



## Core unit 2 – Regulation of Retirement Provision

**Monday 7th April 2025**                      **2.00 PM – 4:30 PM**  
**Time Allowed:**                                **2 hours 30 minutes**  
**Overall Marks - 100**  
**Passing Percentage – 65 %**

1. Answer **ALL** the questions.
2. Type all your answers in the answer box provided.
3. It is suggested to allocate your time according to the proportion of marks each question attracts.

<b>Question Number: 1</b>	
List the criteria that trustees must satisfy when exercising a discretion. (5 marks)	
<b>Marks</b>	<b>Total Marks      5</b>

<p><b>Question Number: 2</b></p> <p>You are the Chair of Trustees of the ABC Pension Scheme. A newly appointed trustee has asked you to provide information about the duties of the Scheme Administrator. Prepare a briefing paper for the trustee, outlining these duties in respect of:</p> <p>(i) Record-Keeping requirements (6 marks)</p> <p>(ii) Information requirements (14 marks) (20 marks)</p> <p>(Including 1 formatting mark)</p>		
<b>Marks</b>	<b>Total Marks</b>	<b>20</b>

**Question Number: 3**

There have been a number of Pensions Ombudsman Determinations on pensions liberation. These include three similar cases, each involving a transfer from a personal pension scheme to an occupational pension scheme, (Jerrard (PO-3809), Stobie (PO-3105) and Kenyon (PO-1837)) where the transferring schemes had refused to pay the transfer values because they suspected that the transfers would result in pensions liberation.

Describe:

- (i) some of the reasons suspicions arose (3 marks);
- (ii) the issues the Ombudsman considered (9 marks); and
- (iii) the suggestions made by the Ombudsman for these cases (3 marks). (15 marks)

<b>Marks</b>	<b>Total Marks 15</b>
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**Question Number: 4**

Prepare notes outlining the position applicable to DC schemes, in relation to the recovery of VAT. (10 Marks)

<b>Marks</b>	<b>Total Marks 10</b>
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**Question Number: 5**

Prepare slides for the trustee board of one of the Company's two defined benefit pension schemes about a planned scheme merger.

Your slides should cover, in detail:

- (i) how scheme mergers can be achieved (3 marks);
- (ii) transfers with and without members' consent (10 marks);
- (iii) funding considerations (3 marks);
- (iv) benefits for transferring members in the receiving scheme (2 marks); and
- (v) the tax treatment of the transfers (2 marks). (20 marks)

<b>Marks</b>	<b>Total Marks 20</b>
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**Question Number: 6**

List the key features of each of the following types of trustee:

- (i) Member-nominated Trustee/Director (5 marks);
- (ii) Individual Trustee (5 marks);
- (iii) Trust Corporation (5 marks). (15 marks)

<b>Marks</b>	<b>Total Marks 15</b>
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<b>Question Number: 7</b>	
In relation to pension options on divorce, describe some of the differences between Scottish Law and English law. (5 marks)	
<b>Marks</b>	<b>Total Marks 5</b>

<b>Question Number: 8</b>	
Draft a report outlining the role of the employer in ensuring good Scheme governance. (10 marks)	
<b>Marks</b>	<b>Total Marks 10</b>