

# DB Master Trust Self-Certificate

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## The Pensions Master Plan

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<b>Completed by</b>	Isio Pensions Limited 10 Norwich Street London EC4A 1BD
<b>Date completed</b>	9 October 2023
<b>Contact details</b>	<a href="mailto:pensionsmasterplan@isio.com">pensionsmasterplan@isio.com</a> <a href="http://www.isio.com/tpmp">www.isio.com/tpmp</a>

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### Important note

The purpose of DB Master Trust Self-Certificates is to summarise factual information about a DB Master Trust. This Self-Certificate has been completed by the entity noted above. The information presented has not been audited, verified or otherwise checked by any third party. The Self-Certificate is not intended to provide comprehensive information about the DB Master Trust. Parties considering DB Master Trusts remain responsible for carrying out appropriate investigations, obtaining relevant information directly from relevant DB Master Trusts, and seeking appropriate professional advice in advance of making any decision. See "About this Self-Certificate" at the end of the document for further information.

Scheme	
<b>The Pensions Master Plan</b>	
<b>HMRC and TPR registered</b>	Yes
<b>Provider</b>	Isio Pensions Limited
<b>Structure</b>	
<b>Sectionalisation</b>	Sectionalised master trust
<b>Employer covenant</b>	Preserved on transferring in
<b>Benefit structure</b>	Based on transferring scheme
<b>Governance and Advisers</b>	
<b>Trustees</b>	<p>Each section has its own Section Trustees, who can be identical to the trustees of the transferring scheme – including any professional trustee.</p> <p>The Section Trustees are responsible for all decisions in relation to the section, e.g. regarding benefits, funding and investment.</p> <p>There is also a Master Plan Trustee who monitors each section's compliance with the Constitutional Rules of the Master Plan. The Master Plan Trustee is a bare trustee which legally owns Master Plan assets and invests these as instructed by Section Trustees.</p> <p>The Master Plan Trustee is Master Plan Trustees Ltd, whose current directors are professional trustees from PAN Trustees UK LLP.</p> <p>Trusteeship is independent of Isio. Isio is not appointed to the Section Trustee Board of new sections, nor to the Master Plan Trustee.</p>
<b>Trustee appointment</b>	<p>The Section Trustees are appointed in the same way as trustees were appointed to the transferring scheme for each section.</p> <p>The Master Plan Trustee is appointed by Isio Pensions Limited.</p>
<b>Other governance processes</b>	The governance processes for each section are determined by the Section Trustees. Section Trustees provide the Master Plan Trustee with an annual statement regarding their compliance with the Constitutional Rules.
<b>Balance of powers</b>	There are no changes to the balance of powers on transferring into the Master Plan. Each section is governed by its own Section Rules, which incorporate the precise wording of the transferring scheme rules. Therefore, the powers to set contributions, amend the Section Rules, terminate or wind-up the section or make bulk transfers out of the Master Plan rest between Section Trustees and section employers precisely as they did prior to transferring into the Master Plan.
<b>Key advisers and adviser appointment</b>	<p>Isio Pensions Limited provides actuarial and pensions administration services to sections, and the Master Plan has a single auditor.</p> <p>Otherwise Section Trustees appoint advisers of their own choice in relation to their section, and in particular can retain the same legal, covenant, investment and other advisers as were appointed to the transferring scheme.</p>

Operations and Costs	
<b>Investment</b>	Section Trustees decide investment strategy. The Section Trustees can select from, but are not restricted to, the range of low cost funds on the Master Plan's investment platform. There are no investment restrictions and Section Trustees can select passive managers, liability-driven investment, actively managed funds, or a fiduciary manager.
<b>Scheme funding</b>	Section Trustees are responsible for scheme funding and agreeing this with the section employer in the same way as was the case for each section's transferring scheme.
<b>Costs and charges</b>	<p><i>Pension scheme costs are complex. Those considering a DB Master Trust are encouraged to contact providers for information on the costs which would apply to their particular scheme.</i></p> <p>Section Trustees and employers remain responsible for the ongoing costs and charges of their section in the same way as was the case for the transferring scheme. This includes the costs of advisors, professional trustees, auditors, insurance and investment management as set out in engagement letters or manager agreements with Section Trustees. Economies of scale from more than £1 billion of assets having transferred in to the Master Plan enable lower ongoing costs than operating a standalone small or medium-sized scheme.</p>
<b>Other costs</b>	Each section remains responsible for non-advisory costs such as levies (e.g. the Pension Protection Fund levy) in the same way as each section's transferring scheme would have been.
<b>Provider and trustees' remuneration</b>	<p>The only income Isio receives from the Master Plan is from the provision of professional services to Sections, as set out in engagement terms agreed with Section Trustees and employers. Isio makes no other charges and does not receive an annual management charge from assets.</p> <p>The costs of the Master Plan Trustee are met separately by Isio. There is no charge made by the Master Plan Trustee to sections.</p>
Joining and Leaving	
<b>Entry process and costs</b>	Entry to the Master Plan is via a bulk transfer of assets and liabilities from the transferring scheme into a new section. Actuarial certification of the transfer is straight-forward as there are no changes to benefits, covenant or the balance of powers. Typically, the main entry cost is for legal advice to the transferring trustees. A legal guide to the Master Plan and template transfer deeds are provided on a non-reliance basis to advising lawyers to make this process efficient and cost effective. Isio recommend trustees carry out an investment strategy review on entry to gain the most benefit from the Master Plan's economies of scale for investment management costs. The employer and trustees of the transferring scheme retain responsibility for the remainder of the scheme post transfer into Master Plan.
<b>Exit process and costs</b>	Sections are able to exit the Master Plan without restriction, and this would be the decision of the Section Trustees and employer. Isio has no decision-making power to prevent a section exiting, and no exit fee is payable to Isio. A section would likely leave using an analogous process to entry, i.e. via a bulk transfer of assets and liabilities to another registered pension scheme. The section and employer would be responsible for exit costs (such as legal and advisory costs), any costs associated with selecting a receiving scheme, and the costs of winding up the Master Plan section.

**Provider Summary**

## The Pensions Master Plan

The Pensions Master Plan is a defined benefit master trust, designed to reduce pension scheme running costs while allowing trustees and employers to retain control of who makes decisions in relation to their scheme.

- More than £1 billion of assets have transferred in to the Master Plan, and sections can take advantage of economies of scale from low investment fund management charges.
- Each section selects its own trustees and can retain the transferring scheme's existing trustee board. This means decisions made reflect the views of the trustees and employers for each section individually.

High quality services are essential for trustees and a positive experience for members. Isio provide actuarial and pensions administration services to the sections, which can include an online member portal if required.

A single auditor acts for all Master Plan sections for efficiency, and otherwise section trustees can select their own advisers including retaining the transferring scheme's professional trustee and legal advisers.

The Master Plan does not impose restrictions on the assets which can be invested in, or particular approaches to investment or funding strategy. It is suitable for a wide range of schemes, including small and mid-sized schemes which might particularly benefit from economies of scale.

Isio is pleased to discuss with schemes the benefits of the Master Plan and the savings which could be available. Contact details for Isio are shown on the front page of this Self-Certificate.

**About this document**

This document provides general information about The Pensions Master Plan. It is the responsibility of employers and trustees to satisfy themselves that any transfer into The Pensions Master Plan is appropriate for their needs and the needs of pension scheme members. Employers and trustees retain responsibility for the remainder of the ceding pension scheme post-transfer. Independent professional advice should be sought where appropriate. Trustees should always seek legal advice in advance of a transfer.

This document has been written in general terms and we recommend that you obtain professional advice before acting or refraining from action on any of the contents of this document. Isio Pensions Limited accepts no liability for any loss occasioned to any person acting or refraining from action as a result of any material in this document.

# About this Self-Certificate

## Important note

All information in this Self-Certificate is provided by the entity shown on the front cover as having completed the Self-Certificate. No reliance should be placed on this information and parties considering defined benefit (“DB”) Master Trusts remain responsible for carrying out appropriate investigations, obtaining relevant information directly from relevant DB Master Trusts, and seeking appropriate professional advice in advance of making any decision.

The template for this Certificate was created by the Defined Benefit Master Trusts working group. At the time the template was issued, the working group comprised the Department for Work and Pensions (“DWP”), the Pensions and Lifetime Savings Association (“PLSA”), Abrdn, Deloitte, Hymans Robertson, Mercer, the Pensions Management Institute, Punter Southall, TPT and Travers Smith (henceforth called “the working group”). The PLSA have kindly agreed to host completed Self-Certificates on their website.

For the avoidance of doubt the working group does not audit, verify or otherwise check the information presented in DB Master Trust Self-Certificates.

## Self-Certificate version number

This Self-Certificate is based on template version number 1, issued by the working group on 27 October 2021.

## Purpose of the Self-Certificate

The Self-Certificate is intended to summarise factual information to assist DB scheme trustees and employers to understand the key features of DB Master Trusts which are available to accept transfers of DB pension schemes. It is not intended to provide comprehensive information on the DB Master Trust.

DWP support the creation of this template, to encourage the consolidation of DB pension schemes where it can benefit the schemes by reducing costs, enabling more effective investment strategies and improving governance.

## Schemes the Self-Certificate applies to

The Self-Certificate is for registered UK occupational defined benefit pension schemes that offer to accept transfers of the defined benefit pension assets and liabilities of non-associated employers while maintaining the transferring employers’ responsibilities for the liabilities. The template is not for superfunds or other arrangements where the link with the sponsoring employers is severed.

## Guidance

The working group has published “Guidance for Completing a DB Master Trust Self-Certificate”. Self-Certificates should be considered in conjunction with the Guidance, which contains information on how entities are expected to complete the various fields.

## Location of Self-Certificates

Completed Self-Certificates are published online subject to certain acceptance criteria summarised in the Guidance. Self-Certificates together with the template and Guidance can be found at this location:

<https://www.plsa.co.uk/Policy-and-Research/Defined-Benefit/DB-Master-Trust-Self-Certificates>

## Questions about Self-Certificates

Any queries should be raised with the entity that has completed the Self-Certificate using the contact details provided on the front cover.