

SUBMISSION OF THE SCHEME

- ▶ 75% of Trustees must approve
- ▶ FMR must approve
- ▶ Communicate to all and allow 12 weeks for objections
- ▶ Consider and resolve all objections
- ▶ Submit to registrar



REGISTRAR

If the Registrar agrees that the scheme is reasonable and equitable and it recognises the rights and reasonable benefit expectations of all stakeholders, then the scheme is approved — if not the submission will be queried.



AD HOC TRIBUNAL

Appointed if

- ▶ Scheme not submitted
- ▶ Requested by Board
- ▶ Requested by FMR
- ▶ Registrar not satisfied

Tribunal's decision is binding



SURPLUS



DEFINITIONS

- ▶ Actuarial Surplus — Includes improper uses
- ▶ Defined contribution minimum benefits — Includes transfers and other special payments
- ▶ Exclude funds commencing after 7 March 2002



PENSIONS

- ▶ Clarify amounts and dates for minimum increases
- ▶ Exclude RAs or other cases with fixed increases
- ▶ Clarify catch-up increases only to be granted if affordable



IMPROPER USES

- ▶ Cost includes fund return up to surplus date and thereafter to date of settlement
- ▶ Clarify meaning of selected members
- ▶ Clarify who is the employer for purposes of improper uses
- ▶ Need only go back to 1980



VALUATION REPORT

- ▶ This is part and parcel of the surplus scheme
- ▶ If not satisfied with the valuation — the Registrar may request a tribunal



NIL SCHEMES

- ▶ A nil scheme must be submitted to the Registrar
- ▶ Members, former members etc can object to a nil scheme
- ▶ If not satisfied, the registrar can object to a nil scheme



UMBRELLA FUNDS

- ▶ Each participating employer is treated as a separate fund for surplus purposes



INTEREST

All payments and allocations to receive fund
return from the surplus date to date of settlement



THANK YOU

QUESTIONS ?

