

OPQ Letter – Key Points – Michelle Liston (DOR: 13 September 2024)

1. Personal Retirement Account

- Value of total unit holdings = **£225,618.43**
- Value of member's normal contributions = **£67,738.17** (*Lifestyle Funds*)
- Value of employer's normal contributions = **£108,381.08** (*Lifestyle Funds*)
- Value of member's AVCs = **£49,499.18** (*Corporate Bond Fund*)

2. Options

- A tax-free cash sum of **£55,250.00** (which is within both the member's remaining 'LS&DBA' of **£1,073,100.00** and 'LSA' of **£268,275.00**) plus a single-life annuity of **£15,323.19 pa** [*spouse = N/A*], which will be non-increasing
OR
- A tax-free cash sum of **£55,250.00** (which is within both the member's remaining 'LS&DBA' of **£1,073,100.00** and 'LSA' of **£268,275.00**) plus a single-life annuity of **£12,871.48 pa** [*spouse = N/A*], which will be increased each year by the lower of 2.5% or RPI
OR
- A single-life annuity of **£20,292.46 pa** [*spouse = N/A*], which will be non-increasing
OR
- A single-life annuity of **£17,045.67 pa** [*spouse = N/A*], which will be increased each year by the lower of 2.5% or RPI
OR
- A single "Uncrystallised Funds Pension Lump Sum" (UFPLS) of **£225,618.43** (of which **£56,404.61** [tax-free element] is within both the member's remaining 'LS&DBA' of **£1,073,100.00** and 'LSA' of **£268,275.00**)
OR
- The value of the Personal Retirement Account can be transferred to a suitable alternative arrangement to enable the member to take advantage of additional flexibilities (e.g. multiple UFPLS's or Flexi-Access Drawdown)
OR
- The open market option

3. Payment of annuity

- The chosen annuity will be paid by monthly instalments in arrears
- The first payment will occur on **13 October 2024**
- The annuity will be paid for life and will be subject to PAYE

4. Payment of single UFPLS

- For the single UFPLS, **£56,404.61** will be paid tax-free and **£169,213.82** (taxable element) will be paid assuming an emergency code on a month 1 basis
- Any over payment or under payment of tax will be dealt with by HMRC at the end of the tax year (or earlier by completing a "Repayment Claim Form" available from HMRC)

5. Death in retirement

- If the member dies after the commencement of the annuity, any further benefits will depend on the chosen option at retirement (e.g. any of the single-life annuity options means NO spouse's annuity will be payable on the death of the member)
- If the member dies after taking a single UFPLS, no further benefits will be payable

6. General information

- A minimum “Annuity Bureau” charge of **£110.74** will apply for both annuity options if the tax-free cash sum option is taken (assuming the chosen annuity is purchased using the “Annuity Bureau” factors).
- A minimum “Annuity Bureau” charge of **£146.65** will apply for both annuity options if the tax-free cash sum option is not taken (assuming the chosen annuity is purchased using the “Annuity Bureau” factors)
- Reference to Pension Wise (guidance guarantee) should be provided for the UFPLS option under the Plan or for a transfer to a suitable alternative arrangement to take advantage of additional flexibilities (e.g. multiple UFPLS’s or Flexi-Access Drawdown)

7. Details required

- Request a copy of the member’s birth certificate
- Request the member’s completed ‘Option choice’ form
- Request the member’s completed ‘Bank details’ form

NOTE –

Letters should be written in full and should include the information contained in each of the bullet points.

Failure to write a letter in full will result in marks being lost.

Failure to mention the information contained in each of the bullet points will result in marks being lost.