



Core Unit 3 – Running a Workplace Pension Scheme

EXAMINATION PAPER

Tuesday 2 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. Explain how pension rights are valued for the Lifetime Allowance when they are crystallised. (6 marks)
2. Explain the requirements a defined benefit scheme must meet to be a qualifying scheme for automatic enrolment. (10 marks)
3. List the range of administration services that can be offered to pension schemes by insurance companies and third party administrators. (6 marks)
4. Outline the advantages of using an interface to transfer contributions between an employer's payroll and administration systems. (5 marks)
5. Outline the cross border provisions introduced by the Pensions Act 2004. (5 marks)
6. Explain the conditions that must be met before pension benefits can be commuted for serious ill health and how the payment is taxed. (8 marks)
7. Describe how pension sharing on divorce works. (10 marks)