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

Assignment 2

(Part 3 – Benefits and Communication)

Recommended Time: 2 Hours

1. **Outline the key features of Pension Commencement Lump Sums (PCLS) and Trivial Commutation Lump Sums (TCLS).**

**(You are not required to cover GMPs or to go into detail about lifetime allowance calculations and limits in your answer).**

(**15 marks)**

1. **At the Annual Renewal of a scheme, what additional information, other than salary, might be included in the annual updating of active members’ records, and what type of reconciliations might be carried out?**

(**5 marks)**

1. **Explain the requirements and responsibilities relating to the calculation and payment of a transfer out of a registered defined benefits scheme.**

**(10 marks)**

1. **Describe why members of defined contribution schemes might explore alternative options to purchasing an annuity at retirement, and outline the alternative options available.**

**(20 marks)**

1. **Briefly explain the key features of Pension Sharing on divorce.**

**(5 marks)**

1. **Outline four external services trustees may use in order to delegate their investment related activities.**

**(15 marks)**

1. **Describe the revaluation requirements for non-GMP deferred benefits in a defined benefit scheme.**

**(10 marks)**

1. **Outline the role and responsibilities and requirements of a Scheme Actuary and a Scheme Auditor.**

**(10 marks)**

1. **Describe the process whereby trustees exercise discretion to pay lump sum death benefits, and outline the types of death benefit that may be payable after a member of a defined benefit scheme has put benefits into payment.**

**(10 marks)**