**Core Unit 3 – Running a Workplace Pension Scheme**

**Assignment 3 Notes**

(Part 4 – Allowances)

Recommended Time: 1 Hour

# Explain Primary Protection and Enhanced Protection.

# 10 marks

1. **Outline the changes to the Annual Allowance were announced in the Summer Budget 2015.**

# 5 marks

1. **What determines the level of the Lifetime Allowance Charge for a member whose benefits exceed the Lifetime Allowance? Illustrate the difference using a worked example.**

**5 Marks**

1. **Explain what a Benefit Crystallisation Event is and how a member’s benefits are tested.**

**10 marks**

1. **Other than Primary Protection and Enhanced Protection, list 5 other Protections available to scheme members and outline what other Lifetime Allowance enhancement factors are available and why were they introduced?**

**10 marks**

1. **Write short notes on how the Pension Input Period operates for Defined Benefit or Cash Balance schemes.**

**10 marks**