manager.
- 7.** 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 death benefits / options for:

1. LIU CIXEN – (XYZ)
2. BILL GIBSON – (RST)
3. CHRISTINA DALCHER – (OPQ)
4. TA-NEHISI COATES – (RST)
5. KERRI MANISCALCO – (XYZ)

Section B

6. Write a letter explaining the benefits payable and the options available in respect of TA-NEHISI COATES.

The letter may be addressed either to the beneficiary 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”.

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

Salary at date of first event £ **66,580.90**

Liu Cixen's Final Pensionable Salary at 3 July 2011 was £60,385.50.

Lower of 5.0% / RPI increases from 4 July 2011 to Normal Pension Date is 27.6%.

The Company (with the consent of the Trustees) agreed to enhance Liu Cixen's Accrual Rate in the XYZ Pension and Life Assurance Scheme (Category B) to 50ths for all Pensionable Service from 12 June 2005 onwards. The standard Accrual Rate applied for all of Liu Cixen's Pensionable Service in the XYZ Pension and Life Assurance Scheme (Category B) prior to this date.

Liu Cixen's current available Lifetime Allowance is 75.18%.

CASE STUDY DETAILS**RST SCHEME****DEATHS PART 2
QUESTION 2****Event history**

Date of first event **12/03/2022** First event **DEATH**
Date of second event Second event

Member details

Surname **GIBSON** Forenames **BILL**
Date of birth **02/04/1961** Gender **MALE**
Spouse's date of birth **19/03/1951**
Dependent child's date of birth
Date of joining company **16/03/1993**
Date of joining scheme **06/04/1993**

Earnings history for the scheme year ending 5 April

2013	2014	2015	2016	2017	2018	2019	2020	2021
41,265	42,380	44,911	47,300	48,989	49,100	50,263	51,600	52,899

Contribution history

Total member's normal contributions **£ 59,409.64**
Total member's AVCs **£**
Current value of AVCs **£**
Single life AVC pension (per annum) payable immediately **£**
Joint life AVC pension (per annum) payable immediately **£**

Pre 6 April 2006 pension accrued as at 5 April 2021

CARE pension (per annum) £ 5,334.56

Post 5 April 2006 pension accrued as at 5 April 2021

CARE pension (per annum) £ 9,526.45

Special circumstances / additional information

Contractual Salary at date of first event (actual) £ 31,380.00

Contractual Salary at date of first event (full-time equivalent) £ 52,300.00

Pro-rata CPI from 6 April 2021 to date of first event is 3.3%.

Bill Gibson worked full time (5 days a week) from the date he joined the Company until 5 December 1995, inclusive. From 6 December 1995, Bill Gibson varied his working week as follows:

- 6 December 1995 to 5 January 2010 = 4.0 days a week
- 6 January 2010 to 5 June 2012 = 3.5 days a week
- 6 June 2012 onwards = 3.0 days a week

Bill Gibson's current available Lifetime Allowance is 100.00%.

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	16,013.6514	25,621.8376	

Investment Fund Unit Prices

Fund	Current Unit Price (£)
Global Equity Fund	5.826
Index Linked Bond Fund	1.555
Balanced Fund	4.998
Corporate Bond Fund	1.757
Cash Fund	1.169

Special circumstances / additional information

On 3 June 2015, Christina Dalcher transferred in to the OPQ Retirement & Death Benefits Plan her non-contracted-out benefits from the registered pension scheme of one of her previous employers. The value of Christina Dalcher's transferred-in benefits amounted to £256,925.15.

The transfer in, which is not included in Christina Dalcher's Personal Retirement Account detailed above, is currently invested as follows:

- Index Linked Bond Fund (Member): 121,558.9669 Units
- Index Linked Bond Fund (Employer): 118,335.1201 Units
- Balanced Fund (Member): 31,889.1214 Units
- Balanced Fund (Employer): 31,043.3949 Units

Christina Dalcher's current available Lifetime Allowance is 100.00%.

CASE STUDY DETAILS**RST SCHEME****DEATHS PART 2
QUESTION 4****Event history**

Date of first event **01/04/2018** First event **RETIREMENT**
Date of second event **21/03/2022** Second event **DEATH**

Member details

Surname **COATES** Forenames **TA-NEHISI**
Date of birth **01/04/1947** Gender **MALE**
Spouse's date of birth **02/08/1959**
Dependent child's date of birth
Date of joining company **12/01/1990**
Date of joining scheme **06/04/1990**

Earnings history for the scheme year ending 5 April

2013	2014	2015	2016	2017	2018	2019	2020	2021

Contribution history

Total member's normal contributions **£**
Total member's AVCs **£**
Current value of AVCs **£**
Single life AVC pension (per annum) payable immediately **£**
Joint life AVC pension (per annum) payable immediately **£**

Pre 6 April 2006 pension accrued as at 5 April 2021

CARE pension (per annum) £

Post 5 April 2006 pension accrued as at 5 April 2021

CARE pension (per annum) £

Special circumstances / additional information

Pension in payment at date of second event is £21,341.28 per annum, which is split as follows:

- Pre 6 April 2006 pension (per annum) £ **20,328.00**
- Post 5 April 2006 pension (per annum) £ **1,013.28**

Lower of 5.0% / RPI increases from date of first event to date of second event is 12.2%.

Lower of 2.5% / RPI increases from date of first event to date of second event is 8.8%.

On retirement, Ta-Nehisi Coates commuted £12,532.09 per annum of pension in return for a tax-free cash sum of £154,896.63. The commuted pension was split as follows:

- Pre 6 April 2006 pension (per annum) £
- Post 5 April 2006 pension (per annum) £ **12,532.09**

At the date of the first event, the Company (with the consent of the Trustees) agreed that any spouse's pension payable on death after retirement would be augmented to 66.00% of Ta-Nehisi Coates' pre-commutation pension revalued to the date of death.

Ta-Nehisi Coates' current available Lifetime Allowance is 67.54%.

THIS QUESTION ALSO REQUIRES A LETTER (QUESTION 6)

CASE STUDY DETAILS**XYZ SCHEME****DEATHS PART 2
QUESTION 5****Event history**

Date of first event **26/02/1998** First event **PRESERVED LEAVER**
Date of second event **18/03/2022** Second event **DEATH**

Member details

Surname **MANISCALCO** Forenames **KERRI**
Date of birth **16/02/1964** Gender **FEMALE**
Spouse's date of birth **19/08/1975**
Dependent child's date of birth
Date of joining company **15/02/1986**
Date of joining scheme **15/03/1986**
Category of membership **A**

Pensionable salary history for the scheme year commencing 6 April

2013	2014	2015	2016	2017	2018	2019	2020	2021

Contribution history

Total member's normal contributions **£ 10,674.72**
Total member's AVCs **£ 16,450.98**
Current value of AVCs **£ 28,650.92**
Single life AVC pension (per annum) payable immediately **£**
Joint life AVC pension (per annum) payable immediately **£**

Contracting-out details at date of first event

Pre 06/04/1988

GMP (per annum) £ 18.72

Post 05/04/1988

GMP (per annum) £ 1,008.80

Special circumstances / additional information

Preserved pension (per annum) at date of first event £ 4,049.52

Lower of 5.0% / RPI increases from date of first event to date of second event is 102.4%.

Kerri Maniscalco's current available Lifetime Allowance is 95.16%.