
STATUTORY INSTRUMENTS

2015 No. 1677

**The Occupational Pension Schemes (Schemes that
were Contracted-out) (No.2) Regulations 2015**

PART 2

**GENERAL PROVISIONS RELATING TO SCHEMES THAT
WERE SALARY RELATED CONTRACTED-OUT SCHEMES**

Overseas schemes

6.—(1) The rules of an overseas scheme are to provide—

- (a) that, if the scheme is wound up, the assets of the scheme are to be applied first towards satisfying the amounts of the liabilities mentioned in section 73(4) of the 1995 Act⁽¹⁾ (preferential liabilities on winding up) and, if they are insufficient to satisfy those amounts in full, then—
 - (i) they are to be applied first towards satisfying the amounts of the liabilities mentioned in earlier paragraphs of that subsection before those mentioned in later paragraphs; and
 - (ii) where the amounts of the liabilities mentioned in one of those paragraphs cannot be satisfied in full, all such liabilities are to be satisfied in the same proportions;
- (b) that not more than 5 per cent of the current market value of the scheme's resources are invested in a person who is an employer, or connected with an employer, in relation to the scheme if such investments are required to meet the liabilities specified in subparagraph (a) and the value of such investments is to be calculated and determined in a manner approved by the Commissioners; and
- (c) in respect of rights that have accrued as a result of contracted-out employment in the scheme in Great Britain, for revaluation of accrued rights in accordance with sections 83 to 86 of the 1993 Act⁽²⁾ and for indexation of pensions in accordance with sections 51 to 54 of the 1995 Act⁽³⁾.

(2) In this regulation “overseas scheme” means an occupational pension scheme that was a salary related contracted-out scheme and that has its main administration outside the EEA states, but does

(1) Section 73 was partially substituted by section 270 of the Pensions Act 2004 (c.35) (“the 2004 Act”).
(2) Sections 83 to 86 were amended by paragraphs 28, 31 and 32 of Schedule 12 to the [Welfare Reform and Pensions Act 1999](#) (c.30), S.I. 2005/2053, paragraph 62 of Schedule 5 to the 1995 Act, section 281 of the 2004 Act, section 19 of the Pensions Act 2011 (c.19), paragraphs 18 and 25 of Schedule 4 to the Marriage (Same Sex Couples) Act 2013 (c.30), paragraphs 18 and 20 of Schedule 8 to the Public Service Pensions Act 2013 (c.25), and S.I. 2014/1953 and S.I. 2014/3229.
(3) Section 51A was inserted by section 51 of the Child Support, Pensions and Social Security Act 2000. Section 51ZA was inserted by section 278 of the 2004 Act and amended by paragraph 8 of Schedule 2 to the Pensions Act 2008. Section 51ZB was inserted by section 21 of the Pensions Act 2011. Sections 51 to 54 were amended by paragraphs 43, 51 and 52 of Schedule 12 to the Welfare Reform and Pensions Act 1999, section 51 of the Child Support, Pensions and Social Security Act 2000, section 278 of, and Part 1 of Schedule 13 to, the 2004 Act, S.I. 2006/745, sections 19 and 21 of the Pensions Act 2011, S.I. 2011/1730 and paragraphs 58, 59 and 60 of Schedule 13 to the 2014 Act.

not include a scheme that was contracted-out in the Isle of Man by virtue of satisfying section 9(2) of the 1993 Act⁽⁴⁾ as it had effect in the Isle of Man before the second abolition date⁽⁵⁾.

(4) Section 9(2) was substituted by section 136 of the 1995 Act.

(5) See section 7A of the 1993 Act inserted by paragraph 6 of Schedule 13 to the 2014 Act.