
STATUTORY INSTRUMENTS

2005 No. 441

The Pension Protection Fund (Multi-employer Schemes) (Modification) Regulations 2005

[^{F1}PART 3

SEGREGATED SCHEMES:

MULTI-EMPLOYER SECTIONS WITHOUT REQUIREMENT FOR PARTIAL WIND UP ON WITHDRAWAL OF A PARTICIPATING EMPLOYER

[^{F1}Refusal to assume responsibility for a scheme

24.—(1) Section 146 of the Act (schemes which become eligible schemes) shall be modified in its application to a section of a scheme to which regulation 14 applies so that it shall be read as if—

- (a) for subsection (1), there were substituted the following subsection—
 - “(1) Regulations may provide that where the Board is satisfied that any multi-employer section of a segregated scheme is not, for the purposes of this Part, an eligible scheme throughout such a period as may be prescribed, the Board must refuse to assume responsibility for that section under this Chapter.”;
- (b) in subsection (2)—
 - (i) for the words “a scheme”, there were substituted the words “a section of the scheme”; and
 - (ii) in paragraph (b)(iii), for the words “in relation to the employer or, if there is no such insolvency practitioner, the employer”, there were substituted the words “in relation to an employer or, if there is no such insolvency practitioner, that employer”;
- (c) after subsection (2), there were inserted the following subsection—
 - “(2A) Where the trustees or managers of a multi-employer section of a segregated scheme receive a copy of a withdrawal notice from the Board under subsection (2), they must send a copy of that notice as soon as practicable to all the employers in relation to that section of the scheme and to the trustees or managers of each section of the scheme (if different).”;
- (d) in paragraph (c) of subsection (4), for the words “in relation to the employer or, if there is no such insolvency practitioner, the employer”, there were substituted the words “in relation to an employer or, if there is no such insolvency practitioner, that employer”; and
- (e) after subsection (4), there were inserted the following subsection—
 - “(4A) Where the trustees or managers of a multi-employer section of a segregated scheme receive a notice from the Board under subsection (4) together with a copy of the binding notice, they must send a copy of the notice and the binding notice as soon as practicable to all the employers in relation to that section of the scheme and to the trustees or managers of each section of the scheme (if different).”.

(2) Section 147 of the Act (new schemes created to replace existing schemes) shall be modified in its application to a section of a scheme to which regulation 14 applies so that it shall be read as if—

(a) for subsection (1), there were substituted the following subsection—

“(1) The Board must refuse to assume responsibility for a new multi-employer section of a segregated scheme (“the new section”) under this Chapter where it is satisfied that—

- (a) the new section was established during such period as may be prescribed,
- (b) an employer in relation to the new section was, at the date of establishment of that section, also the employer in relation to another scheme (“the old scheme”) or another section of the scheme (“the old section”) established before the new section,
- (c) a transfer or transfers of, or a transfer payment or transfer payments in respect of, any rights of members under the old scheme or the old section has or have been made to the new section, and
- (d) the main purpose or one of the main purposes of establishing the new section and making the transfer or transfers, or transfer payment or transfer payments, was to enable those members to receive compensation under the pension compensation provisions in respect of their rights under the new section in circumstances where, in the absence of the transfer or transfers, regulations under section 146 would have operated to prevent such payments in respect of their rights under the old scheme or the old section.”;

(b) in paragraph (b)(iii) of subsection (2), for the words “in relation to the employer or, if there is no such insolvency practitioner, the employer”, there were substituted the words “in relation to an employer or, if there is no such insolvency practitioner, that employer”;

(c) after subsection (2), there were inserted the following subsection—

“(2A) Where the trustees or managers of a multi-employer section of a segregated scheme receive a copy of a withdrawal notice from the Board under subsection (2), they must send a copy of that notice as soon as practicable to all the employers in relation to that section of the scheme and to the trustees or managers of each section of the scheme (if different).”;

(d) in paragraph (c) of subsection (4), for the words “in relation to the employer or, if there is no such insolvency practitioner, the employer”, there were substituted the words “in relation to an employer or, if there is no such insolvency practitioner, that employer”; and

(e) after subsection (4), there were inserted the following subsection—

“(4A) Where the trustees or managers of a multi-employer section of a segregated scheme receive a notice from the Board under subsection (4) together with a copy of the binding notice, they must send a copy of the notice as soon as practicable to all the employers in relation to that section of the scheme and to the trustees or managers of each section of the scheme (if different).”.

(3) Section 148 of the Act (withdrawal following issue of section 122(4) notice) shall be modified in its application to a section of a scheme to which regulation 14 applies so that it shall be read as if—

(a) in paragraph (c) of subsection (5), for the words “the employer”, there were substituted the words “any employer”;

(b) after subsection (5), there were inserted the following subsection—

“(5A) Where the trustees or managers of a multi-employer section of a segregated scheme receive a copy of a withdrawal notice issued by the Board under this section, they must send a copy of that notice as soon as practicable to all the employers in relation to

that section of the scheme and to the trustees or managers of each section of the scheme (if different).”;

- (c) in paragraph (c) of subsection (7), for the words “the employer”, there were substituted the words “any employer”; and
- (d) after subsection (7), there were inserted the following subsection—

“(7A) Where the trustees or managers of a multi-employer section of a segregated scheme receive a notice from the Board under subsection (7) together with a copy of the binding notice, they must send a copy of the notice and the binding notice as soon as practicable to all the employers in relation to that section of the scheme and to the trustees or managers of each section of the scheme (if different).”.]

Textual Amendments

- F1** Pt. 3 substituted (1.8.2005) by [The Occupational Pension Schemes \(Miscellaneous Amendments\) Regulations 2005 \(S.I. 2005/2113\)](#), regs. 1(2), **10(3)**

Changes to legislation:

There are currently no known outstanding effects for the The Pension Protection Fund (Multi-employer Schemes) (Modification) Regulations 2005, Section 24.