



Issue 70

May 2018

What's Happening in Pensions

IN THIS ISSUE:

- **DB white paper and consultation on corporate governance:** The government has published its white paper on protecting DB pension schemes and a consultation on corporate governance designed to safeguard company creditors, including pension schemes.
- **Pensions Regulator annual funding statement:** The Pensions Regulator has issued its latest annual funding statement, focussing even more than previously on the balance between deficit-reduction contributions and dividends. There is also a new section concerning the implications of increased DB transfer activity.
- **DC investment disclosure:** The government has issued a consultation response and finalised regulations and guidance on requirements for more detailed disclosure by trustees of investment charges, transaction costs and other investment information.
- **Pension Protection Fund compensation limits:** The European Court's Advocate General has given her opinion in *Hampshire v Pension Protection Fund*. The case concerns whether the current PPF compensation regime (including the cap) is in breach of the EU insolvency directive. If the Court follows this opinion, the PPF and government may have to change the PPF compensation payable and there might be consequential implications for pension schemes.
- **TPAS and the Pensions Ombudsman:** Two developments regarding the Pensions Ombudsman and the Pensions Advisory Service have consequences for the information that pension scheme trustees have to give to members and others.
- **Recouping overpayments:** The High Court has said that the recovery of pension overpayments by exercise of the equitable right of recoupment out of future instalments of pension (ie, by offsetting them) is not subject to a six year limitation period.
- **Deferred debt arrangements:** The government has issued a consultation response and laid regulations on its proposals to allow employers who have an employment-cessation event under a multi-employer pension scheme to defer, subject to several conditions, paying their section 75 employer debt and instead continue to be treated as a scheme employer for funding and other purposes.
- **DC transfers without consent:** The government has issued a consultation response and laid regulations on its proposals to relax restrictions on DC transfers without member consent between occupational pension schemes. This is designed to facilitate the consolidation of small DC schemes, for example by making a bulk transfer to a master trust. The government has also published guidance on making such transfers.

- **Transfers of contracted-out rights without consent:** The government has published a consultation response and laid regulations intended to permit the bulk transfer without consent of contracted-out rights to a scheme that has never been contracted-out.
- **Managing service providers:** The Pensions Regulator has issued a statement on managing service providers, following "significant recent attention on companies providing outsourced services to government and industry, including pension schemes".
- **Cyber security:** The Pensions Regulator has published guidance for trustees on cyber security principles for pension schemes.
- **21st century trusteeship:** The Pensions Regulator has added a new section to its 21st Century Trusteeship web page: "6. Advisers and service providers".
- **Master trusts:** The government has published its response to the consultation on the master trust authorisation and supervision regime and its draft regulations, confirming the regime for regulating master trusts in the UK, and final draft regulations. The Pensions Regulator is consulting on a draft code of practice.
- **NEST rules:** NEST has published its response to the consultation on proposed changes to its rules. It will allow employers to contractually enrol workers from 25 May 2018 and NEST can now accept bulk transfers with consent.
- **FCA and Pensions Regulator:** The FCA and the Pensions Regulator have issued a joint call for input on their strategic approach to regulating the pensions and retirement income sector.
- **Overseas transfers:** The government has responded to its call for evidence on the advice requirement and overseas pension transfers. It will keep the appropriate independent advice requirement for overseas transfers.
- **Non-cash contributions:** The First-Tier Tribunal has ruled that HMRC should have allowed tax relief on non-cash contributions made to a SIPP, in a case that challenged its apparent change of policy in this area since 2016.

DB white paper and consultation on corporate governance

DB white paper

The government has published its **white paper** on "Protecting defined benefit pension schemes", covering its proposals for:

- new Pensions Regulator anti-avoidance powers and a criminal offence of wilful or grossly reckless behaviour in relation to a pension scheme;
- changes to scheme funding rules and the Pensions Regulator's code of practice; and
- new DB scheme consolidation options.

The white paper also says that the government has for the time being ruled out a legislative override of scheme rules to change revaluation and/or indexation measures (eg, from RPI to CPI) but that it will keep this under review.

The main programme of change is expected to take several years. Many of the changes require primary legislation, which is not expected until the 2019-2020 Parliamentary session. Until then there will be periods of consultation.

The Work and Pensions Select Committee **has launched** an inquiry into the white paper, with a view to informing and influencing the planned consultations. It is calling for evidence on various questions in relation to the proposals to be submitted by 18 May 2018.

Corporate governance consultation

The government has published a **consultation paper** on Insolvency and Corporate Governance. Its intention is to safeguard creditors, including pension schemes, of companies that are distressed or insolvent. The consultation is informed by (among other things) recent high profile insolvencies and the consequences for creditors, including DB pension schemes.

The consultation includes proposed new powers for administrators, liquidators and the Insolvency Service. It also seeks views on various issues around corporate governance, including in relation to the payment of dividends, the location of assets in a group, stewardship, and directors' awareness of their duties.

The closing date for responses is 11 June 2018.

Please see our briefing note "**Protection of DB pension schemes: government plans**" for details of the white paper and corporate governance consultation.

Pensions Regulator annual funding statement

The Pensions Regulator has issued its latest **annual funding statement**, focussing even more than previously on the balance between deficit-reduction contributions and dividends. There is also a new section concerning the implications of increased DB transfer activity. This statement is primarily directed at schemes with valuation dates in the year to 21 September 2018 but will be of interest to all DB schemes.

The most interesting points are as follows.

Funding: The Regulator is concerned about the growing disparity between dividends (and other distributions such as intra-group loans) and deficit-reduction contributions and expects fair treatment between shareholders and trustees. Where dividends are disproportionate to deficit-reduction contributions (no specific ratio is mentioned) it considers that affordability is not an issue. It adds that "In some circumstances distributions may be materially detrimental to the scheme, in which case we will consider using our anti-avoidance powers".

This statement is firmer than last year's statement with schemes that have "strong" or "tending-to-strong" employers. The Regulator says that schemes with such employers should consider strengthening technical provisions (ie, actuarial assumptions), increasing contributions and/or reducing recovery plan lengths, especially if they are paying out high dividends.

Where there is a weak employer, trustees and employers should work together to give greater consideration to the needs of the scheme. Trustees should "prioritise scheme liabilities over shareholder returns".

The accompanying **press release** says that the Regulator "has stepped up its proactive DB funding case work by 90% to support trustees as they prepare valuations and recovery plans".

Contingency planning: Trustees are told to ensure that they consider shorter-term risks to the security of members' benefits, such as a sudden downturn in the employer's business, and also opportunities that may arise to put the scheme on a more solid footing.

Brexit: The Regulator expects employers and trustees to have open and collaborative discussions about Brexit risks and whether investment and funding strategies remain appropriate. Where sponsors hold back cash by extending the recovery plan because of Brexit uncertainty, trustees should make sure that shareholders share the burden proportionately.

Transfer activity: A new section of the statement says that "Trustees who are considering whether to make an allowance in their valuation for an increased level of transfer activity in future should consider their

scheme's experience and likely trends very carefully before doing so. If they do make such an allowance and it reduces technical provisions, we expect them to quantify the effect in advance and continue to monitor it, with a contingency plan in place should this assumption not be borne out". Trustees should also take advice on liquidity management and consider the impact on investment strategy.

The Regulator also asks trustees to keep records of transfer activity, including details of the advisers and the schemes to which transfers are made, in order to help it and the FCA to conduct any investigations that may be required. If trustees have concerns over the level of transfer activity or the quality of the advice being given to members, they should contact the Regulator or the FCA.

DC investment disclosure

The government has issued a **consultation response** and finalised **amending regulations** and **statutory guidance** on requirements for more detailed disclosure by trustees of investment charges, transaction costs and other investment information to DC members (and to contingent beneficiaries and trade unions).

Information will need to be included in the annual chair's governance statement and on a public website (to which benefit statements will have to refer). The main changes from the consultation proposals (see **WHiP Issue 68**) relate to when the obligations will first apply to a scheme, which will be 6 November 2018 at the earliest.

Costs and charges

The new regulations amend the 1996 scheme administration regulations to require trustees of schemes that provide money purchase benefits (other than very small schemes, public service schemes and schemes with no money purchase benefits other than AVCs) to:

- include in the chair's governance statement:
 - details of the (smoothed) investment charges and transaction costs for each default investment arrangement and each other investment option that a member is able to select (rather than, as currently required when there is more than one default arrangement, just the range of charges and transaction costs); and
 - an illustration of the cumulative (ie, compounding) effect of charges and transaction costs on the value of a member's pension pot;
- make the above information (and specified default investment strategy information) available free of charge on a publicly accessible website, the address of which must be referred to in annual benefit statements; and
- have regard to the statutory guidance (which mainly concerns the compounding illustration that trustees will have to produce).

This aspect of the regulations came into force on 6 April 2018 but trustees do not have to comply until seven months after the first scheme year end date to fall on or after 6 April 2018. (This is the deadline for producing a chair's governance statement.) This means that no scheme has to be compliant until 6 November 2018 and for some schemes the deadline will be as late as 5 November 2019. There is no need to provide the information to a member at the point he or she joins the scheme.

Pooled funds information

The regulations will also require trustees of the same schemes as noted above to provide to DC members on request a statement containing, in relation to a pooled fund (i.e, collective investment scheme or unit-linked

contract), the name and international securities identification number (ISIN) of each underlying collective investment scheme (at the top level only). A recognised trade union will also be able to make a request in respect of a member or members. This is designed to allow members to investigate underlying charges, transaction costs and shareholdings, and how a manager engages with companies in which it invests.

This aspect of the regulations will come into force on 6 April 2019. The statement must be provided within two months of the request and relate to the arrangements in which the member was invested at the time of the request. The information must be correct as at a date no more than six months previously.

Annual benefit statements will have to say how a member can request this statement.

General

The Pensions Regulator will be able to impose fines of up to £5,000 (individuals) and £50,000 (organisations) for non-compliance.

The FCA is expected to consult on corresponding rules for workplace personal pensions in the second quarter of 2018.

Pension Protection Fund compensation limits

The European Court's Advocate General Kokott has given her **opinion** in *Hampshire v Pension Protection Fund*. The case concerns whether the current PPF compensation regime (including the cap) is in breach of the EU insolvency directive. The directive requires, among other things, EU member states to "protect" individuals in respect of their pension rights. If the European Court follows this opinion, the PPF and government may have to change the PPF compensation payable and there might be consequential implications for pension schemes.

Due to the application of the compensation cap, Mr Hampshire – a former Turner & Newall employee - would see his pension reduced by 67% and he will lose out further when he does not receive pension increases for his pre-1997 service. He is challenging the PPF's valuation of the scheme liabilities, arguing that he is not adequately protected and therefore the PPF compensation that he would receive if the scheme enters the PPF is in breach of EU law. He also argues that since the PPF is a public body, he can enforce his claim directly against it.

We will report in more detail when the Court's judgment is issued. Briefly the Advocate General's opinion is that:

- Previous European Court judgments against the UK (the 2007 *Robins* case) and Ireland (the 2013 *Hogan* case) decided that the insolvency directive requires compensation of at least 50% of the value of the individual's accrued rights or entitlements to be paid.
- The insolvency directive requires, except in cases of abuse, every individual to be protected at (at least) that minimum level.
- The requirements of the directive, as previously interpreted by the European Court, are unconditional and sufficiently precise, such that they may be relied upon directly by an individual as against the PPF.

The opinion also seems to suggest that the value of the compensation should not fall below the 50% threshold at any point during its payment, meaning that pension increases that would have been provided under the scheme rules may also need to be considered (bearing in mind that the PPF does not pay pension increases in respect of pre-1997 service). This part of the opinion is, however, not very clear and we hope that the final judgment will be.

The European Court usually, but certainly not always, follows the opinion of its Advocate General. Clearly, any requirement for PPF compensation to be improved could result in higher levies for DB pension schemes. Any change to PPF compensation rules as a result of this case could also have implications for schemes in winding-up (statutory winding-up priorities are partly based on PPF compensation rules) and also, of course, for schemes in a PPF assessment period.

TPAS and the Pensions Ombudsman

There have been two developments regarding the Pensions Ombudsman and the Pensions Advisory Service (TPAS) that have consequences for the information that pension scheme trustees have to give to members and others. Unfortunately the requirements of the disclosure of information and dispute resolution regulations have not been updated, so the following should be noted.

- **TPAS dispute resolution role is now part of the Pensions Ombudsman**

The Pensions Ombudsman service has taken over TPAS's dispute resolution role. TPAS continues to provide generic information and guidance on pensions matters, without getting involved in member disputes, as such. It is proposed, however, to be merged into a new single financial guidance body in due course.

Trustees are still, however, strictly required by disclosure and internal dispute resolution procedure (IDRP) regulations to tell members and others, in the basic scheme information given to all members and at various stages of the IDRP respectively, that TPAS is available to help them resolve disputes, even though this is no longer the case.

Trustees should, however, at the next convenient opportunity update their scheme booklets and any scheme website to say that the Ombudsman has taken over from TPAS the role of assisting members and beneficiaries with pension disputes that they have been unable to resolve with the scheme trustees, and give the Ombudsman's postal address (see below) and email address (helpline@pensions-ombudsman.org.uk).

Trustees should update their IDRP document in the same way when reasonably practicable and ensure that new IDRP decisions give accurate information about TPAS and the Ombudsman.

- **Pensions Ombudsman change of address**

The Pensions Ombudsman service has moved offices. Its new address is 10 South Colonnade, Canary Wharf, London E14 4PU.

Trustees are strictly speaking required to tell all members (because it is a change to an element of the basic scheme information under the disclosure of information regulations), and all future members, about the Pensions Ombudsman's new address. They also have to amend their IDRP to update the address and note in in all new IDRP decisions.

In the circumstances, we think trustees can be excused for not taking immediate action. To take a practical approach, references to the Pensions Ombudsman's postal address in scheme booklets and any scheme website should be updated to the new address at the next convenient opportunity and the IDRP documents when practicable.

Guidance from the Ombudsman's office may affect this but at the time of writing there has been none.

Recouping overpayments

In *Burgess v BIC UK Limited*, the High Court has said (but not as the basis for its decision) that the recovery of pension overpayments by exercise of the equitable right of recoupment out of future instalments of pension is not subject to a six year limitation period under section 5 Limitation Act 1980. Arnold J said that recoupment is not a restitutionary claim for unjust enrichment; rather, it is "an equitable self-help remedy". As such, it allows trustees to offset historic overpayments from any point in the past, if that is equitable in the circumstances.

The judge added that section 91(6) Pensions Act 1995 (prohibiting set-off etc.) applies. Accordingly, if the beneficiary disputes the recoupment (or the amount to be recouped) then the trustees must obtain a County (or other) Court order in order to make the beneficiary's monetary obligation to the trustees enforceable.

The case concerned whether or not pension increases had been validly granted and, if not, whether (and, if so, how) increases paid could be recouped. The judge found that the increases had been validly granted, so questions around recoupment did not need to be answered. The judge nevertheless answered them in case he was wrong about the primary issue.

Deferred debt arrangements

The government has issued a **consultation response** and laid regulations on its proposals (see **WHiP Issue 64**) to allow employers who have an employment-cessation event under a multi-employer pension scheme to defer, subject to several conditions, paying their section 75 employer debt and instead continue to be treated as a scheme employer for funding and other purposes.

Under **amending regulations**, "deferred debt arrangements" will be available for multi-employer schemes for associated or non-associated employers where an employment-cessation event occurs on or after 6 April 2018. (This is where an employer ceases to employ active members while other employers continue to do so.)

The existing possibilities for apportioning a section 75 debt will continue to be available. "Periods of grace", where the employer expects soon to have a new active member, will also still be an option and the period for giving a period of grace notice is extended from two months to three months.

The proposed conditions for a deferred debt arrangement are that:

- the scheme is not in a PPF assessment period or being wound up;
- the trustees are satisfied that:
 - a PPF assessment period is unlikely to begin in relation to the scheme within the period of 12 months beginning with the date on which the trustees expect the deferred debt arrangement to take effect; and
 - the deferred employer's covenant (this is not defined but there are government comments in the consultation response) is not likely to weaken materially within the period of 12 months beginning with the date on which the trustees expect the deferred debt arrangement to take effect (this replaces the previously proposed funding test); and
- the trustees consent in writing.

A deferred debt arrangement would come to an end, potentially triggering a section 75 debt, if:

- The deferred employer once again employs an active member (in which case an employment-cessation event is treated as not having occurred and so no section 75 debt is triggered).

- The deferred employer and trustees agree.
- A relevant event (other than an employment cessation event), eg, insolvency, occurs in relation to the deferred employer.
- All the employers in the scheme have experienced a relevant event or have become deferred employers.
- The scheme commences winding-up (in which case an employment-cessation event is treated as not having occurred).
- The employer "restructures" (with some exceptions). ("Restructures" is not defined but there is some commentary in the consultation response about what the government thinks it means.).
- A freezing event occurs in relation to the scheme (in which case the intention is that the deferred employer becomes a "former employer" and an employment-cessation event and the deferred debt arrangement are treated as not having occurred).
- The trustees serve notice that they are reasonably satisfied that:
 - the deferred employer has failed to comply with its scheme funding obligations;
 - the deferred employer's covenant (see comment above) is likely to weaken materially in the next 12 months; or
 - the deferred employer has failed to comply materially with the duty to disclose relevant information to trustees.

Entering into a deferred debt arrangement is a notifiable event (to the Pensions Regulator), as is one coming to an end.

DC transfers without consent

The government has issued a **consultation response** and laid regulations on its proposals (see **WHiP Issue 68**) to relax restrictions on DC transfers without member consent between occupational pension schemes. This is designed to facilitate the consolidation of small DC schemes, for example by making a bulk transfer to a master trust.

Regulations amend the 1991 preservation regulations to introduce a new option from 6 April 2018 to make a transfer without consent of a member's money purchase benefit rights without the need for actuarial (or other) certification.

This option can be exercised (subject to there being a power in the scheme rules and to fiduciary duties) if:

- the transfer is to an authorised master trust (NB the master trust authorisation regime is not expected to be in place until October 2018);
- the transferring and receiving scheme employers are related "group undertakings"; or
- the transferring scheme trustees (or the employer, if it holds the transfer power) have obtained and considered written advice in relation to the transfer from an independent "appropriate adviser".

The government subsequently published non-statutory **guidance** on the factors to be considered when making such transfers, with particular regard to situations where advice is required.

Where the DC charges cap applies to a member (broadly, in a default investment option where the scheme is a qualifying scheme used for automatic enrolment), the cap will continue to apply to the member under the receiving scheme (ie, even if the receiving scheme is not used for automatic enrolment). Where the charges cap does not apply, the transfer will not result in it applying if the member has, in the five years before the transfer, expressed a choice as to where his or her contributions were allocated.

The following points should be noted:

- Trustees making such a transfer are not given a statutory discharge. The government previously said that this is because they should remain at risk of claims regarding the choice of receiving scheme.
- The easements do not apply to transfers to contract-based schemes, eg, group personal pensions.
- The relaxations only apply to the transfer of "pure" money purchase benefits (so not cash balance benefits or safeguarded benefits, eg, money purchase benefits with guaranteed annuity rates).
- The regulations do not say what the written advice required under the third route needs to cover (but the non-statutory guidance has a section on this).
- The government has previously passed on to HMRC comments about Finance Act 2004 restrictions that impede DC bulk transfers. One to note in particular is that for the "block transfer" easement to apply, helping certain Finance Act protections to be retained after a transfer, all of a member's benefits (and the benefits of at least one other member) have to be transferred. This causes difficulties for schemes that have both DB and DC liabilities in respect of particular members and seek to transfer out only the DC liabilities.

From 1 October 2019, the existing bulk transfer without consent power in the 1991 preservation regulations is amended so that it will apply only to non-money purchase accrued rights. This allows bulk transfers of money purchase benefits to continue to be made under the existing certification route for a transitional period.

Transfers of contracted-out rights without consent

The government has published a **consultation response** (see **WHiP Issue 69** for the consultation) and laid regulations intended to permit the bulk transfer without consent of contracted-out rights to a scheme that has never been contracted-out (eg, a scheme newly established for a scheme merger or de-merger, or in relation to a regulated apportionment arrangement restructuring).

Before the abolition of contracting-out in April 2016, arrangements could be made for a newly established scheme to become contracted-out and then accept the contracted-out rights without member consents but this has not been possible since April 2016.

New regulations took effect from 6 April 2018 and amend the provisions of The Contracting-out (Transfer and Transfer Payment) Regulations 1996 regarding "connected employer transfers" (transfers of GMPs without the need for consent) and "connected employer transfer payments" (transfers of post-1997 contracted-out rights without the need for consent) broadly as follows:

- **GMPs:** A receiving scheme that has never been contracted-out will effectively have to comply with the GMP rules as though it was subject to them in relation to the transferred GMPs.
- **Section 9(2B) rights:** A transfer to a scheme that has never been contracted-out will have to comply with reg 12(3) of the preservation regulations (actuarial certificate requirement for a transfer without consent), including for members who do not have short service benefits, and the receiving scheme must provide benefits in relation to the transfer that satisfy the reference scheme test. (NB There is no 10% leeway here)

in the way that there was for assessing benefits against the reference scheme test in contracted-out salary related schemes.)

Managing service providers

The Pensions Regulator has issued a **statement on managing service providers**, following "significant recent attention on companies [Carillion and Capita] providing outsourced services to government and industry, including pension schemes".

The statement reminds trustees that they should have a business continuity plan, covering matters including the failure of a third party provider, and understand their providers' business continuity arrangements.

Cyber security

The Pensions Regulator has published **guidance** for trustees on cyber security principles for pension schemes.

The Regulator defines cyber risk broadly as the risk of loss, disruption or damage to a scheme or its members as a result of the failure of its information technology systems and processes. It includes risks to information (data security) as well as assets, and both internal risks (eg, from staff) and external risks (eg, hacking).

21st century trusteeship

The Pensions Regulator has added a new section to its 21st Century Trusteeship web page: "**6. Advisers and service providers**". This covers selection and appointment, monitoring performance, understanding and scrutinising advice, reviewing contract terms, risk management and business continuity planning.

Master trusts

Government consultation response

The government has published its **response** to the consultation on the master trust authorisation and supervision regime and its draft regulations (see **WHiP Issue 68**), confirming the regime for regulating master trusts in the UK. **Final draft regulations**, due to come into force on 1 October 2018, were subsequently published.

Pensions Regulator draft code of practice

The Pensions Regulator **has consulted** on a **draft code of practice** for the authorisation and supervision of master trusts and a **separate document** outlining the procedure it expects to follow when deciding whether authorisation should be granted. The consultation also seeks views on what should be included in accompanying guidance, to be published later.

NEST rules

NEST **has published** its response to the November 2017 consultation paper (see **WHiP Issue 68**) on proposed changes to its rules. It will allow employers to contractually enrol workers (ie, enrol them other than in accordance with the statutory requirement to enrol) from 25 May 2018 and can now accept bulk transfers with consent. It will also, with notice, be able to terminate the participation of employers who have not contributed for a specified period of time (the period not yet confirmed).

FCA and Pensions Regulator

The FCA and the Pensions Regulator have issued a joint **call for input** on their strategic approach to regulating the pensions and retirement income sector. The deadline for responses is 19 June 2018 and the final strategic approach will be published in autumn 2018.

Overseas transfers

The government **has responded** to its call for evidence on the advice requirement and overseas pension transfers (see **WHiP Issue 60**). It will keep the appropriate independent advice requirement for overseas transfers.

The government had been considering removing or relaxing this requirement, which applies when an individual with "safeguarded benefits" (broadly DB benefits) worth more than £30,000 wishes to transfer them to another pension scheme in order to take advantage of a flexible access option, or convert them to flexible benefits in the same scheme. This was due to difficulties in obtaining advice in relation to a transfer to an overseas scheme. It has, however, concluded that at the present time the advice requirement is still needed.

Non-cash contributions

The First-Tier Tribunal has ruled that HMRC should have allowed tax relief on in specie (ie, non-cash) contributions made to a SIPP, in a case that challenged its apparent change of policy in this area since 2016.

In **SIPPCHOICE Limited v HMRC**, the SIPP provider challenged HMRC's decision not to allow tax relief at source on four individuals' contributions made by a transfer of assets rather than cash. It claimed that a properly structured transfer of assets (in line with HMRC's own guidance) could, and did in the cases in question, amount to a "contribution paid" for the purposes of the Finance Act 2004. The judge agreed.

SIPP providers had generally stopped accepting in specie contributions following HMRC's apparent policy change. We understand that HMRC will appeal the decision and that in the meantime it will continue to apply its rules in other cases.

TRAVERS SMITH

This and previous issues of WHiP can be found on our website [here](#).

If you do not already subscribe to our pensions mailings and would like to do so, please email [**pensions@traverssmith.com**](mailto:pensions@traverssmith.com).

Hyperlinks in this document can be clicked via an up to date version of Adobe Acrobat Reader. We are not responsible for the contents of external websites to which we provide links.

If you wish to discuss any points arising from this note, please speak to your usual contact in the Travers Smith Pensions team or to one of the Pensions partners: Susie Daykin, Daniel Gerring, David James, Dan Naylor, Paul Stannard and Philip Stear.

Travers Smith LLP
10 Snow Hill
London EC1A 2AL
T: +44 (0)20 7297 3000
F: +44 (0)20 7295 3500

[**www.traverssmith.com**](http://www.traverssmith.com)
