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## Core Unit 1A - Understanding Retirement Provision

### EXAMINATION PAPER

Monday 1 April 2019, 9.30am – 11.30am

Fill in these particulars:

Centre Name

Candidate Number

Your full name:

There are two parts to the question paper.

**Part One** Contains 50 multiple choice questions. Each question shows **FOUR** possible answers (lettered 'A', 'B', 'C' and 'D') only **ONE** is correct. Attempt **ALL** questions on the white answer sheet **in pencil**.

**Part Two** Contains several short answer questions. Attempt **ALL** questions in the green answer booklet **in pen**.

It is suggested equal time is spent on both parts of the question paper.

**THIS EXAMINATION PAPER REMAINS THE PROPERTY OF THE PENSIONS MANAGEMENT INSTITUTE AND MUST BE HANDED TO THE INVIGILATOR AT THE END OF THE EXAMINATION.**

## **Part Two: Short Answer Questions**

This part of the examination contains a number of short answer questions, worth 50 marks in total. Please answer all of the questions.

Please make sure that you answer these questions in the green answer booklet in pen.

1. Identify the advantages and disadvantages of equity release. (5 marks)
2. Describe the new State Pension that is applicable to those reaching State Pension Age after 5 April 2016. Note: you are not required to provide details about the allowance that is made for State Pension already accrued up to 5 April 2016. (10 marks)
3. Describe how the Benefit Cap, introduced by the Government in 2013, is applied to families. (5 marks)
4. Identify the three different categories of worker to whom employers have obligations under the automatic enrolment requirements, and state how these obligations differ by category. (8 marks)
5. In November 2017 the Work and Pensions Committee launched an inquiry into the merits of collective defined contribution (CDC) schemes. Describe a CDC scheme. (5 marks)
6. Outline the role of the trustees' legal advisers. (5 marks)
7. The way personal pension providers receive income differs with the type of provider. List the types of providers and the different ways they usually take their charges, and state how these differ to the way charges are levied by financial advisers. (7 Marks)
8. Explain how fraudsters have used the popularity of Self-Invested Personal Pensions (SIPPs) to set up vehicles for pension scams, and the consequences for members. (5 Marks)