



Advanced Diploma in Retirement Provision Core Unit Test Specification

The Advanced Diploma uses the following variety of question types:

Question Type	Question Type description	Marks per Question
A	self-contained single answer multiple choice questions where candidates are requested to select the correct option from a choice of four.	1 mark
B	single answer multiple choice questions where candidates are presented with two statements and requested to identify whether a) both statements are true, b) only i) is true, c) only ii) is true or d) both statements are false.	1 mark
C	Short length answer questions where candidates write their answers in freeform	5-10 marks
D	Moderate length answer questions where candidates write their answers in freeform	15-20 marks
E	Full length answer questions where candidates write their answers in freeform	30 to 45 marks
F	“Scenario” type questions where candidates are presented with a scenario and requested to write a short answer to the question presented on the scenario	10 to 15 marks
G	Extended length questions where candidates are presented with a case study and requested to write a detailed answer	60 marks

The Core Units of the Advanced Diploma in Retirement Provision will be assessed through questions of Types A, B and C as denoted in bold above. Sample illustrative questions are provided at the end of this Test Specification.

For examinations from April 2016 onwards the Core Units

- 1A - Understanding Retirement Provision
- 1B - Foundation in International Employee Benefits
- 2 - Regulation of Retirement Provision
- 3 - Running a Workplace Pension Scheme
- 4 - Financing and Investing for Retirement Provision

will be assessed through an examination of total duration two hours, containing two distinct parts as follows:

Part 1 – multiple choice, 50 marks in total. 50% of overall mark. Recommended one hour

- 40 Type A questions
- 10 Type B questions

Part 2 – short answer. 50 marks in total. 50% of overall mark. Recommended one hour

- 5 to 10 Type C questions

Sample Questions

Type A - self-contained single answer multiple choice questions [select correct option from choice of 4].

1. Compensation is often paid at regular intervals, in cash and can also be subject to national statutory minimum rates, whereas
 - a. employee benefits are often less tax effective than salary.
 - b. bonus payments are always usually paid in stock options.
 - c. employee benefits may only be paid at a certain specified event.
 - d. Pension benefits are usually not paid regularly.

2. In a DC pension plan, the benefits provided
 - a. depend on employer contributions and the employee's final salary.
 - b. are determined solely by total contributions by employee and employer
 - c. will never be subject to tax.
 - d. depend on total contribution and investment return less any charges.

Type B - single answer multiple choice questions [multiple true false].

Multiple true false format. They comprise two statements (numbered (i) and (ii) and four possible options (lettered 'a' both true; 'b' Only (i) true; 'c' Only (ii) true; and 'd' both false), only ONE of these options is correct.

3. (i) The book reserve approach to funding is common in Germany.
(ii) The pay as you go approach to funding is common in the UK amongst trust based DB plans.
 - a. Both true
 - b. Only (i) true
 - c. Only (ii) true
 - d. Both false

Type C – short answer questions

1. Under the Data Protection Act 1998, explain the role and powers of the Information Commissioner's Office. (10 marks)

2. Outline the differences between a share sale and a business sale. (10 marks)

3. Outline the methods for varying a trust. (5 marks)