

OPDU
Trusted by Pensions Professionals

Scheme Wind-Up & Run-Off Protection for Trustees and Employees

The Pensions Insurance Specialist

OPDU
IS MANAGED
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OPDU is a market leading provider of professional indemnity and liabilities insurance to pension trustees, administrators and sponsoring employers. With protected scheme assets of over £125 billion OPDU bring peace of mind, protection and best practice guidance to Clients with both large and small schemes.

Peace of mind

It can be a troubling time for trustees, trustee directors, or employees of pension schemes when a pension scheme is being wound-up. After the scheme has wound up, past errors can come to light and the passage of time will have done nothing to relieve you of fresh pressures you may never have anticipated having to cope with.

Reliance on indemnities from the employer may not provide you with sufficient protection. If the sponsor ceases to exist, or is financially vulnerable, then the protection could be worthless. These considerations are heightened by the sponsor's willingness, or lack thereof, to accept liability and its preparedness or even its ability to pay out. Furthermore, there would be no protection from exoneration clause as there will be no scheme assets to use.

The indemnities themselves are also limited. You are not protected in the event of breach of trust relating to investments. Nor are you protected for civil fines or penalties.

OPDU's Elite Wind-Up and Run-Off cover helps protect you from these risks, and stands in front of unwilling disinterested or absent sponsoring employers.

Established in 1997 in response to the Pensions Act 1995, OPDU today protects schemes from the largest to the smallest and across DB, DC and Master Trust arrangements. Our Wind-Up cover offers protection of between £1 million and £15 million; with higher limits available if required. OPDU protection may also be varied to meet the specific requirements of individual trustees.

The core values of OPDU protection

- **The ultimate personal consideration**

OPDU's belief is that trustees of schemes which have wound up should be free from the fear of losing their personal assets.

- **Enduring confidence**

We are committed to ensuring that the protection extends to the estate and dependants of trustees after their death.

- **Rapid claims resolution**

We ensure that matters are resolved speedily and effectively when problems arise; no unnecessary delays or costs. We manage all our own claims and have in-house expertise to manage this process. We always start with the assumption that every claim is valid and we use the current scheme's advisors wherever possible. We only appoint our own when it is necessary to do so.

Who we protect

OPDU aims to insure everyone who might become liable for a loss because of internal maladministration of the pension scheme or wrongful act discovered after the scheme has been wound-up:

- Trustees
- Corporate Trustees
- Directors of Corporate Trustees
- Individual Professional Trustees
- Sponsoring Employers
- The Pension Scheme
- Internal Administrators
- Internal Advisors

OPDU gets to the heart of any issue or claim quickly, by adopting a holistic overview. This gives a common-sense and balanced approach to settling claims quickly and without long drawn-out complications. We find that shared understanding promotes logical problem solving and effective resolution.

We provide insurance cover for a broad range of pension professionals. Our comprehensive and inclusive basis minimises internal conflicts and disputes that might otherwise occur when numerous insurers represent different interests.



How we work on your behalf

For OPDU Run-off cover, the maximum protection will be the same as under the existing OPDU Pensions Trustee Liability policy.

For winding-up cover, the limit is £15 million (higher limits may be available).

OPDU provides free, confidential support service, offering confidential advice, guidance, assistance and general information. We also hold an Annual General Meeting and regular risk conferences to which you will be invited.

Unique industry relationship

Our structure reflects the needs of pension professionals. The OPDU Advisory Council is made up of representatives from member organisations, academics, and leading pensions professionals. Their role is to ensure that the services and insurance we provide continue to meet the changing needs of insured schemes.

OPDU Advisory Council

- **Terry Faulkner**
Chairman, former Chair of NAPF/PLSA
- **Dr Yally Avrahampour**
Assistant Professor of Management, LSE
- **Steve Balmont**
The Law Debenture Pension Trust Corporation plc
The Association of Corporate Trustees
- **Daniel Barlow**
Law Debenture Pension Trustees
- **Frank Curtiss**
Trustee, Chartered Institute of Management Accountants Pension and Assurance Scheme
- **Robin Ellison**
Pinsent Masons LLP
- **Rema Lawrence**
Head of Trustee Services, PWC
- **Richard Thornton**
Milk Pension Fund Trustees Ltd

OPDU Policies are designed specifically for occupational pension schemes

Our experienced team of insurance and pension specialists supports the insights and contribution of the Advisory Council in ensuring that our policies are relevant always; constantly evaluating for appropriateness and detail as regulations and risks evolve.



What OPDU protects

Errors and omissions

We cover trustees and employees engaged in the administration of the pension scheme for losses suffered because of wrongful acts, such as breach of trust, negligence or misrepresentation.

TPR civil fines and penalties

We cover trustees, employees and sponsoring employers for civil fines and penalties imposed by the Pensions Regulator (tPR) and for legal costs incurred in connection with investigations and prosecutions by tPR or other official body.

Ombudsman complaints

We cover trustees, employees and sponsoring employers for awards made by the Pensions Ombudsman and for legal costs incurred in defending determinations and appealing its decisions.

Defence costs

We cover trustees, employees and sponsoring employers for legal costs and expenses incurred in defending claims brought against them in connection with their duties to the pension scheme. These costs can include referrals to alternative dispute resolution, arbitration, mediation and other forums.

Missing Beneficiaries

We also cover you for the costs of investigating and, if necessary, funding for benefits for any missing beneficiaries who claim benefits from the scheme after it has completed its winding up.

Extensions

Member Nominated Trustees in the event of non-disclosure or misrepresentation.

Benefits of membership

OPDU Advisory Service

Provides Clients with general guidance about day-to-day administration of the scheme. The Advisory Service is free.

OPDU Claims Service

Provides the best possible claims handling service through a team of in-house barristers, solicitors and pension professionals who deal with claims in a sympathetic and professional manner. They are experienced in managing complex, sensitive disputes with due regard to the adverse publicity that litigation can attract.

£60m of cover available
to Clients



opdu.com

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