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

**Assignment 2**

(Part 3 – Benefits and Communication)

Recommended Time: *2 hours 30 minutes*

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)**