

Case example: **Brian's big mistake**



5/5

Within each module there is a section called 'Case examples' which feature interviews and case studies to help illustrate key learning points. They are not essential but help to bring the learning to life and you may be able to research some of these further online.



Please note: This case example is linked to the first scenario '**The new trustee**'.

Case example: Brian's big mistake

Introduction

Brian Wilkinson is an MNT who found out the importance of knowing about his trust deed the hard way.

Background

'A couple of years ago, the Pensions Ombudsman found me and other trustees liable for losses due to maladministration.

A former employee wanted to take a transfer of his benefits to another scheme. When working out the value of the transfer, it emerged that over a year ago he had instructed us to move his fund to another investment option.

This instruction had been overlooked, and he lost out financially as a result. I thought I would be OK. Because it was an unintentional breach of trust, I thought I was protected by my trust deed...'

The outcome

'...but I wasn't. Even though most trust deeds have a rule protecting trustees, mine didn't. All the trustees, including me, ended up having to pay for this mistake from our own, personal, bank accounts. The outcome would have been the same either way - but it would have been nice to have been prepared. After that, I read the trust deed very thoroughly – and, of course, our administration procedures have been strengthened.'



You have now completed this case example.