



ACA ELECTS IAN FARR AS NEW CHAIRMAN

11 May 2006 - The Association of Consulting Actuaries (ACA) has elected Ian Farr FFA as its new Chairman. He is one of Watson Wyatt's most experienced and senior actuaries and is scheme actuary to a number of pension plans including some of the largest in the UK. He takes office on 1 June 2006 and succeeds Adrian Waddingham, senior partner at Barnett Waddingham.

The **ACA**, which forms the largest national grouping of consulting actuaries in Europe, has over 1500 members working in around 80 consulting firms. Members are advisers to UK pension schemes with assets in excess of £700 billion, including the vast majority of larger schemes and thousands of smaller arrangements, and to insurance companies.

Commenting on his election, Ian Farr (biography - see **Note to Editors**) said:

"For employers and pension scheme trustees, the period ahead looks to be extremely testing in terms of pension challenges, not least with the latest government-led reforms following on from the Pensions Commission Report, which we expect to see later this month.

"The ACA has been seriously concerned at the public policy decisions made over the last two decades that have so undermined workplace provision - which is now in serious decline. This is deeply troubling in terms of the fragile pension outcomes for millions of our citizens in the years ahead. My and the ACA's challenge will be to do as much as we can to ensure the next set of reforms encourage the promotion of workplace plans that are better than minimum default standards. In particular, we will be looking for legal changes and for simplifications, as well as incentives, that will allow employers to think positively about offering risk sharing schemes and good workplace schemes generally."

"Prior to publishing the Pension Commission Report, Lord Turner had challenged actuaries to bring forward risk sharing designs for pension schemes, as money purchase arrangements leave their members shouldering 100% of the investment and longevity risk – which is not suitable for those on lower incomes. ACA feels that it has risen to this challenge through its representations to Government, despite a deafening silence from the Pensions Commission. We look to Government for legislative changes to remove restrictions so as to allow employers to transform an existing money purchase arrangement into a risk-sharing scheme. In this way, the employer

can have much more control of the cost than with a traditional final salary plan and the employee is less exposed to the vagaries of financial markets."

At the ACA's recent AGM, Stuart Southall (Punter Southall & Co) was elected Honorary Treasurer and Keith Barton (Hewitt) was re-elected Honorary Secretary. The other ACA Main Committee Members elected for 2006-2007 are Adrian Waddingham (Immediate past-Chairman from 1 June, Barnett Waddingham), Jeremy Dell (Lane Clark & Peacock), Nick Dexter (KPMG), Donald Duval (Aon Consulting), Mark Harris (PricewaterhouseCoopers), Steve Robinson (HSBC), Crawford Taylor (Hymans Robertson) and Andrew Vaughan (Mercer HR Consulting).

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Note to Editors:

Ian Farr biography

Ian Farr commenced his career at The Scottish Mutual Assurance Society in 1966, having been educated at The High School of Glasgow. He qualified as a Fellow of the Faculty of Actuaries in 1971 and subsequently held a series of pensions and marketing executive appointments, both at the Scottish Mutual head office and its branches.

In 1980 Ian joined Friends Provident Life Office to head its operations in the Republic of Ireland. He became a member of the Council of The Society of Actuaries in Ireland. He subsequently was promoted to Friends Provident's head office in Dorking to manage the group pensions department, which culminated in his appointment as Assistant General Manager (Pensions).

Because of his desire to concentrate on consulting work, Ian joined R Watson & Sons in 1987, becoming a Partner in 1988, which firm has since become Watson Wyatt.

He has advised a wide range of UK companies and trustee bodies on pension matters, and is currently scheme actuary to a number of pension plans including some of the largest in the UK.

Ian has been on the Main Committee of the ACA since 1997 and Honorary Treasurer 2002-2006.