Pensions – The Good, Bad and the Costly

Tuesday, 12 April 2016
Welcome

Peggy Hughes
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Pension Scheme Regulation & Governance: What Every Trustee Should Know

Jerry Moriarty
CEO
IAPF
representing pension savers

• Secure

• Fair

• Simple

Educate – Represent - Inform
Trustees - Regulation

• Trust Deed & Rules

• Trust Law

• Pensions Act

• Other Legislation
This Convenance

is made the tenth day of
December

Nine hundred and fifty five between
of 32
Queensland Avenue in the City of Coventry School Teacher and

his wife (hereinafter called "the Vendors") of the one part and

of 178 Broomfield Road Coventry aforesaid

(hereinafter called "the Purchaser") of the other part WHEREAS the

Vendors are seised of the premises hereby conveyed for an estate in fee
simple in possession but subject as hereinafter mentioned but otherwise free
from incumbrances and have agreed with the Purchaser for the sale thereof to
The Pensions Act

PENSIONS ACT, 1990

- Part I – Preliminary and General
- Part II – Establishment of Pensions Board
- Part III – Preservation of Benefits
- Part IV – Funding Standard
- Part V – Disclosure of Information
- Part VI – Trustees of Scheme
- Part VII – Equal Treatment

Equal Pension Treatment introduced by Social Welfare Act, 2004

PENSIONS ACT, 1990

- Part VIII – Compulsory and Voluntary Reporting
- Part IX – Miscellaneous Applications to the High Court
- Introducerd by the Pensions (Amendment) Act, 1996

- Part X – Personal Retirement Savings Accounts
- Part XI – Pensions Ombudsman
- Part XII – Cross Border Schemes
- Introduced by the Pensions (Amendment) Act, 2002
- Introduced by the Social Welfare and Pensions Act, 2005
Other Legislation

- Family Law Acts
- Equality Legislation
- Finance Acts
- Taxes Consolidation Act
- Investment Regulations
- Data Protection
- Anti Money Laundering
What could go wrong?
What should you do?

- Understand your duties
- Know your powers
- Act in good faith
- Act in the best interest of the members
- Take advice
- Keep yourself educated
What is coming?

• More scrutiny

• Higher expectations

• European requirements

• Professionalism
Why?
QUESTIONS

Jerry Moriarty
CEO – IAPF

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Pension Scheme Governance & Documentation: What Every Employer Should Know

Stephen Gillick
Partner, Pensions Law Team
Mason Hayes & Curran
The Pensions Clause From Hell

• “X Limited Operates a Defined Benefit Pension Scheme known as the X Limited Scheme which you will be Entitled to Join after Completing a Six Month Probationary Period. You are Not Required to Contribute to the X Limited Scheme and will be Guaranteed Benefits based on Your Salary at Retirement.”
The Employment Contract

- Review Contracts on a Case by Case Basis
- Contractual Retirement Age – v- Pensions Retirement Age
- Plan of Action for Changes to State Pension Age?
- Less Information Contained = Loss of Opportunity to “Sell” the Role to Candidate?
Ancillary Documents

- Side Letters – Avoid!
- Explanatory Booklets – Accurate
- Websites
- Emails
- Third Party Presentations
The Trust Deed and Rules

- Contribution Clause
- Wind-Up Clause
- Power of Amendment
- Indemnity Provisions
- Review & Update at Regular Intervals
Top Tips

- Employment Contract – Seek Advice on Pensions Clause
- Side Letters – Do Not Issue
- Member’s Booklet – Review & Update
- Trust Deed and Rules – Be Familiar With Key Provisions
Questions