



Pensions
Management
Institute

ACHIEVING PENSIONS EXCELLENCE

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Core Unit 1A Sample Questions

1. A trust-based defined benefit scheme
 - a. is perceived to be less risky for an employer than a defined contribution scheme
 - b. will not typically offer a full range of retirement options to members
 - c. can provide short service refunds for members who joined on or after 1 October 2015 and leave with over 30 days' service.
 - d. is always regulated by TPR and the FCA.

2. The beneficiaries of a trust-based defined benefit scheme may include
 - a. spouses of members
 - b. anyone who was financially dependent on the member
 - c. the employer
 - d. all of the above.

3. When will the implementation of staging for automatic enrolment be concluded for all employers?
 - a. September 2017.
 - b. September 2018.
 - c. January 2018.
 - d. February 2018.

4. Defined contribution pension schemes always
 - a. give the individual member choice concerning the investment of contributions
 - b. offer at least two choices of investment
 - c. have an insurance company as the provider
 - d. expose the member to the risk of uncertain final benefits.

5. Insurance companies
 - a. only provide contract-based schemes
 - b. can provide annuities and AVC facilities
 - c. are always regulated by the ABI and the PRA
 - d. never act as scheme managers.



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6. For ISAs
(i) contributions are made from taxed income
(ii) the income earned is tax free.
- a. Both True
b. Only (i) True
c. Only (ii) True
d. Both False
7. (i) State pensions can be paid before State Pension Age.
(ii) A lump sum benefit can be taken from State pension benefits at State Pension Age.
- a. Both True
b. Only (i) True
c. Only (ii) True
d. Both False

Correct Responses:

1. B
2. D
3. D
4. D
5. B
6. A
7. D