

SCHEDULES

SCHEDULE 17

AUTOMATIC TRANSFER OF PENSION BENEFITS ETC.

PART 2

MERGER OF PENSION ACCOUNTS

13.—(1) The Department may by regulations make provision for the purposes of requiring dormant pension accounts of a qualifying member of an automatic transfer scheme to be merged into a current pension account of the member.

(2) The regulations may not require a dormant pension account to be merged unless the accrued rights to benefits to which the account relates would be transferable benefits of the member if—

- (a) all other accrued rights to benefits of the member, and any relevant contributions, were ignored, and
- (b) any other prescribed matter were ignored.

(3) The regulations may in particular—

- (a) make provision for determining into which current pension account (if the member has more than one) a dormant pension account is to be merged;
- (b) provide that the rules of the scheme that are to apply to a merged pension account are those that apply to the current pension account into which a dormant pension account is being merged;
- (c) require the trustees or managers of the scheme to make a transfer of assets representing the accrued rights to benefits to which a dormant pension account relates;
- (d) include provision corresponding or similar to any provision which may be made by regulations under Part 1.

(4) In this paragraph “pension account”, in relation to a member of a scheme, means an account relating to the member’s accrued rights to benefits in respect of a particular period of employment; and a pension account—

- (a) is “dormant” if relevant contributions in relation to the period of employment to which the account relates have ceased; and
- (b) is “current” if such contributions have not ceased.

(5) In this paragraph—

- (a) references to “accrued rights to benefits”, in relation to a member of a scheme, are to accrued rights to benefits under the applicable rules (within the meaning given by paragraph 1(6));
- (b) “employment” has the prescribed meaning;
- (c) “relevant contributions”, in relation to a member of a scheme, means contributions to the scheme by, or on behalf or in respect of, the member.