



Core Unit 2

Regulation of Retirement Provision

Assignment 2

(Part 2 – Trust Law, the Role of Trustees and Establishing a Trust-Based Pension Scheme)

Recommended Time: 1 Hour

1. Outline the main features of a trust and the features that make it well suited to occupational pension provision.
5 marks
2. Outline the “three certainties” that must be present to create a valid trust.
5 marks
3. Explain why, and in what circumstances, an independent trustee might be appointed to act in respect of an occupational pension scheme.
10 marks
4. Outline the extent of trustees’ potential liability.
5 marks
5. A new trustee of your scheme has asked you by e-mail what she must do to comply with the Trustee Knowledge and Understanding (TKU) requirement? Draft a response to her explaining what the TKU requirement is and outlining what steps she should take in order to comply with it.
10 marks
6. Describe the various ways in which trustees commonly protect themselves against potential liability.
10 marks
7. Outline the main features of the registration process for a pension scheme to be registered with HMRC.
5 marks