



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?