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DRAFT STATUTORY INSTRUMENTS

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**2018 No. XXXX**

**PENSIONS**

The Occupational Pension Schemes  
(Master Trusts) Regulations 2018

*Made* - - - - - **\*\*\***

*Coming into force in accordance with regulation 1*

THE OCCUPATIONAL PENSION SCHEMES  
(MASTER TRUSTS) REGULATIONS 2018

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24. Pause orders
25. Administration charges
26. Application of Part 1 of the Pension Schemes Act 2017
27. (1) Part 1 of the Act does not apply to...

28. (1) This paragraph applies to a Master Trust scheme which—...
29. (1) Two or more pension schemes are treated as a...
30. Amendment of the Pensions Act 1995
31. Amendment of the Companies Act 2006
32. Amendment of the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008
33. Amendment of the Overseas Companies Regulations 2009  
Signature

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#### SCHEDULE 1 — FIT AND PROPER PERSONS REQUIREMENT

1. For the purposes of section 7(4)(a) of the Act, the...
2. For the purposes of section 7(3)(b) of the Act, the...
3. For the purposes of section 7(4)(a) of the Act, the...
4. (1) In this Schedule— “arrangement” means a voluntary agreement entered...

#### SCHEDULE 2 — FINANCIAL SUSTAINABILITY REQUIREMENT

##### PART 1 — Matters which the Regulator must take into account

1. The Regulator must take account of the following matters in...
2. The Regulator must take account of the following matters in...
3. The Regulator must take account of the following matters in...
4. The Regulator must take account of the following information in...

##### PART 2 — Requirements to be met by Master Trust schemes and scheme funders

5. A Master Trust scheme and each scheme funder must meet...
6. (1) This paragraph applies in respect of a Master Trust...

#### SCHEDULE 3 — THE BUSINESS PLAN

##### PART 1 — Information to be included in the business plan

###### *General*

1. The effective date of the business plan.
2. The period to which the business plan relates, to be...
3. In each case where this Schedule or a Code requires...
4. The name of the person who prepared the business plan...
5. A statement, signed by the trustees, each scheme funder and,...

###### *Information about the Master Trust scheme*

6. The registered name of the scheme.
7. If different, any trading or brand name under which the...
8. The date when the scheme was established.
9. The address of the scheme’s registered office.
10. The name of— (a) each scheme trustee,
11. The name and address of any scheme administrator.
12. The number of participating employers.
13. The number of members, broken down into active members, deferred...
14. The numbers of members joining, transferring from and leaving the...
15. The scheme’s pension registry number.
16. The scheme’s HM Revenue & Customs reference number.

*Information about scheme funders*

17. If a scheme funder has a single shareholder or is,...
18. Where section 10(3) of the Act (scheme funder requirements) applies...
19. Whether a scheme funder is regulated by a financial regulator...

*Information about the scheme strategist*

20. A declaration as to the overall competence of the scheme...

*Information following a triggering event*

21. Where a triggering event has reduced the value of the...  
PART 2 — Requirements relating to the business plan to be set out in a Code
22. Information to be provided by schemes which provide non-money purchase...
23. The scheme's objectives and its strategy for meeting them.
24. Costs in relation to money purchase benefits.
25. Assets and liquidity in relation to costs.
26. Income in relation to money purchase benefits.
27. Profit and loss in relation to money purchase benefits.

SCHEDULE 4 — SYSTEMS AND PROCESSES REQUIREMENTS

*Features and functionality of IT systems*

1. Whether the IT systems have the capacity and capability—

*Standards required of IT systems*

2. Whether the IT systems— (a) are of sufficient standard to...

*Maintenance of IT systems*

3. Whether the IT systems— (a) are maintained at regular intervals,...

*Member records*

4. Whether the scheme's systems and processes ensure that—

*Trustees and others*

5. Whether there are systems and processes— (a) for the fair...

*Contracts and service providers*

6. Whether there are systems and processes— (a) for ensuring that...

*Risk management*

7. Whether there are systems and processes— (a) for identifying, managing...

*Security*

8. Whether there are systems and processes— (a) for preventing unauthorised...

*Resource planning*

9. Whether there are systems and processes for ensuring that there...

*Investments*

10. Whether there are systems and processes— (a) for investing contributions...

*Member communication*

11. Whether there are systems and processes— (a) for facilitating members’...

SCHEDULE 5 — CONTINUITY OPTION 1: TRANSFER OUT AND WINDING UP

*Interpretation*

1. (1) In this Schedule— “applicable scheme” means whichever of the...

*Calculation of cash equivalent*

2. (1) In this Schedule, a “cash equivalent” of any rights...

*Trustees’ powers*

3. (1) The trustees of a scheme that is pursuing continuity...

*Trustees’ first notice to employers and members*

4. (1) When the trustees have identified the trustee default scheme,...

*Employer’s response to trustees*

5. (1) Each employer which receives a notice under paragraph 4...

*Trustees’ second notice to members*

6. (1) After the period allowed for employers to send notice...

*Member’s response to trustees*

7. (1) A member who has received notice from the trustees...

*Trustees’ duty to transfer*

8. (1) If the trustees receive notice from a member in...

*Notice of expected transfer date*

9. Not less than one month before the expected transfer date,...

*Transfer requirements: choice of arrangements*

10. (1) The trustees of the applicable scheme must, as soon...

*Requirements to be met by default schemes*

11. The trustee default scheme and any employer default scheme must...

*Trustees' power to transfer otherwise than to a scheme*

12. (1) Where the trustees cannot identify a scheme which they...

*Administration charges*

13. (1) For the purposes of section 24(5)(i) of the Act...

*Future contributions*

14. The trustees of a scheme that is pursuing continuity option...

*Cessation of accruals*

15. (1) On the transfer date, the trustees of the transferring...

*Winding up*

16. The Regulator may direct the trustees of the transferring scheme...

*Regulator's power to direct*

17. The trustees of a Master Trust scheme must comply with...

*Civil penalties*

18. Section 10 of the 1995 Act (civil penalties) applies to...

Explanatory Note