



CONGRUENT

[mycongruent.com](http://mycongruent.com)

# PENSION DIVORCE CALCULATOR





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## OVERVIEW

The “Pension Divorce Calculator” makes an estimate for a Pension Sharing Order. We allow for discount rates, inflation rates, and gender-specific mortality rates including future mortality improvement. Discount rates are used to compare aggregate future standard pension payments with the total cash-in value allowing for the time-value of money. All these forecasting elements are based on research published daily by the Bank of England or the yearly Continuous Mortality Investigation of the Institute and Faculty of Actuaries.

### PENSION DIVORCE CALCULATOR

Congruent has kept the options made available to users of the portal simple but behind-the-scenes Congruent has the facilities to adjust the pension starting age and a pension ratio between the two parties other than 50/50 – that is an optional additional, chargeable, service. Using our Congruent Calculations™ calculation framework we are able to model the Pension Sharing Order taking into account the relevant risk factors and provide a detailed actuarial report.

It is important to realise that the amount of the standard pension determined is unlikely to be achieved, even approximately, in practice. When the applicable age is reached the amount of pension may be very different (even if one then excludes the pension earned subsequently). This situation is a consequence of the “clean break” principle and the fact that discount rates and inflation rates are volatile – when the time is reached for the pensions to be payable the history of discount rates and inflation rates can be very different. Also if either of the parties is many years from the age assumed for the pension to be payable the fact that mortality has been assumed is also a factor (but explaining that is too detailed to be set down here).



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## **CONGRUENT CALCULATIONS™**

Congruent provides calculation services for pensions valuation, capital and redress calculation purposes. It has developed a web based software platform to enable licensed users to perform these calculations – Congruent Calculations™.

Our calculators have been developed and maintained by Congruent for use by our own consultants, our software is designed to meet the needs of a wide range of financial, risk and compliance reporting requirements providing calculations in line with the most up to date accounting and regulatory standards.

The software is available on a secure cloud platform under licence with full support and training.

## **SYSTEMS INFRASTRUCTURE**

Congruent uses a stable, secure and trusted platform for hosting business applications. Congruent has developed a number of proprietary databases including Congruent Calculations™ using this platform. This platform provides the advanced security features e.g. database, document and network encryption including SSL encryption for web access. The adoption of this infrastructure ensures that client data is held in a secure and robust data environment.

Congruent has developed a client portal within this platform that is used for pension calculations. This client portal has a web interface that permits a client to access key results including the store of historical calculations for audit purposes. The client portal has user friendly documentation and is available “24-7” (including weekends) with occasional down-time for server maintenance.

## **ABOUT CONGRUENT**

Congruent group of companies comprises a holding company Congruent Holdings Limited 09465766, and Congruent Management Limited 09465853 that employs staff and purchases services for the group, and the following operating companies:

Congruent Actuarial Limited registered in England and Wales – No. 08709494 | VAT Registration No. 175 5513 95 | Professional Standards and Code of Conduct: Institute and Faculty of Actuaries | Authorised and Regulated by the Financial Conduct Authority – FRN 831289 | Licensed by the Bar Standards Board to instruct the Bar directly for advice and for representation | Data Protection Register – registration number ZA022408 | Professional Indemnity Insurance: Insured through Pembroke Managing Agency Limited with Hamilton Syndicate 4000

Congruent Administrators Limited 11328182 and Congruent Trustees Limited 11328118 : These companies provide scheme administration and professional trustee services to Small Self-Administered Schemes (“SSAS”s)

Congruent Risk Limited 09465877: Congruent Risk owns Congruent’s proprietary software

Congruent Analytics Limited 11328238 and Congruent Financial Limited 09467628 : These companies have been incorporated to reserve the names and for future use

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