
Changes to legislation: There are currently no known outstanding effects for the Pension Schemes Act 2017.
Cross Heading: Modifications having effect from the commencement date. (See end of Document for details)

SCHEDULES

SCHEDULE 2

MASTER TRUSTS OPERATING BEFORE COMMENCEMENT: TRANSITIONAL PROVISION

Modifications having effect from the commencement date

- 8 Section 3 (prohibition on operating a Master Trust scheme unless authorised) has effect as if for the existing text there were substituted—

Existing Master Trust schemes: need for authorisation

- “3 (1) A person may not operate an existing Master Trust scheme at any time after the end of the application period unless—
- (a) the scheme is authorised, or
 - (b) the trustees have applied for authorisation of the scheme under section 4 and the decision on the application has not yet become final (see section 35).
- (2) Section 10 of the Pensions Act 1995 (civil penalties) applies to a person who breaches subsection (1).
- (3) The trustees of an existing Master Trust scheme must, before the end of the application period—
- (a) apply for authorisation of the scheme under section 4, or
 - (b) decide to wind up the scheme.
- For the consequences of a decision to wind up the scheme, see sections 20 to 33A (as modified by paragraphs 2 to 7 of Schedule 2).
- (4) If—
- (a) the Pensions Regulator becomes aware that an existing Master Trust scheme is operating after the end of the application period without authorisation, and
 - (b) the Regulator has not received either—
 - (i) an application for authorisation, or
 - (ii) a notification under section 22 of a decision to wind up the scheme,
- the Regulator must notify the trustees of the scheme that it is not authorised.
- (5) A notification under subsection (4) must include an explanation that it is a triggering event for the purposes of sections 20 to 33A, and of the trustees' duties under those sections.
- (6) The application period is the period of six months beginning with the commencement date.

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- (7) But if, before the end of that six month period, the trustees satisfy the Pensions Regulator that they have a good reason for needing an extension to the period, the Regulator may extend the application period by up to six weeks.
- (8) For the purposes of this Part, a person “operates” a Master Trust scheme if the person—
- (a) accepts money from members or employers (or prospective members or employers), in respect of fees, charges, contributions or otherwise, in relation to the scheme, or
 - (b) enters into an agreement with an employer that relates to the provision of pension savings for employees or other workers,
- and references to a scheme that is “operating” or “in operation” are to be construed accordingly.

Existing Master Trust schemes: pause orders

- 3A (1) This section applies where the trustees of an existing Master Trust scheme have applied for authorisation of the scheme under section 4 and the decision on the application has not yet become final (see section 35).
- (2) The Pensions Regulator may make a pause order in relation to the scheme if it is satisfied that—
- (a) there is, or is likely to be if a pause order is not made, an immediate risk to the interests of members under the scheme or the assets of the scheme, and
 - (b) it is necessary to make a pause order to protect the interests of the generality of members of the scheme.
- (3) A pause order under this section is to be treated as if it is made under section 31.
- (4) But in its application to a pause order under this section, paragraph 2 of Schedule 1 is to be read as if sub-paragraph (3) were omitted.”

Commencement Information

- I1** Sch. 2 para. 8 in force at 5.9.2018 for specified purposes by S.I. 2018/965, reg. 2(a)
I2 Sch. 2 para. 8 in force at 1.10.2018 in so far as not already in force by S.I. 2018/965, reg. 2(b)

9 Section 5 (decision on application) has effect as if at the end there were inserted—

“(7) In the case of a notification under subsection (5) relating to an existing Master Trust scheme, the notification must also include an explanation that the decision is a triggering event for the purposes of sections 20 to 33A, and of the trustees' duties under those sections.

- (8) In relation to an application received under section 4 from the trustees of an existing Master Trust scheme, the functions of the Regulator under this section are to be exercised by the Determinations Panel on behalf of the Regulator.

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(9) In subsection (8), “the Determinations Panel” means the committee established under section 9 of the Pensions Act 2004.”

Commencement Information

I3 Sch. 2 para. 9 in force at 5.9.2018 for specified purposes by S.I. 2018/965, reg. 2(a)

I4 Sch. 2 para. 9 in force at 1.10.2018 in so far as not already in force by S.I. 2018/965, reg. 2(b)

- 10 Section 21 (triggering events) has effect as if—
- (a) in subsection (2)—
 - (i) after “2” there were inserted “, 2A ”;
 - (ii) after “withdraw” there were inserted “ or refuse ”;
 - (b) in subsection (5)(c)—
 - (i) after “2” there were inserted “ or 2A ”;
 - (ii) after “withdraw” there were inserted “ or refuse ”;
 - (iii) after “withdrawn” there were inserted “ or refused ”;
 - (c) in the table in subsection (6), after the row for item 2 there were inserted—

<p>“2A. The Pensions Regulator notifies the trustees of an existing Master Trust scheme of the Regulator's decision to refuse to grant the scheme authorisation.</p>	<p>The date on which the notification is given.”;</p>
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 - (d) in that table, in the triggering event described in item 3, for “3(3)” there were substituted “ 3(4) ”.

Commencement Information

I5 Sch. 2 para. 10 in force at 5.9.2018 for specified purposes by S.I. 2018/965, reg. 2(a)

I6 Sch. 2 para. 10 in force at 1.10.2018 in so far as not already in force by S.I. 2018/965, reg. 2(b)

- 11 Section 23 (continuity options) has effect as if—
- (a) in subsection (2)(a)—
 - (i) after “2” there were inserted “ or 2A ”;
 - (ii) after “withdraw” there were inserted “ or refuse ”;
 - (b) in subsection (3)(a), after “2” there were inserted “, 2A ”.

Commencement Information

I7 Sch. 2 para. 11 in force at 5.9.2018 for specified purposes by S.I. 2018/965, reg. 2(a)

I8 Sch. 2 para. 11 in force at 1.10.2018 in so far as not already in force by S.I. 2018/965, reg. 2(b)

- 12 Section 26 (approval of implementation strategy) has effect as if—
- (a) in subsection (2)—
 - (i) after “2” there were inserted “ or 2A ”;
 - (ii) after “withdraw” there were inserted “ or refuse ”;
 - (b) in subsection (3), after “2” there were inserted “, 2A ”.

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- I9** Sch. 2 para. 12 in force at 5.9.2018 for specified purposes by S.I. 2018/965, reg. 2(a)
I10 Sch. 2 para. 12 in force at 1.10.2018 in so far as not already in force by S.I. 2018/965, reg. 2(b)

- 13 Section 28 (duty to pursue continuity option) has effect as if, in subsection (3)(a), after “2” there were inserted “, 2A”.

Commencement Information

- I11** Sch. 2 para. 13 in force at 5.9.2018 for specified purposes by S.I. 2018/965, reg. 2(a)
I12 Sch. 2 para. 13 in force at 1.10.2018 in so far as not already in force by S.I. 2018/965, reg. 2(b)

- 14 Section 34 (when it becomes clear that authorisation is not to be withdrawn) has effect as if—
- (a) in subsection (1)—
 - (i) after “2” there were inserted “ or 2A ”;
 - (ii) after “withdrawn” there were inserted “ or refused ”;
 - (b) in the table in subsection (3), in the first column (triggering event) for “Item 1 or 2” (in both places) there were substituted “ Item 1 or 2 or 2A (decision to refuse to authorise existing Master Trust scheme) ”;
 - (c) in that table, in the first row for item 1 or 2 or 2A, in the second column (circumstances)—
 - (i) in point 1, after “determination” there were inserted “ or decision ”;
 - (ii) in point 2, after “withdrawn” there were inserted “ or refused ”;
 - (d) in that table, in the second row for item 1 or 2 or 2A, in the second column (circumstances), in point 2, after “withdrawn” there were inserted “ or refused ”;
 - (e) in subsection (4), at the end there were inserted—
 - “(c) section 6(2), in a case where that section applies.”;
 - (f) in the section heading, at the end there were inserted “or refused”.

Commencement Information

- I13** Sch. 2 para. 14 in force at 5.9.2018 for specified purposes by S.I. 2018/965, reg. 2(a)
I14 Sch. 2 para. 14 in force at 1.10.2018 in so far as not already in force by S.I. 2018/965, reg. 2(b)

- 15 Section 35 (when decision to withdraw authorisation becomes final) has effect as if—
- (a) in subsection (1)—
 - (i) after “2” there were inserted “ or 2A ”;
 - (ii) after “withdraw” there were inserted “ or refuse ”;
 - (b) after subsection (1) there were inserted—
 - “(1A) This section also applies for the purposes of determining the date on which the decision on an application for authorisation of an existing Master Trust scheme becomes final for the purposes of section 3(1)(b).”;
 - (c) in the table in subsection (3), after the row for item 2 there were inserted—

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“Item 2A (notification of decision to refuse to grant authorisation to existing Master Trust scheme)	(1) The Pensions Regulator decides to refuse to grant authorisation to an existing Master Trust scheme, and	The date of the Regulator's decision.”;
	(2) there is no referral of the Regulator's decision to the Tribunal within the time period allowed for doing so.	

(d) in that table—

(i) in the first column, for “Item 1 or 2” (in both places) there were substituted “ Item 1 or 2 or 2A ”;

(ii) in the first row for item 1 or 2 or 2A, in the second column, in point 2, after “withdrawn” there were inserted “ or refused ”;

(iii) in the second row for item 1 or 2 or 2A, in the second column, in point 2, after “withdrawn” there were inserted “ or refused ”;

(e) in subsection (4), at the end there were inserted—

“(c) section 6(2), in a case where that section applies.”;

(f) in the section heading, after “withdraw” there were inserted “ or refuse ”.

Commencement Information

I15 Sch. 2 para. 15 in force at 5.9.2018 for specified purposes by S.I. 2018/965, reg. 2(a)

I16 Sch. 2 para. 15 in force at 1.10.2018 in so far as not already in force by S.I. 2018/965, reg. 2(b)

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