SCHEDULE 6

Continuity Option 1: transfer out and winding up

Definitions

1.—(1) In this Schedule—

"arrangement" has the meaning given in section 152 of the Finance Act 2004(**1**);

"beneficiary" in relation to the collective money purchase scheme means—

(a) a member of the scheme, or

(b) a person who has survived a member of the scheme and has an entitlement to benefits, or a right to future benefits, under the scheme rules in respect of the member;

"default arrangement" has the meaning given in regulation 3 of the Occupational Pension Schemes (Charges and Governance) Regulations 2015(**2**);

"default discharge option" means the way the trustees propose to discharge the scheme's liability to a beneficiary in respect of the beneficiary's accrued rights to benefits under the scheme, unless the beneficiary specifies otherwise in accordance with paragraph 14;

"discharge time" in relation to a beneficiary under the scheme means the time that the scheme's liability to the beneficiary in respect of the value of the beneficiary's accrued rights to benefits under the scheme is discharged;

"final quantification" means the final quantification carried out immediately prior to the discharge time, in accordance with paragraph 5(1)(f);

"income withdrawal" has the meaning given in paragraph 7 of Schedule 28 to the Finance Act 2004(**3**);

"initial quantification" means the initial quantification carried out in accordance with paragraph 5(1)(c);

"member's flexi-access drawdown fund" has the meaning given in paragraph 8A of Schedule 28 to the Finance Act 2004(**4**);

"pensioner beneficiary", in relation to the collective money purchase scheme, means a person who is entitled to the present payment of pension or other benefits under the scheme;

"penultimate quantification" means the quantification carried out not less than one month before the proposed discharge time, in accordance with paragraph 5(1)(e);

"periodic income" means a payment made by a scheme under paragraph 7, which is not the payment of a benefit (including pension) under the scheme;

"quantification" means the quantification of the amount that represents the value of each beneficiary's accrued rights to benefits under the scheme;

"winding-up commencement time" means the time, determined in accordance with these Regulations and the scheme rules, that winding-up is taken to begin for the purposes of continuity option 1;

"winding-up period" means the period beginning with the winding-up commencement time and ending when the winding-up of the scheme is completed;

(**1**) 2004 c. 12. Section 152 was amended by paragraphs 1 and 2 of Schedule 5 to the Finance Act 2021 (c. 26).
(**2**) S.I. 2015/879. Regulation 3 was amended by S.I. 2015/889.
(**3**) Paragraph 7 was substituted by paragraphs 2 and 5 of Schedule 16 to the Finance Act 2011 (c. 11) and amended by section 1 and paragraphs 5 and 19 of Schedule 1 to the Taxation of Pensions Act 2014 (c. 39).
(**4**) Paragraph 8A was inserted by section 1 of and paragraph 3 of Schedule 1 to the Taxation of Pensions Act 2014 (c. 39).

"winding-up quantification" means the quantification carried out after the Regulator notifies the trustees that the implementation strategy is approved, in accordance with paragraph 5(1)(d).

(2) Notices given under this Schedule must be sent—

(a) in writing, by post or email;

(b) to the addressee's last known address; and

(c) in accordance with any further requirements set out in a Code.

(3) For the purposes of sub-paragraph (2), a person's email address is—

(a) any email address provided for the time being by that person as an address for contacting that person; or

(b) if no such address has been provided, any email address by means of which the sender reasonably believes that the notice will come to the attention of that person or (where that person is a body corporate) any director or other officer of that body corporate.

(4) A notice under this Schedule sent to a person by email is taken to have been received by that person 48 hours after it is sent.