



Triviality Example 1

Philip Edwards has a Personal Pension with Windsor Life. The current fund value is £3,000.

Philip has no other pension benefit provision with any other pension provider or from any former employer. He is not receiving any form of pension benefits yet.

On SECTION 1 of Form E he checks the personal details that have been completed. He is happy that these are correct.

SECTION 2 - Philip has never received a lump sum on the grounds of triviality from any registered pension scheme, he answers NO to this question.

SECTION 3 – Philip is asked if he wants to nominate a date on which to check if his Windsor Life pension can be taken under the triviality rules. If he chooses not to, then Windsor Life automatically uses the retirement date on the policy. Philip decides not to choose a date (and ticks the box that confirms this) so his retirement date (in respect of his Windsor Life policy) is taken as the Nominated Date.

SECTION 4 – Philip does not have any pension benefits with any registered pension scheme that started before 6 April 2006.

He therefore enters a zero in Box A on Form E.

SECTION 5 - He does not have any pension benefits that started after 6 April 2006 from any registered pension scheme.

He therefore enters a zero in Box B on Form E.

SECTION 6 – He has not had any other payments (such as a serious ill health lump sum or a transfer of benefits to an overseas scheme) since 6 April 2006.

He therefore enters a zero in Box C on Form E.

SECTION 7 – Philip notes that Windsor Life have confirmed to him on the covering letter of his vesting pack that his benefits represent 0.2% of the Standard Lifetime Allowance (SLA).

(This has been calculated by dividing £3,000 by £1,500,000 (the SLA for the tax year 2006/07) and then multiplying the answer by 100).



He therefore enters 0.2 in Box D on Form E.

Philip then adds up all of the figures in Boxes A, B, C and D and enters the resulting figure of 0.2 ($0+0+0+0.2 = 0.2$) in Box E.

Philip reads the important declarations made in section 8.

He then signs, dates and prints his name at the bottom of the form and is now ready to send back Form E to Windsor Life.

Philip keeps the 'Notes for Form E' for future reference – there is no requirement to send these notes back to Windsor Life.