



**The Actuarial Profession**

making financial sense of the future

# LEGAL ISSUES

Section 67, conflicts of interest

# Legal Issues – s 67

## **Changes requiring member consents**

- conversion of DB to DC
- reduction in pensions in payment

# Legal Issues – s 67

## **No consent required if:-**

- actuarial value is not less after change, for each member affected
- members are notified and given chance to make representations
- if employer seeks change, the trustees consent.

# Legal Issues

## **Conflict of interests:**

- New regime gives increased power to trustees.
- Trustees will be expected to be competent and knowledgeable
- “With great power comes great responsibility”

# Legal Issues

## Conflicts of interest:

- Trustees
- Employer
- Actuary

# Legal Issues

- Questions?