

Krasner v Dennison and others, Lawrence v Lesser; pensions in bankruptcy

The Court of Appeal confirmed on 6<sup>th</sup> April 2000 that the trustee in bankruptcy, acting on behalf of creditors, has the right to receive benefits arising from retirement annuity policies and personal pensions.

The court held the pension policies constituted property, which vested in the trustee in bankruptcy and formed part of the bankruptcy estate.

Appeals on the basis that pension policies are subject to restrictions on assignment and also that it was against public interest to take a bankruptcy pension were dismissed.

**This was a case that effectively upheld the decision Re; Landau and now means that trustees in bankruptcy can claim a bankruptcy pension.**

**It should however be noted that the Welfare Reform and Pensions Act 1999 which came into force on 29th May 2000 stops a trustee in bankruptcy from claiming an approved pension arrangement. The 1999 Act goes on the state that pension contributions which are deemed excessive can be reclaimed.**