



**Pensions
Management
Institute**

Moving pensions forward

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THE PENSIONS MANAGEMENT INSTITUTE

QUALIFYING EXAMINATION APRIL 2019

Monday 1 April 2019, 9.30am – 12.30pm

**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. Describe the following types of asset class that are likely to be offered in a DC pension scheme.
 - a) Equities (6 Marks)
 - b) Property (6 Marks)
 - c) Bonds (6 Marks)
 - d) Cash (6 Marks)
 - e) Balanced Funds (6 Marks)

(Total 30 Marks)

2. You are a Pensions Adviser for the XYZ Limited DC Occupational Pension Scheme and have been asked to produce a training manual for the Administration Team on 'Leaving Service'. Outline the different categories of early leaver, describe the benefits payable for each category and show how they are calculated.

(25 Marks)

3. DC occupational pension schemes require a computer system to enable the scheme to be administered. List:

a) the minimum data the system must be capable of storing (12 Marks)

and

b) additional items that may be stored. (13 Marks)

(Total 25 Marks)

4. You are a member of the Board of Trustees for the XYZ Limited Defined Contribution Occupational Pension Scheme. A member has asked you to brief him on the recent initiatives announced by the Government to combat pension scams. Draft an email to him in response to his request. (10 marks)

5. Identify the main features of stakeholder pension schemes (10 marks)

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