

## Chapter 19

# Pensions supplementary provisions



## Transfer value comparator

This annex belongs to ■ COBS 19.1.3AR.

[Note: The FCA has also issued non-Handbook guidance for firms who advise on pension transfers. See <https://www.fca.org.uk/publication/finalised-guidance/fg21-3.pdf>]

### *Transfer value comparator*

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- 1 The firm must:
  - (1) revalue the future income benefits in COBS 19.1.3AR(1) by projecting them to the date they would normally be paid in accordance with the assumptions in COBS 19 Annex 4C 1R(4);
  - (2) determine the estimated future cost of the *pension annuity* in accordance with the assumptions in COBS 19 Annex 4C 1R(2); and
  - (3) apply the rate of return and charges in COBS 19 Annex 4C 2R to the amount determined in (2) to determine the estimated value needed at the calculation date.

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2 [deleted]

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3 [deleted]