

SCHEDULES

SCHEDULE 1

THE TRUSTEE CORPORATION

PART 1

MEMBERS AND EMPLOYEES

Members

- 1 (1) Appointments of members of the corporation, and of a member as chair of the corporation, are to be made—
 - (a) by the Secretary of State, if they take effect on the commencement of section 75(1) or in the initial period;
 - (b) by the corporation, if they take effect after the initial period.
- (2) Subject to sub-paragraph (3), the Secretary of State must consult the chair of the corporation before appointing an ordinary member (that is, a member who is not, on appointment, also appointed as chair).
- (3) A vacancy in the office of chair does not prevent the appointment of an ordinary member.
- (4) The Secretary of State and the corporation must aim to ensure that, from the end of the initial period, there are not fewer than 9 and not more than 15 members at any time.
- (5) It is for the Secretary of State to determine the length of the initial period.
- (6) An order under section 67 may provide for section 242 of the Pensions Act 2004 (c. 35) (member-nominated directors of corporate trustees) to apply to the members of the corporation as it applies to the directors of a company, subject to any modifications specified in the order.

Conflicts of interest

- 2 (1) The Secretary of State and, under paragraph 1(1)(b), the corporation must satisfy themselves that a person to be appointed as a member does not have a conflict of interest.
- (2) The Secretary of State and the corporation must also satisfy themselves from time to time that none of the members has a conflict of interest.
- (3) A member of the corporation, or a person the Secretary of State or the corporation proposes to appoint as a member, must provide the Secretary of State on request with any information the Secretary of State considers necessary for the purposes of sub-paragraph (1) or (2).

Status: This is the original version (as it was originally enacted).

- (4) A member of the corporation, or a person the corporation proposes to appoint as a member, must provide the corporation on request with any information the corporation considers necessary for the purposes of sub-paragraph (1) or (2).
- (5) In this paragraph and paragraph 3 “conflict of interest”, in relation to a person, means a financial or other interest which is likely to affect prejudicially that person’s discharge of functions as a member of the trustee corporation.
- (6) But for the purposes of this paragraph and paragraph 3 a person is not to be taken to have a conflict of interest for these reasons alone—
 - (a) being or having previously been engaged, on behalf of the relevant authority, in activities connected with the discharge of the authority’s functions relating to occupational pension schemes or personal pension schemes;
 - (b) having previously been a trustee or manager of such a scheme or an employee of such a trustee or manager.

Disqualification and removal

- 3 (1) A person is disqualified for appointment as a member if—
 - (a) prohibited by an order under section 3 of the Pensions Act 1995 (c. 26) or Article 3 of the Pensions (Northern Ireland) Order 1995 (S.I. 1995/3213 (N.I. 22)) from being a trustee of trust schemes in general, or
 - (b) suspended by an order under section 4 of that Act or Article 4 of that Order as a trustee of any scheme.
- (2) While the trustee corporation is a trustee of a scheme established under section 67, section 3 of that Act applies in relation to being a member of the trustee corporation as it applies in relation to being a trustee of the scheme.
- (3) The Pensions Regulator may also make an order under section 3 of that Act as applied by sub-paragraph (2) at any time when it would have power to make an order under section 4 of that Act (suspension) if the person were a trustee of the scheme.
- 4 (1) A person is disqualified for appointment as a member if disqualified under section 29 of the Pensions Act 1995 or Article 29 of the Pensions (Northern Ireland) Order 1995 (S.I. 1995/3213 (N.I. 22)) for being a trustee of a trust scheme.
- (2) A person is not disqualified under this paragraph if the Pensions Regulator has given the person a general waiver under section 29(5) of that Act or Article 29(5) of that Order.
- (3) The Pensions Regulator may, on the application of a person disqualified under this paragraph, give the person notice in writing waiving the disqualification.
- (4) A member who becomes disqualified under sub-paragraph (1) ceases to be a member.
- 5 The Secretary of State may remove a member from office if satisfied that the member—
 - (a) has a conflict of interest,
 - (b) is unfit for office by reason of misconduct,
 - (c) has failed to comply with the terms of appointment,
 - (d) has without reasonable excuse failed to discharge the functions of the office, or

Status: This is the original version (as it was originally enacted).

- (e) is otherwise incapable of discharging, or unfit or unwilling to discharge, the functions of the office.

Tenure of office

- 6 (1) A person holds and vacates office as a member or as chair in accordance with the terms of the appointment (subject to this Schedule).
- (2) A person's appointment as a member or as chair must state the period for which the appointment is made.
- (3) The period must not be more than five years.
- (4) At the end of the period the person is eligible for re-appointment, but may not be re-appointed more than once.
- (5) A person may resign as a member by notice in writing to the chair.
- (6) A person may resign as chair by notice in writing to the Secretary of State.
- (7) A person's appointment as chair ceases if the person ceases to be a member.

Remuneration etc

- 7 (1) The trustee corporation may—
 - (a) pay to the members such remuneration, and
 - (b) pay to or in respect of them such sums by way of or in respect of allowances and gratuities,as the Secretary of State may determine.
- (2) Where—
 - (a) a person whose term of office as member or chair has not expired ceases to hold that office, and
 - (b) the Secretary of State thinks there are special circumstances that make it right for the person to receive compensation,the trustee corporation may make a payment to the person of such amount as the Secretary of State may determine.

Staff

- 8 (1) The trustee corporation may appoint employees and make any other arrangements for its staffing that it thinks fit.
- (2) Employees are appointed and hold their employment on terms and conditions, including remuneration, determined by the trustee corporation.
- (3) The trustee corporation must—
 - (a) pay to or in respect of employees such pensions, allowances or gratuities as it may determine, or
 - (b) provide and maintain for them such pension schemes (whether contributory or not) as it may determine.