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STATUTORY RULES OF NORTHERN IRELAND

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**1996 No. 431**

**The Occupational Pension Schemes (Member-nominated Trustees and Directors) Regulations (Northern Ireland) 1996**

**Part IV**

**General and Supplementary Provisions**

*General provisions about rules and arrangements*

**Cessation of approval of appropriate rules and alternative arrangements**

**20.**—(1) The approval of appropriate rules or alternative arrangements under the statutory consultation procedure ceases to have effect (but without prejudice to the validity or term of the appointment of any person selected in accordance with them)—

- (a) at the expiry of the period of 6 years beginning with the date on which the rules or arrangements were treated as approved under paragraph 8 or, as the case may be, paragraph 9 of Schedule 1;
- (b) in the case of an approval of rules, on the date on which fresh rules are treated as approved under paragraph 8 or, as the case may be, paragraph 9 of Schedule 1;
- (c) in the case of the approval of rules applying to a scheme to which Article 16 ceases to apply, on its ceasing;
- (d) in the case of an approval of arrangements under Article 17, on the date on which the employer gives notice under regulation 9(1)(b)(ii) in respect of the approval of new arrangements or the fresh approval of the existing arrangements;
- (e) in the case of the approval of rules applying to a company to which Article 18 ceases to apply, on its ceasing;
- (f) in the case of an approval of arrangements under Article 19, on the date on which the company gives notice under regulation 15(1)(b)(ii) in respect of the approval of new arrangements or the fresh approval of the existing arrangements;
- (g) in the case of rules applying to a scheme to which Article 16 applies or arrangements under Article 17, if—
  - (i) a relevant event has occurred in relation to the scheme to which the rules or arrangements apply, and
  - (ii) the trustees of the scheme have given notice to the employer under paragraph (3) that this paragraph is to apply,

at the expiry of the period of 6 months beginning with the date on which that notice is given or, if paragraph (4) applies, with the opt-out failure date, or

- (h) in the case of rules applying to a company to which Article 18 applies or arrangements under Article 19, if—

- (i) a relevant event has occurred in relation to a scheme which is a relevant scheme in relation to the company to which the rules or arrangements apply, and
- (ii) the trustees of the scheme have given notice to the employer under paragraph (3) that this paragraph is to apply,

at the expiry of the period of 6 months beginning with the date on which that notice is given or, if paragraph (5) applies, with the opt-out failure date,

whichever occurs first.

(2) For the purposes of paragraph (1)(g) and (h), a relevant event occurs in relation to a scheme if, as a result of the event—

- (a) the accrued rights of a group of members have been or are to be transferred to or from the scheme in such circumstances as are mentioned in regulation 12(2) of the Occupational Pension Schemes (Preservation of Benefit) Regulations (Northern Ireland) 1991<sup>(1)</sup> (transfers without consent);
- (b) any person becomes, or ceases to be, the employer in relation to the scheme, or
- (c) a company which is the employer in relation to the scheme becomes a wholly-owned subsidiary (within the meaning of Article 4 of the Companies (Northern Ireland) Order 1986<sup>(2)</sup>) of another company which is not the employer of persons in the description or category of employment to which the scheme relates.

(3) Where—

- (a) a relevant event has occurred in relation to a scheme, and
- (b) the trustees consider that as a result of that event it would be detrimental to the interests of the members of the scheme for the approval of the appropriate rules or, as the case may be, the alternative arrangements to continue to have effect,

they may give notice in writing to the employer and, in the case of rules, to the eligible members that paragraph (1)(g) or, as the case may be, paragraph (1)(h) applies.

(4) This paragraph applies where the employer duly gives notice under regulation 9(1)(a) during the period of one month beginning with the date on which the notice under paragraph (3) is given that he intends to propose alternative arrangements, but—

- (a) the employer gives the trustees notice in writing within the approval period that he is not proceeding with the proposals, or
- (b) the conditions imposed by regulation 9(1)(b) for the application of Article 17(1) are not satisfied within the approval period.

(5) This paragraph applies where the employer duly gives notice under regulation 15(1)(a) during the period of one month beginning with the date on which the notice under paragraph (3) is given that he intends to propose alternative arrangements, but—

- (a) the employer gives the company notice in writing within the approval period that he is not proceeding with the proposals, or
- (b) the conditions imposed by regulation 15(1)(b) for the application of Article 19(1) are not satisfied within the approval period.

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<sup>(1)</sup> S.R. 1991 No. 37; relevant amending regulations are S.R. 1992 No. 304

<sup>(2)</sup> S.I.1986/1032 (N.I. 6); Articles 4 and 4A were substituted for Article 4 by Article 62(1) of the Companies (No. 2)(Northern Ireland) Order 1990 (S.I. 1990/1504 (N.I. 10))