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Core Unit 4

Financing and Investing for Retirement Provision

Assignment 4

*(Part 5 – Regulation and Administration and Part 6 – Investment Management)*

*Recommended Time: 2 hours*

1. Investment managers will hold a scheme’s assets on a segregated fund or pooled fund basis, often using a combination of both approaches.

Compare the fee structure used for each approach.

**15 marks**

1. A SIP must specify the trustees’ policy with regard to ESG.
2. Explain what ESG stands for.
3. Describe the difference between positive screening and negative screening.

**15 marks**

1. Outline The Pensions Regulator’s requirements for a scheme that meets the definition of a master trust.

**20 marks**

1. List 5 of the sections typically included in an Investment Management Agreement.

 **5 marks**

1. Write brief notes on:
2. The statutory objectives of the FSMA
3. Why defining “regulated activity” is important.

 **10 marks**

1. A newly appointed trustee wishes you to clarify his responsibility as a trustee for the production and accuracy of a scheme’s financial statements. Write him a letter detailing specifically –
* Accounting concepts
* The Fund Account and the Net Assets Statement
* Asset Values
* Listed Securities
* Unlisted Investments
* Property
* Insurance Policies
* Derivatives
* Audit

 **35 marks**