



Triviality Example 2

Elizabeth Jones has a Personal Pension with Windsor Life. The current fund value is £7,200.

Elizabeth also has some pension benefits in respect of a former employer. She is yet to take those benefits.

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

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

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

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

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

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

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

SECTION 6 – She 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.

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

SECTION 7 – Elizabeth notes that Windsor Life have confirmed to her on the covering letter of her vesting pack that her benefits represent 0.4% of the Standard Lifetime Allowance (SLA).

(This has been calculated by dividing £7,200 by £1,800,000 (the SLA for the tax year 2011/12) and then multiplying the answer by 100).



She also remembers that she has some further pension rights built up with a former employer. She contacts the pension scheme administrator of her former employer and asks them to provide her in writing with a value of those benefits expressed as a percentage of the SLA.

Her former employer writes back to Elizabeth and informs her that those pension benefits represent 0.35% of the SLA.

Elizabeth therefore enters $0.4 + 0.35 = 0.75$ in Box D on Form E.

She takes a copy of the letter that she received from her pension scheme administrator of her previous employer which sets out what her benefits are as a percentage of the SLA as she needs to send this as evidence of those benefits to Windsor Life.

Elizabeth then adds up all of the figures in Boxes A, B, C and D and enters the resulting figure of 0.75 ($0+0+0+0.75 = 0.75$) in Box E.

Elizabeth reads the important declarations made in section 8.

She then signs, dates and prints her name at the bottom of the form.

She sends back her evidence of benefits from her previous employer and Form E to Windsor Life.

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