

## Response from the Pensions Board

Wendy M Beaver  
Chairman

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**“...the thinking person’s crack cocaine...” refers to which puzzle?**

- a) Scrabble
- b) Trivial Pursuit
- c) Crosswords
- d) Sudoku

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	4			5		1	8	
	2			7	9		6	
	3	9	1			2		
4	9			3				
1	6		2		8		3	4
				1			5	8
		2			7	3	9	
	5		9	2			7	
	1	7		6			2	

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C						C		
O				S	M	O	K	E
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P	?	?	D	?	?	C	?	
R			E			E		
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I			E			I		I
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C						C		
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## Prudence and cross words (sic)...

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**Some clues to the answer...**

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**Clue 1**

*"Good sense in managing practical matters."*

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**Clue 1 (complete)**

*"Good sense in managing practical matters."*

but also...

*"A settlement of a dispute in which two sides agree to accept less than they originally wanted."*

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## Clue 2

*"A tendency to evaluate situations carefully so as to avoid risk or undesired consequences."*

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## Clue 2 (complete)

*"A tendency to evaluate situations carefully so as to avoid risk or undesired consequences."*

but also...

*"Something that somebody reluctantly accepts because what was wanted is unattainable."*

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## Clue 3

*"Careful management of resources."*

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Clue 3 (complete)

*“Careful management of resources.”*

but also...

*“To undermine or devalue something or somebody by making concessions.”*

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Clue 1 (complete)

*“Good sense in managing practical matters.”*

but also...

***“A settlement of a dispute in which two sides agree to accept less than they originally wanted.”***

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C						C		
O				S	M	O	K	E
M						N		
P	R	U	D	E	N	C	E	
R			E			E		
O			A			S		S
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**What message will scheme members get?**

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**What message will scheme members get?**

...a false sense of security?

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**What is the solution?**

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**What is the solution?**

▪ ...clarify prudence?

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## What is the solution?

- ...clarify prudence?
- ...health warnings?

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## Two “health warning” solutions:

- make any compromise on prudence transparent

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## Two “health warning” solutions:

- make any compromise on prudence transparent
- show the member in cash terms the difference between a guarantee and a promise

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Conclusion on 'prudence'...

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Conclusion on 'prudence'...

**... tell it to scheme members as it is**

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