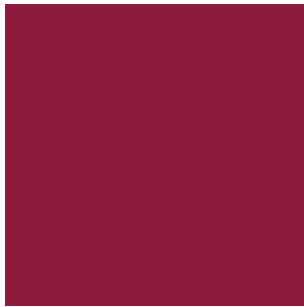


Pensions & COVID-19: What Employers and Trustees Should Know

Stephen Gillick, Partner, Mason Hayes & Curran

Jerry Moriarty, CEO, Irish Association of Pension
Funds



Pensions Authority Covid-19 Announcement

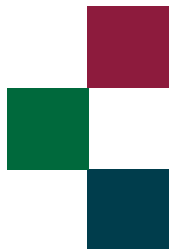
- The Pensions Authority Covid-19 announcement:
 - Contact Service Providers
 - Confirm Ongoing Compliance With Providers
 - PA Will Take Into Account Current Circumstances
 - Expectation - Reasonable Efforts and Proactive
 - PA Cautions Against Immediate Investment Decisions Unless Necessary
- Further guidance on the suspension of contributions expected
- Criminal liability for non-remittance of contributions

Trustees and Covid-19 (1)

- Immediate Concerns
 - Conflicts of Interest (where trustees are employees and/or shareholders) – Identify and Manage.
 - Data Protection Issues
 - Meeting formalities
 - Covid-19 response committees
 - Remote meetings allowable?
- Statutory time limits – remittance of contributions/ TAR preparation?
- Cash availability for payment of benefits
- Moratorium on DB Transfers Out??

Trustees and Covid-19 (2)

- Business Continuity Plan for the scheme
 - Amendment required to deal with global pandemic?
 - Contingency plan for failure?
- Identify who is responsible for critical activities
- Contact with the sponsoring employer and key service providers
- Remaining updated on the employer's business continuity plan



Contributions

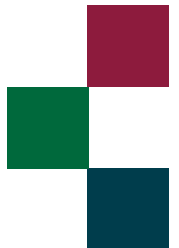
- Key – Trust Deed & Rules & Employment Contract
- Revenue Requirement – Meaningful Requirement

- Defined Benefit Schemes:
 - Pensionable Service
 - Employer - Contribution holiday request
 - Impact on Funding Proposals – defer payment?

- Defined Contribution Schemes:
 - Employer proposal to suspend contributions
 - Temporary Absence Rule
 - Member requests to suspend contributions

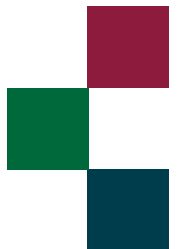
Funding Obligations

- DB employer failure to meet obligation
- Wind-up triggers
- Employer Covenant
- Contingent assets
 - Valuation
 - Enforceability



Investments

- Highly volatile period
- ESG Principles
- Avoid “knee-jerk” reactions
- Risk of “safe haven” scams
- Importance of member communications on expected delays to fund switching or transfer values

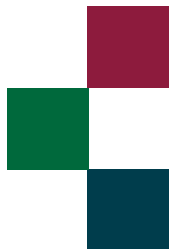


Emergency Measures in the Public Interest (Covid-19) Bill 2020

- Both the Bill and Revenue FAQ silent on pension contributions
- UK scheme will cover:
 - costs of employers' National Insurance (NI);
 - and pension contributions at the automatic enrolment (AE) minimum level of 3%.

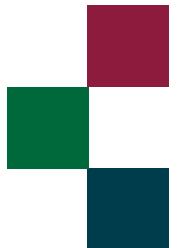
Death In Service Benefits

- Insurance policy “event limit” or “catastrophe limit”
- Letters of wishes
- Prioritising bereavement requests



Regulatory Matters

- IORP II Implementation
- State Pension Age
 - Election promises vs post-pandemic reality
 - Social Insurance Fund impact
- Automatic Enrolment
 - 2022?



Thank you

