

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

R

- 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.

R

2 [deleted]

G

3 [deleted]