
STATUTORY RULES OF NORTHERN IRELAND

2005 No. 381

The Occupational Pension Schemes (Fraud Compensation Payments and Miscellaneous Amendments) Regulations (Northern Ireland) 2005

Segregated schemes: non-segregated multi-employer sections of segregated schemes with requirement for partial wind up on withdrawal of participating employer

16.—(1) This paragraph applies to a non-segregated multi-employer section of a segregated scheme in circumstances where—

- (a) an insolvency event occurs in relation to an employer in relation to that section;
- (b) the trustees or managers of the scheme become aware that an employer in relation to that section is unlikely to continue as a going concern and meets the requirements prescribed in regulation 7 of the Entry Rules Regulations (applications and notifications to the Board), or
- (c) an employer in relation to that section is unlikely to continue as a going concern and meets the requirements prescribed in regulation 4 (employers who are unlikely to continue as a going concern).

(2) Where paragraph (3) applies to that section of a segregated scheme—

- (a) the segregation requirements shall be deemed to have been triggered in relation to an employer immediately after the occurrence of an event described in paragraph (1)(a), (b) or (c), and
- (b) a segregated part of the section shall be deemed to have been created for and in respect of any period after the occurrence of an event described in paragraph (1)(a), (b) or (c) where—
 - (i) a withdrawal event within the meaning of Article 133(2), or
 - (ii) a cessation event in relation to a notice referred to in Article 165(9)(b)(iv),has not occurred in relation to the segregated part.

(3) This paragraph applies where the segregation requirement in the scheme rules would be triggered in relation to the section when an employer in relation to the section ceases to participate in the scheme.

(4) In this regulation—

“non-segregated multi-employer section” means a multi-employer section of a segregated scheme where the rules contain a segregation requirement;

“the segregation requirement” means the requirement on the trustees or managers under the scheme rules of a non-segregated multi-employer section to segregate such part of the assets of the section as is attributable to the section’s liabilities to provide pensions or other benefits to or in respect of the pensionable service of some or all of the members by reference to an employer, in relation to the section, where that employer ceases to participate in the scheme;

“segregated part” means a part of a non-segregated multi-employer section which is created when a segregation requirement in the scheme rules relating to that multi-employer section of the scheme has been triggered.

(5) The fraud compensation provisions shall be modified in their application to a non-segregated multi-employer section to which paragraphs (1) and (2) apply so that they shall be read as if—

- (a) references to “an occupational pension scheme” were references to a segregated part of a non-segregated multi-employer section in circumstances where that part, if it were a scheme, would be a scheme in respect of which the Board shall make a fraud compensation payment in accordance with Article 165(1);
- (b) references to “an eligible scheme” were references to a segregated part of a non-segregated multi-employer section of a segregated scheme in circumstances where that part, if it were a scheme, would be an eligible scheme;
- (c) except as otherwise provided in this regulation, references to—
 - (i) “the scheme” were to “the segregated part”;
 - (ii) “the employer” were to “the employer in relation to the segregated part”;
 - (iii) “the trustees or managers of the scheme” or “the trustees or managers” were to “the trustees or managers with ultimate responsibility for the administration of the section”;
- (d) in Article 165—
 - (i) in paragraph (2)—
 - (aa) for sub-paragraph (a) there were substituted the following sub-paragraph—
 - “(a) a qualifying insolvency event has occurred in relation to an employer in relation to a multi-employer section of the segregated scheme and a segregated part of the section is created,”;
 - (bb) in sub-paragraph (b) for “in relation to the scheme” there were substituted “in relation to the relevant segregated part of a multi-employer section of the segregated scheme”, and
 - (cc) in sub-paragraph (c)(ii) after “the scheme failure notice” there were inserted “in relation to the relevant segregated part of a multi-employer section of the segregated scheme”;
 - (ii) in paragraph (3)(b) after “scheme failure notice” there were inserted “in relation to the relevant segregated part of a multi-employer section of the segregated scheme”;
 - (iii) in paragraph (4)—
 - (aa) for sub-paragraph (b) there were substituted the following sub-paragraph—
 - “(b) an employer in relation to a multi-employer section of the segregated scheme is unlikely to continue as a going concern and a segregated part of the section is created,” and
 - (bb) in sub-paragraph (c) for “the employer” there were substituted “that employer”;
 - (iv) in paragraph (7) for “a scheme” there were substituted “a segregated part”, and
 - (v) in paragraph (9)(a) and (c) for “a scheme” there were substituted “a segregated part”;
- (e) in Article 166—
 - (i) in paragraph (1) after “Article 165 apply” there were inserted “to a relevant segregated part of a multi-employer section of the segregated scheme”;

- (ii) in paragraph (2) after “scheme rescue”, in both places where it occurs, there were inserted “in relation to the relevant segregated part of a multi-employer section of the segregated scheme”;
- (iii) after paragraph (3) there were inserted the following paragraph—
 - “(3A) Where the trustees or managers with ultimate responsibility for the administration of the section receive a notice from the Board under paragraph (3) they must send a copy of the notice as soon as practicable to all other trustees or managers of the segregated scheme (if different) and all of the employers in relation to the scheme.”, and
- (f) in Article 168 after paragraph (5) there were added the following paragraph—
 - “(6) Where the trustees or managers with ultimate responsibility for the administration of the section receive a notice from the Board under paragraph (5) they must send a copy of the notice as soon as practicable to all other trustees or managers of the segregated scheme (if different) and all of the employers in relation to the scheme.”.