
Changes to legislation: There are currently no known outstanding effects for the Pension Schemes Act 2017, Paragraph 8. (See end of Document for details)

SCHEDULES

SCHEDULE 2

MASTER TRUSTS OPERATING BEFORE COMMENCEMENT: TRANSITIONAL PROVISION

Modifications having effect from the commencement date

- 8 Section 3 (prohibition on operating a Master Trust scheme unless authorised) has effect as if for the existing text there were substituted—

Existing Master Trust schemes: need for authorisation

- “3 (1) A person may not operate an existing Master Trust scheme at any time after the end of the application period unless—
- (a) the scheme is authorised, or
 - (b) the trustees have applied for authorisation of the scheme under section 4 and the decision on the application has not yet become final (see section 35).
- (2) Section 10 of the Pensions Act 1995 (civil penalties) applies to a person who breaches subsection (1).
- (3) The trustees of an existing Master Trust scheme must, before the end of the application period—
- (a) apply for authorisation of the scheme under section 4, or
 - (b) decide to wind up the scheme.
- For the consequences of a decision to wind up the scheme, see sections 20 to 33A (as modified by paragraphs 2 to 7 of Schedule 2).
- (4) If—
- (a) the Pensions Regulator becomes aware that an existing Master Trust scheme is operating after the end of the application period without authorisation, and
 - (b) the Regulator has not received either—
 - (i) an application for authorisation, or
 - (ii) a notification under section 22 of a decision to wind up the scheme,
- the Regulator must notify the trustees of the scheme that it is not authorised.
- (5) A notification under subsection (4) must include an explanation that it is a triggering event for the purposes of sections 20 to 33A, and of the trustees' duties under those sections.
- (6) The application period is the period of six months beginning with the commencement date.

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- (7) But if, before the end of that six month period, the trustees satisfy the Pensions Regulator that they have a good reason for needing an extension to the period, the Regulator may extend the application period by up to six weeks.
- (8) For the purposes of this Part, a person “operates” a Master Trust scheme if the person—
- (a) accepts money from members or employers (or prospective members or employers), in respect of fees, charges, contributions or otherwise, in relation to the scheme, or
 - (b) enters into an agreement with an employer that relates to the provision of pension savings for employees or other workers,
- and references to a scheme that is “operating” or “in operation” are to be construed accordingly.

Existing Master Trust schemes: pause orders

- 3A (1) This section applies where the trustees of an existing Master Trust scheme have applied for authorisation of the scheme under section 4 and the decision on the application has not yet become final (see section 35).
- (2) The Pensions Regulator may make a pause order in relation to the scheme if it is satisfied that—
- (a) there is, or is likely to be if a pause order is not made, an immediate risk to the interests of members under the scheme or the assets of the scheme, and
 - (b) it is necessary to make a pause order to protect the interests of the generality of members of the scheme.
- (3) A pause order under this section is to be treated as if it is made under section 31.
- (4) But in its application to a pause order under this section, paragraph 2 of Schedule 1 is to be read as if sub-paragraph (3) were omitted.”

Commencement Information

- I1** Sch. 2 para. 8 in force at 5.9.2018 for specified purposes by [S.I. 2018/965, reg. 2\(a\)](#)
- I2** Sch. 2 para. 8 in force at 1.10.2018 in so far as not already in force by [S.I. 2018/965, reg. 2\(b\)](#)

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