



**Pensions
Management
Institute**

Moving pensions forward

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1. What is a corporate trustee?
 - A. A trustee appointed by the court.
 - B. An individual trustee appointed by the sponsoring company.
 - C. **A company which acts as a trustee.**
 - D. The sponsoring employer.

2. If the sponsoring employer of a defined benefit scheme becomes insolvent who is responsible for exercising all trust discretions in the company pension scheme?
 - A. The Pensions Regulator.
 - B. The Insolvency Practitioner.
 - C. Pension Protection Fund.
 - D. **The person specified in the Trust Deed and Rules.**

3. Meetings of trustees must be held..
 - A. at least twice a year.
 - B. following the actuarial valuation.
 - C. **in the way as stipulated in the trust deed and rules.**
 - D. as required under the Pension Schemes Act 1993.

4. Under statutory requirements, the decisions of the trustees may be taken by a majority unless...
 - A. there are less than 12 members.
 - B. the trustees agree otherwise.
 - C. **the scheme's trust deed and rules provides otherwise.**
 - D. there are less than one hundred members.

5. The trustees are ultimately responsible for the collection of contributions....
 - A. only if Additional Voluntary Contributions are paid by members.
 - B. **at all times.**
 - C. if instructed to do so by the employer.
 - D. if the trust deed permits.

6. It is a legal requirement that the trustees' Annual Report must be available...
 - A. at the end of the scheme year.
 - B. **within 7 months of the end of the scheme year.**
 - C. within 12 months of the end of the scheme year.
 - D. within 18 months of the end of the scheme year.

7. Which one of the following does NOT have to be included in the trustees' annual report?
 - A. Details of changes to the trustees.
 - B. Details of discretionary pension increases made in the scheme year.
 - C. Details of any self investment.
 - D. **Home addresses of trustees.**

8. Investments should generally be stated in the audited accounts of a pension scheme at...

- A. cost.
- B. fair value.
- C. book value.
- D. the value used by the insurance company.

9. In general in-house investment managers...

- A. specialise only in UK equity investment.
- B. are independent companies that frequently attend in-house meetings.
- C. are employed by the company sponsoring the pension scheme or another company within the same group.
- D. have few restrictions placed upon them by the Financial Services and Markets Act 2000.

10. If a fund manager has purchased a financial future to buy stock it will have...

- A. a future option to buy at a fixed price.
- B. a guaranteed profit.
- C. an obligation to buy at a fixed price in the future.
- D. an option to buy at a negotiable price in the future.