

THE PENSIONS MANAGEMENT INSTITUTE

QUALIFYING EXAMINATION 2017

**DEFINED CONTRIBUTION
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. (a) You are a Pensions Adviser for ABC Limited which is in the process of establishing a new Defined Contribution Scheme and have been asked to brief the Trustees of the Scheme on the process adopted by HMRC to register pension schemes. Write a paper which explains how the process has evolved since 2006. [Note: the information required to register a new scheme is NOT required]. (15 marks)
- (b) Write notes on 'Electronic Filing'. (15 marks)
2. (a) (i) Identify the core components of the proposed Pensions Dashboard. (3 marks)
- (ii) Outline the issues which have been identified in the White Paper as key to the success of the Dashboard. (8 marks)
- (b) (i) Describe the key features of the Lifetime ISA. (10 marks)
- (ii) Identify the proposals for accessing Lifetime ISA savings without penalty. (4 marks)

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3. (a) You are a Pensions Consultant for the DEF Limited Defined Contribution Occupational Pension Scheme. The Chairman of Trustees would like to gain a better understanding of the Annual Chair's Statement. Write an email to him which explains when the Statement must be prepared and the information it should contain.
(15 marks)
- (b) Outline the 'Knowledge and Understanding' requirements that trustees of defined contribution occupational pension schemes must meet.
(10 marks)
4. Write notes on 'uncrystallised funds pension lump sums' (UFPLS). Your answer should include an explanation of the tax treatment of an UFPLS.
(10 marks)
5. Describe enhanced annuities and list the medical conditions which may result in such an annuity being payable.
(10 marks)

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