

## SCHEDULES

### SCHEDULE 2

#### MASTER TRUSTS OPERATING BEFORE COMMENCEMENT: TRANSITIONAL PROVISION

##### *Modifications having effect from the date on which this Act is passed*

- 6 Section 33 (prohibition on increasing charges etc during triggering event period) has effect as if—
- (a) at the beginning there were inserted—
    - “(A1) Subsections (B1) and (C1) apply where a triggering event occurs in relation to an existing Master Trust scheme on or after 20 October 2016 but before the commencement date.
    - (B1) The trustees must, before the end of the period of seven days beginning with the date on which the triggering event occurred, provide the Pensions Regulator with a statement under subsection (1F).
    - (C1) The trustees must not, during the triggering event period—
      - (a) impose any administration charges on or in respect of members at levels above those set out in the statement under subsection (1F),
      - (b) impose any new administration charges on or in respect of members, or
      - (c) impose any administration charges on or in respect of a member in consequence of the member leaving, or deciding to leave, the scheme during the triggering event period.”;
  - (b) in subsection (1), for “a Master Trust scheme” there were substituted “an existing Master Trust scheme, where the triggering event occurred on or after the commencement date.”;
  - (c) after that subsection, there were inserted—
    - “(1A) Subsections (1B) to (1E) have effect where—
      - (a) a triggering event occurs in relation to an existing Master Trust scheme on or after 20 October 2016 but before the commencement date, and
      - (b) the accrued rights of members of that scheme (the “transferring scheme”) have been transferred to one or more other Master Trust schemes under section 73(2)(a) of the Pensions Act 1993 (a “receiving scheme”).
    - (1B) The trustees of a receiving scheme must provide the Pensions Regulator with a statement under subsection (1F) and a statement under subsection (1G).

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*Status: This is the original version (as it was originally enacted).*

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- (1C) In a case where the accrued rights are transferred before the date on which this Act is passed, the statements must be provided to the Pensions Regulator before the end of the period of seven days beginning with the date on which this Act is passed.
- (1D) In a case where the accrued rights are transferred on or after the date on which this Act is passed but before the commencement date, the statements must be provided to the Pensions Regulator before the end of the period of seven days beginning with the date on which the rights are transferred.
- (1E) The trustees of a receiving scheme must not—
- (a) impose any administration charges on or in respect of members at levels above those set out in the statement under subsection (1F), or
  - (b) impose any new administration charges on or in respect of members,
- for the purposes of meeting any of the costs mentioned in subsection (3).
- (1F) A statement under this subsection must state the annual levels of administration charges that applied in relation to members of the scheme on 20 October 2016, for each arrangement or fund within the scheme.
- (1G) A statement under this subsection is a statement explaining how the receiving scheme has complied with subsection (1E), and must include—
- (a) an explanation of whether the receiving scheme is liable for the costs mentioned in subsection (3)(a) or (b), and
  - (b) in a case where the receiving scheme is so liable, how it is to meet those costs.”;
- (d) in subsection (2), at the beginning there were inserted “Where a triggering event occurs in relation to an existing Master Trust scheme on or after the commencement date,”;
- (e) in subsection (4)(b), after “subsection” there were inserted “(1E) or”;
- (f) in subsection (7)—
- (i) for “subsection (1)” there were substituted “subsection (B1), (C1), (1), (1B), (1E)”;
  - (ii) at the end there were inserted “, including in the period between 20 October 2016 and the date on which this Act is passed”;
- (g) in subsection (8), before the definition of “receiving scheme” there were inserted—
- ““arrangement” means an allocation of contributions towards an investment or investments according to a strategy adopted by the trustees;”;
- (h) in that subsection—
- (i) in the definition of “receiving scheme”, before “means” there were inserted “, other than in subsections (1A), (1B) and (1E), and subsection (3) as it applies to subsection (1E),”;

- (ii) in the definition of “transferring scheme”, before “means” there were inserted “, other than in subsection (1A), and subsection (3) as it applies to subsection (1E),”.