



**Pensions
Management
Institute**

Core Unit 4 – Financing and Investing for Retirement Provision

April 2022

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There are two parts to the question paper.

(Multiple Choice Questions are not included in this version of the 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. (not attached to this sample paper)

Part Two Contains several short answer questions. Attempt **ALL** questions. (attached below)

It is suggested equal time is spent on both parts of the question paper.

1. Describe the tapered reduction to the Annual Allowance for higher earners.
(5 marks)

2. Outline the factors affecting the capital value or price of a bond.
(10 marks)

3. Explain the impact of growth assets in actuarial valuations.
(5 marks)

4. In relation to drawdown:
 - a) List the factors influencing the withdrawal strategy.
 - b) Explain the considerations when setting the investment strategy.**(10 marks)**

5. (a) Explain what is meant by each word in the term “ESG”;
(b) List 10 of the 17 Sustainable Development Goals.
(10 marks)

6. Outline the information which should be included in a monthly or quarterly portfolio valuation provided by investment managers to trustees.
(5 marks)

7. Describe the two approaches to pricing when a company issues new shares in the primary market.
(5 marks)