

THE PENSIONS MANAGEMENT INSTITUTE

QUALIFYING EXAMINATION APRIL 2019

Monday 1 April 2019, 2.00pm – 5.00pm

PROFESSIONALISM AND GOVERNANCE

Notes: Three hours are allowed for this paper. Answer all parts of all questions. In a multi-part question when the marks are not equally divided a guide to the available marks for each part is shown. For Question 1, 20% of the total marks for that question will be based on format/communications/presentation elements and the remainder will be based on technical content.

1. You are the Secretary to the Trustees for the Board of a medium sized defined benefit pension scheme which is still open to new members. At the last meeting, the Trustees raised concerns about their risk management. They have asked you to prepare a briefing report setting out the structures they could use to better monitor and manage their scheme risks.

Your briefing report should cover:

- What factors can influence any structures they put in place
- TPR's expectations of trustees
- Factors influencing the composition of the trustee board
- The specific help that should be given to newly appointed trustees
- The use of sub committees of the trustee board
- How conflicts can be managed and the use of risk registers.

(48 technical marks, 12 format/communication marks. Total 60 Marks)

2.

- a) Summarise the PMI Code of Professional Conduct (3 Marks)
- b) Define professionalism (2 Marks)
- c) Outline the benefits of professionalism (5 Marks)

(10 Marks)

3. You are a consultant to a scheme reviewing its long standing legal advisers through your firm's procurement department. You talk to the procurement manager and he tells you his wife works for a shortlisted firm with the lowest bid. He says if you stay silent, he can 'make it worth your while'.

a) What are the relevant section(s) of the Code that apply? (8 Marks)

b) What, if any, actions should you take? (7 Marks)

(15 Marks)

4. You are the Administration Team Leader for a pension scheme, one of your team comes to you in distress. A member was abusive to them on the phone. The call ended by your team member putting the phone down. They have asked you to call the member back stating their behaviour is unacceptable.

a) What are the relevant section(s) of the Code that apply (8 marks)

b) What, if any, actions should you take? (7 marks)

(15 Marks)

APRIL 2019