**VOCATIONAL QUALIFICATIONS**

**TRANSFERS IN AND TRANSFERS OUT**

**MONDAY 20 MARCH 2023 1.30 PM – 5.00 PM**

**TIME ALLOWED: 3 HOURS 30 MINUTES**

**1.** Answer **ALL** the questions.

**2.** Type all your answers in the answer box provided.

**3.** Show all workings clearly.

**4.** Calculate the benefits using only the information given.

**5.** Factors must be rounded in accordance with the instruction in the *Tables 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. JENNIFER HUMPHRIES – (RST)**

**2. ROBERT LYNCH – (OPQ)**

**3. EVAN ACKIE – (XYZ)**

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

**4. JOCELYN FULLER – (RST)**

**5. LENA QUARESMA – (OPQ)**

**6. TRAVIS SALDANA – (XYZ)**

**Section B**

**7.** Write a letter concerning **ROBERT LYNCH** 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 **TRAVIS SALDANA** 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 **11/01/2023** First event **PRESERVED LEAVER**

Date of second event **17/03/2023** Second event **TRANSFER OUT**

**Member details**

Surname **HUMPHRIES** Forenames **JENNIFER**

Date of birth **29/05/1969** Gender **FEMALE**

Spouse’s date of birth **09/03/1964**

Child dependant’s date of birth

Date of joining company **07/03/1991**

Date of joining scheme **06/04/1991**

**Contribution history**

Total member's normal contributions **£ 51,002.53**

Post 05/04/1997 member’s normal contributions **£** **41,367.30**

Total member’s AVCs **£ 10,111.96**

Current value of AVCs **£ 12,551.44**

**Preserved benefits**

Member’s total pension at age 65 (per annum): **£ 20,368.77**

Including:

* Member’s pension earned between 06/04/1997 and

05/04/2006 at age 65 (per annum) **£** **5,766.73**

* Member’s pension earned from 06/04/2006 at

age 65 (per annum) **£ 10,750.53**

**Special circumstances / additional information**

Spouse’s pension on death after retirement (per annum) **£** **8,147.51**

Adjustment factor **0.98**

In accordance with the Occupational and Personal Pension Schemes (Conditions for Transfers) Regulations 2021, the Scheme Trustees have completed all of their necessary due diligence checks. They are satisfied that this is a legitimate transfer and that it can proceed.

TrANSFERS

qUESTION 1

CASE STUDY DETAILS OPQ PLAN TRANSFERS

Question 2

**Event history**

Date of first event **12/02/2022** First event **PRESERVED LEAVER**

Date of second event **19/03/2023** Second event **TRANSFER OUT**

**Member details**

Surname **LYNCH**  Forenames **ROBERT**

Date of birth **07/09/1982** Gender **MALE**

Spouse’s date of birth **12/08/1979**

Child dependant’s date of birth

Date of joining company **03/06/2013**

Date of joining scheme **03/06/2013**

Target retirement date

**Contribution history**

Total member's normal contributions **£ 8,325.64**

Total employer’s normal contributions **£ 13,321.02**

Total member’s AVCs **£ 695.44**

**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 | 1,322.3344 | 2,115.7350 |  |
| Index Linked Bond Fund | 549.8877 | 879.8203 | 300.4984 |
| Balanced Fund | 168.3400 | 269.3440 | 82.3496 |
| Corporate Bond Fund | 263.2251 | 421.1602 |  |
| Cash Fund |  |  |  |
| Lifestyle Fund |  |  |  |

**Investment Fund Unit Prices**

|  |  |
| --- | --- |
| **Fund** | **Current Unit Price (£)** |
| Global Equity Fund | 5.396 |
| Index Linked Bond Fund | 1.422 |
| Balanced Fund | 4.222 |
| Corporate Bond Fund | 1.581 |
| Cash Fund | 1.023 |

**Special circumstances / additional information**

In accordance with the Occupational and Personal Pension Schemes (Conditions for Transfers) Regulations 2021, the Scheme Trustees have completed all of their necessary due diligence checks. They are satisfied that this is a legitimate transfer and that it can proceed

**THIS ANSWER ALSO REQUIRES A LETTER (QUESTION 7)**

**TRANSFERS**

**QUESTION 2**

CASE STUDY DETAILS XYZ SCHEME TRANSFERS

QUESTION 3

**Event history**

Date of first event **06/04/2021** First event **PRESERVED LEAVER**

Date of second event **18/03/2023** Second event **TRANSFER OUT**

**Member details**

Surname **ACKIE** Forenames **EVAN**

Date of birth **05/06/1967**  Gender **MALE**

Spouse’s date of birth **01/02/1969**

Child dependant’s date of birth

Date of joining company **04/11/1993**

Date of joining scheme **04/12/1993**

Category of membership **A**

**Contribution history**

Total member's normal contributions **£ 29,332.56**

Post 05/04/1997 member’s normal contributions **£ 20,807.39**

Total member’s AVCs **£ 12,992.54**

Current value of AVCs **£ 14,001.52**

**Preserved benefits**

Member’s total pension at age 65 (per annum) **£ 14,189.32**

Including:

* Post 05/04/1997 pension at age 65 (per annum) **£ 10,065.36**
* Pre 06/04/1988 GMP at age 65 (per annum) **£ 0.00**
* Post 05/04/1988 GMP at age 65 (per annum) **£ 636.48**
* Total GMP at exit (per annum) **£ 450.84**

**Special circumstances / additional information**

Spouse’s pension on death after retirement (per annum) **£ 7,094.66**

Adjustment factor **0.97**

In accordance with the Occupational and Personal Pension Schemes (Conditions for Transfers) Regulations 2021, the Plan Trustees have completed all of their necessary due diligence checks. They are satisfied that this is a legitimate transfer and that it can proceed

**TRANSFERS**

**QUESTION 3**

CASE STUDY DETAILS RST SCHEME TRANSFERS

**QUESTION 4**

**Event history**

Date of first event **16/03/2023** First event **TRANSFER IN**

Date of second event Second event

**Member details**

Surname **FULLER** Forenames **JOCELYN**

Date of birth **04/07/1966** Gender **FEMALE**

Spouse’s date of birth **12/11/1960**

Child dependant’s date of birth

Date of joining company **05/10/2021**

Date of joining scheme **06/04/2022**

**Contribution history**

Total member's normal contributions **£ 1,632.55**

Total member’s AVCs **£** **329.65**

Current value of AVCs **£** **363.54**

**Preserved benefits from previous scheme**

Pension payable at age 65 (per annum) **£ 18,332.39**

**Transfer value details from previous scheme**

Member’s total transfer value **£48,112.44**

Including:

* Member’s total contributions **£ 13,399.33**
* Transfer value in respect of post 05/04/1997 benefits **£ 34,006.61**
* Member’s post 05/04/1997 contributions **£ 9,470.85**
* Transfer value in respect of post 05/04/2006 benefits **£ 20,942.13**
* Member’s post 05/04/2006 contributions **£ 5,832.39**

**Special circumstances / additional information**

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

Adjustment factor **0.99**

**TRANSFERS**

**QUESTION 4**

CASE STUDY DETAILS opq PLAN TRANSFERS

Question 5

**Event history**

Date of first event **12/03/2023** First event **TRANSFER IN**

Date of second event Second event

**Member details**

Surname **QUARESMA** Forenames **LENA**

Date of birth **12/01/1964** Gender **FEMALE**

Spouse’s date of birth **07/09/1970**

Child dependant’s date of birth

Date of joining company **02/02/2023**

Date of joining scheme **02/02/2023**

Target retirement date **12/02/2027**

**Contribution history**

Total member's normal contributions **£ 729.34**

Total employer's normal contributions **£ 1,166.94**

Total member’s AVCs **£ 393.44**

**Personal Retirement Account details**

**Member’s Current Unit Investment Choices**

|  |  |  |  |
| --- | --- | --- | --- |
| **Fund** | **Member’s normal contributions**  **Allocation (%)** | **Employer’s normal contributions**  **Allocation (%)** | **Member’s AVCs**  **Allocation (%)** |
| Global Equity Fund |  |  |  |
| Index Linked Bond Fund | 10.00 | 10.00 | 10.00 |
| Balanced Fund |  |  |  |
| Corporate Bond Fund | 5.00 | 5.00 | 5.00 |
| Cash Fund |  |  |  |
| Lifestyle Fund | 85.00 | 85.00 | 85.00 |

**Investment Fund Unit Prices**

|  |  |
| --- | --- |
| **Fund** | **Current Unit Price (£)** |
| Global Equity Fund | 5.239 |
| Index Linked Bond Fund | 1.329 |
| Balanced Fund | 4.359 |
| Corporate Bond Fund | 1.568 |
| Cash Fund | 1.098 |

**Transfer value details from previous scheme**

Member’s total transfer value (including AVCs) **£80,324.66**

Including:

* Current value of member’s contributions **£31,229.66**
* Current value of AVCs **£21,986.22**

**Special circumstances / additional information**

Following Lena Quaresma’s written authority to proceed, the transfer in of her benefits from the registered Defined Contribution arrangement of her previous employer took place on 12 March 2023. The transfer in was allocated in accordance with Lena Quaresma’s current investment choices and was based on the Investment Fund Unit Prices detailed above.

**TRANSFERS**

**QUESTION 5**

CASE STUDY DETAILS XYZ SCHEME TRANSFERS

QUESTION 6

**Event history**

Date of first event **15/03/2023** First event **TRANSFER IN**

Date of second event Second event

**Member details**

Surname **SALDANA** Forenames **TRAVIS**

Date of birth **02/02/1974** Gender **MALE**

Spouse’s date of birth **05/04/1970**

Child dependant’s date of birth

Date of joining company **07/07/2022**

Date of joining scheme **07/08/2022**

Category of membership **A**

**Contribution history**

Total member's normal contributions **£ 663.29**

Total member’s AVCs **£ 312.44**

Current value of AVCs **£ 316.33**

**Preserved benefits from previous scheme**

Pension payable at age 65 (per annum) **£ 18,115.24**

Including:

* Pre 06/04/1988 GMP at age 65 (per annum) **£**
* Post 05/04/1988 GMP at age 65 (per annum) **£ 663.00**
* GMP at exit (per annum) **£ 361.92**

**Transfer value details from previous scheme**

Member’s total transfer value (including GMP liability) **£ 31,329.58**

Including:

* Member’s total contributions **£ 9,102.34**
* Transfer value in respect of post 05/04/1997 benefits **£ 26,623.75**
* Member’s post 05/04/1997 contributions **£ 7,735.13**

**Special circumstances / additional information**

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

Adjustment factor **0.97**

**THIS ANSWER ALSO REQUIRES A LETTER (QUESTION 8)**

**TRANSFERS**

**QUESTION 6**