

### March 2026 Exam - J05 Pension income options

Question No.	Syllabus learning outcomes being examined	
1.	1.1	Lifetime allowance (LTA) abolishment, valuation factors, transitional reliefs;
2.	1.4	Relevant benefit crystallisation events (RBCEs), including valuations and calculations;
3.	1.5	Commutation of benefits, including triviality and small pots;
4.	2.3/ 3.3/ 4.3	The benefits payable on death and their tax treatment, including the Lump Sum and Death Benefit Allowance (LSDBA).
5.	4.1	Phasing retirement using secure and flexible options, including flexi-access drawdown, capped drawdown, uncrystallised funds pension lump sum (UFPLS), including the Lump Sum Allowance (LSA) and Lump Sum and Death Benefit Allowance (LSDBA) and annuities;
6.	3.1/ 4.1	Definition, HMRC requirements, and main features, including capped drawdown, flexi-access drawdown (FAD), short-term annuities, and the risks of non-annuity pension options; Phasing retirement using secure and flexible options, including flexi-access drawdown, capped drawdown, uncrystallised funds pension lump sum (UFPLS), including the Lump Sum Allowance (LSA) and Lump Sum and Death Benefit Allowance (LSDBA) and annuities;
7.	5.1	FCA – Conduct of Business Sourcebook (COBS), including pensions guidance, retirement risk warnings, illustrations and investment pathways;
8.	5.3	Security of members benefits, including Pension Protection Fund, Financial Assistance Scheme and Financial Services Compensation Scheme;
9.	6.6	State Pension Credit;
10.	7.1	The importance of establishing a client's personal and financial circumstances and requirements including, attitude to investment risk, capacity for loss, longevity including life expectancy probability and investment strategies in retirement;
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12.	7.1	The importance of establishing a client's personal and financial circumstances and requirements including, attitude to investment risk, capacity for loss, longevity including life expectancy probability and investment strategies in retirement;
13.	7.1	The importance of establishing a client's personal and financial circumstances and requirements including, attitude to investment risk, capacity for loss, longevity including life expectancy probability and investment strategies in retirement;
14.	7.4	The choice between the different methods for drawing a pension income and/or lump sum and the Income Tax planning considerations (both State and private);
15.	7.5	The importance of cashflow modelling, including stress testing, life expectancy, sequencing risk and the safe withdrawal rate;