



**Pensions
Management
Institute**

Moving pensions forward

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THE PENSIONS MANAGEMENT INSTITUTE

QUALIFYING EXAMINATION 2018

DEFINED BENEFIT ARRANGEMENTS

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. A small number of marks may be awarded for appropriate and relevant communication and formatting.

1. Outline the main features of:
 - Shared Risk Schemes
 - Small Self Administered Schemes
 - Cash Balance Schemes.

(20 marks)

2. Describe the disclosure regulations that apply on retirement.

(5 marks)

3. Describe the key duties of a trustee under Trust Law.

(5 marks)

4. You are a Pensions Specialist for an in-house pension scheme. Write a memo to the Scheme Administration Manager explaining the key features of:
 - (a) The Tapered Annual Allowance

(7 marks)
 - (b) The Money Purchase Annual Allowance

(13 Marks)

5. In your role as a Pension Consultant to the XYZ Pension Scheme, write a report for the trustees detailing the main financial assumptions used in actuarial calculations. (30 marks)
6. Outline the levies payable to fund the Pension Protection Fund. (10 marks)
7. Describe the priority order when a pension scheme winds up, commencing in April 2018. (10 marks)