
STATUTORY INSTRUMENTS

2005 No. 441

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

PART 5

NON-SEGREGATED SCHEMES:

**SCHEMES WITH A REQUIREMENT FOR PARTIAL WIND UP
ON THE WITHDRAWAL OF A PARTICIPATING EMPLOYER**

Refusal to assume responsibility for a scheme

55.—(1) Section 146 of the Act (schemes which become eligible schemes) shall be modified in its application to a segregated part to which regulation 45 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 a non-segregated scheme, or a segregated part of such a scheme, is not, for the purposes of this Part, an eligible scheme throughout such period as may be prescribed, the Board must refuse to assume responsibility for that part of the scheme under this Chapter.”;

(b) for the words “a scheme” in subsection (2), there were substituted the words “a segregated part of a non-segregated scheme”;

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

“(2A) Where the trustees or managers of a segregated part of a non-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 the scheme.”; and

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

“(4A) Where the trustees or managers of a segregated part of a non-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 the scheme.”.

(2) Section 147 of the Act (new schemes created to replace existing schemes) shall be modified in its application to a segregated part to which regulation 45 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 segregated part of a non-segregated scheme (“the new scheme”) under this Chapter where it is satisfied that—

(a) the new scheme was established during such period as may be prescribed,

(b) the employer in relation to the segregated part was, at the date of establishment of the new scheme, also an employer in relation to another scheme (“the old scheme”) established before the new scheme,

- (c) the assignment of scheme assets made to the new scheme has been made in respect of any rights of members under the old scheme, and
 - (d) the main purpose or one of the main purposes of establishing the new scheme 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 assignment, regulations under section 146 would have operated to prevent such payments in respect of their rights under the old scheme.”;
- (b) after subsection (2), there were inserted the following subsection—
 - “(2A) Where the trustees or managers of a segregated part of a non-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 the scheme.”; and
- (c) after subsection (4), there were inserted the following subsection—
 - “(4A) Where the trustees or managers of a segregated part of a non-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 the scheme.”.
- (3) Section 148 of the Act (withdrawal following issue of section 122(4) notice) shall be modified in its application to a segregated part to which regulation 45 applies so that it shall be read as if—
 - (a) after subsection (5), there were inserted the following subsection—
 - “(5A) Where the trustees or managers of a segregated part of a non-segregated scheme receive a notice from the Board under this section, they must send a copy of that notice as soon as practicable to all the employers in relation to the scheme.”; and
 - (b) after subsection (7), there were inserted the following subsection—
 - “(7A) Where the trustees or managers of a segregated part of a non-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 the scheme.”.