



## Pensions and Reward

The issue of how to properly reward and motivate management and staff at all levels whilst satisfying other key stakeholders is one which concerns most organizations. Market conditions may mean that people can make the difference between success and failure.

Our international team comprises pensions, employment lawyers and tax advisers who have considerable experience in developing and implementing cost-efficient reward, compensation arrangements and stock-based incentive schemes tailored to each client's unique human resource and corporate strategy.

Our highly respected teams work together on executive and employee compensation arrangements to provide a one-stop integrated service.

### CAPABILITES

#### Pensions

We have a dedicated team who understand the latest issues and work at the very heart of the pensions world. We are among a select group of firms with the global experience and resources to deliver seamless cross-border services. The scheme asset values of our clients typically range from £25m to £500m. We also advise a number of schemes significantly above this asset range.

Our pension lawyers cover every aspect of pension provision, including the creation, operation, regulation and restructuring of all types of pension fund in the private and public sectors, as well as the management of pension disputes.

We advise on all aspects of pension scheme regulation, management, litigation and restructuring, regularly acting for employers and scheme trustees. Our aim is to deliver practical, commercial advice, combining technical knowledge with a solutions-driven approach. We want to be our clients' trusted legal and business advisers so that they consider us part of their team.

#### **Our services include:**

##### **Scheme design and advisory**

We can advise trustees and employers about their duties and responsibilities in a clear and accessible way, helping them reduce the risk of non-compliance. Advising on over 500 schemes, including the second largest occupational pension scheme in the UK, our pensions team is well placed to help clients with the full spectrum of pensions issues. As well as advising on compliance with existing legislation, we make sure that we are fully aware of new legislation on the horizon so that we can alert clients to action

### KEY CONTACTS

#### **Tim Marshall**

Partner

London

T: +44 (0)20 7796

6617

[tim.marshall@dlapiper.com](mailto:tim.marshall@dlapiper.com)

### RELATED SERVICES

- Global Equity Compensation
- Tax

they need to take. This is demonstrated by recent work we have completed for a number of clients in relation to automatic enrolment.

### **Liability management**

Longevity and poor market conditions increasingly mean that employers who sponsor defined benefit pension schemes are increasingly looking for ways to manage their funding liabilities.

We have experience of advising employers and trustees on the full range of liability management activity. In particular, we have advised on a number of asset-backed funding structures and longevity swaps.

Many of these solutions require knowledge of a range of legal disciplines in addition to pensions, such as structured and asset finance, funds, tax, employment and insurance. As a large full-service law firm, we have lawyers in all of these fields and are therefore able to provide an integrated, experienced team to help clients implement their chosen strategy. We have also formed a cross-practice longevity hedging group comprising members of our pensions, structured and asset finance, tax and insurance groups in the UK and US to harness our experience in this highly complex area.

### **Mergers, acquisitions and other transactional work**

We have experience advising on all stages of corporate transactions from the initial due diligence exercise assessing what pensions issues arise to documenting the transaction by drafting and negotiating appropriate pensions warranties and indemnities.

We have a wealth of experience advising on all of the issues involved in these scenarios. If a transaction is cross-jurisdictional and a client needs to understand the way that pensions arrangements operate in different countries and the impact of the transaction on those arrangements, as a leading global law firm, we are able to call on an international team to provide this advice and we regularly co-ordinate the seamless provision of advice across multiple jurisdictions.

### **Pensions and retirement plan litigation**

Disputes arising out of pension schemes come in many different shapes and sizes, from references to the Pensions Ombudsman to multi-million pound disputes over such matters as surplus, statutory debts and investment returns. A dispute may be relatively insignificant in isolation, but its outcome may affect many members and thus have wide-ranging implications, both financial and otherwise. Also, such disputes often need sensitive handling owing to the trustee-member-employer relationships involved.

As a result of this, and given the highly technical nature of pensions law and the unique procedures used for pensions disputes, pensions litigation has become a specialised area. We are dispute resolution specialists who are in tune with the requirements of pension schemes. We understand the nature of the various relationships involved and we have both the specialist knowledge of pensions law and the experience of dealing with pensions disputes to be able to guide clients to successful solutions.

### **Pension fund investment and fiduciary compliance**

The pensions team, working together with our funds, regulatory and tax teams, are able to provide an integrated approach to the area of pension scheme investment. Investment advice will be crucial to trustees when they decide to enter into an investment, and our pensions team will work with your investment advisers to advise trustees on the nature of their fiduciary duties, compliance with the scheme's investment rules and we review the investment advice received to ensure it covers everything that the legislation requires it to.

Our funds team is highly experienced in undertaking reviews of arrangements and advising clients on negotiating the terms of their investment. Through our experience of also acting for a number of managers on the establishment of similar funds we are able to provide up to date advice on commercial norms and developing trends in these arrangements, whether within the UK or elsewhere, for the benefit of our clients.

## **Compensation**

We help businesses to create compensation arrangements, employee benefit and equity incentive plans that comply with the complex and rapidly changing rules of tax, pensions, employment and securities laws. Our services cover the full range of compensation arrangements, including employment, severance and change-in/of-control agreements, and stock option, equity and other incentive compensation plans.

We advise clients on the creation and implementation of efficient executive and employee bonus plans and profit-sharing arrangements, assisting businesses in devising bonus policy in the light of corporate objectives and shareholder issues, to reviewing existing employment contracts and terms to determine how the policy is best implemented, through to drafting of the plan terms and other appropriate documentation.

We also advise on alternative business structures and vehicles to the typical employer/employee relationship.

### **Employee benefits**

We advise clients on the full range of employment-related benefits, including flexible benefits, salary sacrifice arrangements and beneficial loan arrangements, and how to incorporate these arrangements into employees' existing compensation arrangements.

### **Equity incentives**

We have particular experience in designing, implementing and operating share-based incentive arrangements, from long-term incentive plans and stock option plans in a domestic context to plans that work across jurisdictions, to tax efficient ratcheted equity arrangements in the private equity sector. Our advice covers tax, employment law, transfer pricing, local services law regulation and filing and withholding and compliance obligations in relation to share-based remuneration.

### **Global mobility services**

We have a team of lawyers and tax advisers who come together to provide a holistic service assisting businesses through all stages of handling postings of internationally mobile employees from an initial evaluation to implementation and exit/re-assignment strategies.

## **EXPERIENCE**

---

### **Pensions**

- Acted on a pioneering transaction in which we advised the trustees of a leading financial services insurance pension scheme on a high-profile, cutting-edge £1.9 billion longevity risk transfer/swap arrangement with a leading global investment bank
- Litigation on behalf of a Dutch pension fund with regard to instructions given by the Dutch Central Bank to phase out the fund's investment in gold
- Advice on modifications to previous pension schemes after an acquisition for a global beverage company
- Advising a leading hotel group on the pension aspects of its debt for equity swap, hailed at the time as the biggest debt for equity swap in UK corporate history
- Advising a trustee of a fund on nine separate hedge fund/pooled fund investments over the course of 18 months as part of the implementation of a new investment strategy
- Advised a parent company on the provision of guarantees to the trustees of a UK defined benefit pension scheme, as part of the funding negotiations which the UK employer had with the trustees. We also advised the same company on the provision of benefits for internationally mobile senior employees

### **Compensation**

- Designing and implementing a benefits cafeteria system for a major international IT company, including obtaining clearance for the system with the Dutch tax authorities
- Advising a multinational in the semi-conductor business on a claim by a Belgian ex-employee, temporarily working in the US, for a top-up on his pension plan, taking into account his higher US remuneration
- Advising a telecom company on the grant of options to its France-based employees in order to qualify for the French preferred tax/social security regime
- Advising an Italian company on the tax issues relating to a secondment of managing directors to its German subsidiary
- Advising a multinational client on the tax issues relating to the secondment of the managing director of one group company to serve as managing director of several other companies located in different jurisdictions

- Review of numerous stock option plans and other employee participation programs for various companies, both for national and international companies
- Advising on carried interest schemes and lucrative interest schemes for managers and other staff of private equity houses

## INSIGHTS

---

### Publications

#### **Pensions Round-Up October 2019**

29 November 2019

#### **PENSIONS ROUND-UP UK SERIES**

In this edition of Pensions Round-Up we look at developments from October 2019 including a press release from the Regulator about record-keeping and data reviews, a CJEU judgment about equalisation and a High Court judgment about rectification.

---

#### **Pensions Ombudsman Round-Up November 2019**

28 November 2019

In this edition of Pensions Ombudsman Round-Up we report on determinations concerning issues such as ill-health, auto-enrolment, RPI/CPI, employer discretion and transfers.

---

#### **Pensions Ombudsman Round-Up September 2019**

26 September 2019

In this edition of Pensions Ombudsman Round-Up we report on determinations concerning issues such as a change of the index used to calculate pension increases, the Ombudsman's Annual Report and the response to a consultation about dispute resolution.

---

#### **Pensions Ombudsman Round-Up**

1 MAY 2019

Welcome to the latest edition of DLA Piper's Pensions Ombudsman Round-Up newsletter in which we report on determinations made by the Pensions Ombudsman and Deputy Pensions Ombudsman. In this edition we look at determinations which cover issues including transfers and pension sharing orders.

---

#### **Dividend withholding tax schemes - New measures take aim at Belgian and foreign pension funds**

27 FEB 2019

The most striking aspect of the measures is the introduction of a rebuttable presumption pertaining to Belgian and non Belgian pension funds.

---

#### **The foreign pensions mismatch for Finnish pensioners in Portugal: A fundamental right (not) to tax?**

31 JUL 2018

---

Following increased pressure by the Finnish Government for Portugal to ratify the revised treaty between the two countries, on April 30, 2018 the Finnish Parliament voted in favor of denouncing the Portugal-Finland tax treaty signed on April 27, 1970 (the Old Treaty).

---

## NEWS

---

### **Advising Atlas Ventures on Workmate Series A fundraising**

15 November 2019

DLA Piper advised Atlas Ventures as lead investor in the USD5.2 million Series A fundraising of Workmate, a leading on demand staffing platform operating in Thailand and Indonesia.

---

### **New report finds retail sector leadership diversity deficit will affect future competitiveness**

5 JUN 2019

DLA Piper and executive recruitment and diversity consultancy Green Park today launch *The Retail Leadership 700* report, which reveals for the first time the extent of the lack of diversity within the leadership teams of the top US, UK and European retailers.

---

### **DLA Piper announces partnership promotions for 2019**

1 APR 2019

DLA Piper is proud to announce that 77 lawyers have been promoted to its partnership. The promotions are effective as of April 1, 2019 in the United States and May 1, 2019 for EMEA and Asia Pacific. The promotions were made across many of the firm's practice areas in 43 different offices throughout 20 countries.

---

### **DLA Piper appoints two directors in South Africa**

12 SEP 2018

DLA Piper has strengthened its office in Johannesburg, South Africa with the appointment of two directors. Hendré Human joins the Corporate team from Webber Wentzel in Johannesburg, where he was a partner. Monique Jefferson joins the Employment team from Bowmans in Johannesburg, where she was a senior associate.

---

### **DLA Piper named International Law Firm of the Year in Ukraine for fifth year running at The Legal Awards 2018**

24 MAY 2018

DLA Piper has been named International Law Firm of the Year in Ukraine at the 2018 Legal Awards, held by Yuridicheskaya Practika Publishing House. This is the fifth time the office has won the award.

---

### **DLA Piper advises Beijing Enterprise Water Group on acquisition of TRILITY**

5 MAY 2018

---

DLA Piper advised BEWG International, a wholly-owned subsidiary of Beijing Enterprises Water Group, on its 100% acquisition of water utility service provider TRILITY by way of a competitive bid process.

---

### **DLA Piper announces partnership promotions for 2018**

3 APR 2018

DLA Piper is proud to announce that 62 lawyers have been promoted to its partnership. The promotions are effective as of 1 April 2018 in the United States and 1 May 2018 for EMEA and Asia Pacific. The promotions were made across many of the firm's practice areas in 42 different offices throughout 20 countries.

---

### **DLA Piper wins four China Business Law Awards**

5 MAR 2018

DLA Piper is delighted to announce it has received four awards from China Business Law Journal's China Business Law Awards 2017-18, in the categories of Employment, Intellectual Property (Trademark and Copyright), Taxation and Shipping.

---

### **Businesses still not fully aware of Data Protection issues**

31 JAN 2018

DLA Piper has released its second Data Privacy Snapshot report, finding that once again, company global privacy programs have gaps in meeting increasingly demanding global privacy principles. Significantly, it appears that many companies are falling short of data protection obligations under the General Data Protection Regulation (GDPR), which will start to apply from 25 May 2018.

---