



**Pensions
Management
Institute**

VOCATIONAL QUALIFICATIONS

LEAVERS PART 1

LEAVER BENEFITS WITHOUT SPECIAL CIRCUMSTANCES

THURSDAY 24 MARCH 2022

2.00 PM – 5.00 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. **LUCIANO FERRARI – (OPQ)**
2. **JESSICA SMITH – (RST)**
3. **FRIDAY ABARA – (XYZ)**
4. **SAKURA NOGAWA – (XYZ)**
5. **FERNANDO LOPEZ – (RST)**

Section B

6. Write a letter explaining the benefits payable and the options available to **JESSICA SMITH**.

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 must not sign letters with their own names. Letters should be signed “A N Other”.

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			
Corporate Bond Fund			
Cash Fund			
Lifestyle Fund	11,053.9573	17,686.3317	

Investment Fund Unit Prices

Fund	Current Unit Price (£)
Global Equity Fund	5.412
Index Linked Bond Fund	1.418
Balanced Fund	4.593
Corporate Bond Fund	1.712
Cash Fund	1.028

Special circumstances / additional information

Luciano Ferrari's reason for leaving was resignation.

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) £ 3,750.00

Special circumstances / additional information

Contractual Salary at date of first event £ 380,000.00

Jessica Smith's reason for leaving was redundancy.

THIS QUESTION ALSO REQUIRES A LETTER (QUESTION 6)

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

Friday Abara's Final Pensionable Salary at 3 July 2011 was £39,000.00.

Lower of 5.0% / RPI increases from 4 July 2011 to date of first event is 34.1%.

Friday Abara's reason for leaving was resignation.

Contracting-out details at date of first event

Pre 06/04/1988

GMP (per annum)	£	654.16
-----------------	---	---------------

Post 05/04/1988

GMP (per annum)	£	2,211.04
-----------------	---	-----------------

Special circumstances / additional information

Sakura Nogawa contributed at the default rate (70ths accrual) throughout her period of membership of the XYZ Pension and Life Assurance Scheme.

Sakura Nogawa's reason for leaving was resignation.

Pre 6 April 2006 pension accrued as at 5 April 2021

CARE pension (per annum) £ 500.64

Post 5 April 2006 pension accrued as at 5 April 2021

CARE pension (per annum) £ 10,425.16

Special circumstances / additional information

Contractual Salary at date of first event £ 65,000.00

Fernando Lopez's reason for leaving was redundancy.