

## **Defined Contribution Arrangements Examiners' Report October 2020**

This exam was a pleasure to mark with a very high percentage pass rate - 17 out of the 22 students passed. The students all took the paper online for the first time which required different skills. However, the results were very pleasing and the overall standard was higher than in previous years.

Question 1. Generally, well answered. Most students knew about the pre-and post-April 2016 state benefits, the qualifying years, and the changed SPA dates. Extra marks were gained by putting the question into the Report format requested. Fewer students mentioned the Secretary of State's reviews and reports and the impact on the scheme and the individual of the increasing of SPA to 68.

Question 2. Unfortunately, this question was misprinted, with half of the question being omitted from the exam paper. To counterbalance this (and as agreed internally within PMI) the exam was marked out of 70 and this question was omitted from the final mark.

Question 3. Excellent answers almost across the board. The question was drawn directly from the manual and the students just needed to duplicate the information contained in the manual. Most students did this admirably and covered all the required points. The only omission was that the requirements won't apply to a pension credit paid to an external arrangement located overseas but would apply to any onward transfers of credit. No specific format was required here.

Question 4. Students who had carefully learnt the manual scored very highly here and those who hadn't committed the manual to memory lost valuable marks through careless errors like forgetting which maximum percentage applied to which flat fee. Again, no specific format was required.

Question 5. This was the least well-answered question. Most students remembered to put the answer in to report format. However, many points were omitted or students got muddled thinking a point related to one drawdown method when in fact it related to another. A matter of careful learning of the manual would solve this problem. General facts about drawdown pensions were omitted even though this was the first type specified in the question. Information such as from age 55 unless in ill-health was needed, or the need to transfer out to access flexibilities as many trust-based schemes don't offer drawdown.