

reporting to Opra

- why now
 - new regulator will build on foundations;
 - reporting provisions will be similar; but
 - trustees will have a legal duty to report

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- reasonable cause to believe
- any enactment or rule of law
- duty relevant to administration
- materially significant to Opra

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guidance

- ON1 scheme actuaries and auditors
- ON6 trustees, administrators and other advisers
 - benchmarks to judge against
- Codes of Practice and supporting guidance
 - consultation
- additional guidance: eg trust law breaches

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Opra's focus

- breaches delaying, preventing access to or reducing benefits
- potential dishonesty or misuse of assets or contributions
- poor standards of stewardship
- concentrating on breaches posing risks

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current issues

- schemes winding up
- ongoing schemes
- pre-requisites skills, knowledge, time
- Opra's concerns
 - conflicts of interest
 - advice
 - members' interests
- report to Opra
 - if in doubt
 - compromise proposed for ongoing scheme

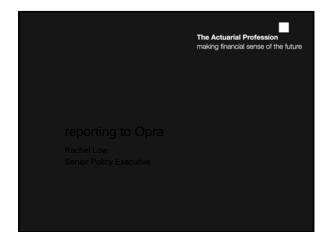
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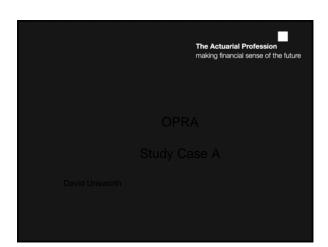
reporting to the regulator

- changing concerns in a changing environment
- time to review
 - breaches to report
 - identifying breaches
 - reporting procedures

before 2005

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Case Study A	
<u>Outline</u>	
SSF Rate 12% plus 25% for 15 Years	
MFR Rate 11% plus 56% for 3 Years and 24% for 7 Years	
Annually in arrears schedule certified Employer actually pays 37% monthly You become aware of employer payments	
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Case Study A	
Question 1	
■ Have you come across this situation yourself?	
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Case Study A	
Question 2	
Would you report anything to Opra at this point?	
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Case Study A

Eleven months have now passed and you are asked to prepare figures for a revised schedule, again showing annually in arrears employer contributions but omitting that soon to be due.

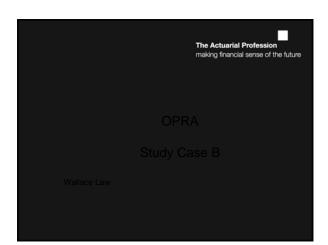
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Case Study A

Question 3

Do you report to Opra at this stage (assuming you have not done so already)?

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Case Study B	-
<u>Outline</u>	-
Frozen Scheme 105% MFR Funded.	
£22 M buy-out deficit.	
£ 5 M compromise offered by Employer.	
Trustees inclined to accept.	
radices memora to accept.	
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Case Study B	
Question 1	
 Have any of your clients negotiated a 	
compromise deal between trustees and	
employer?	
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Case Study B	
Case Study B	
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Question 2	
Would you report to Opra at this point?	
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Case Study B
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Case Study B
Question 3
Is there any need to report to Opra now?
Is there any need to report to Opra now?