



Pension Schemes Act 2017

2017 CHAPTER 17

PART 1

MASTER TRUSTS

Authorisation criteria

7 Fit and proper persons requirement

- (1) This section applies for the purposes of enabling the Pensions Regulator to decide whether it is satisfied that the persons involved in a Master Trust scheme are fit and proper persons (see section 5(3)(a)).
- (2) The Pensions Regulator must assess whether each of the following is a fit and proper person to act in relation to the scheme in the capacity mentioned—
 - (a) a person who establishes the scheme;
 - (b) a trustee;
 - (c) a person who (alone or with others) has power to appoint or remove a trustee;
 - (d) a person who (alone or with others) has power to vary the terms of the trust under which the scheme is established (where the scheme is established under a trust);
 - (e) a person who (alone or with others) has power to vary the scheme (where the scheme is not established under a trust);
 - (f) a scheme funder;
 - (g) a scheme strategist;
 - (h) a person acting in a capacity specified in regulations made by the Secretary of State.
- (3) The Pensions Regulator may also assess whether each of the following is a fit and proper person to act in relation to the scheme in the capacity mentioned—
 - (a) a person who promotes or markets the scheme;
 - (b) a person acting in a capacity specified in regulations made by the Secretary of State.

Status: This is the original version (as it was originally enacted).

- (4) In assessing whether a person is a fit and proper person to act in a particular capacity, the Pensions Regulator—
- (a) must take into account any matters specified in regulations made by the Secretary of State, and
 - (b) may take into account such other matters as it considers appropriate (including, in particular, matters relating to a person connected with that person).
- (5) For the purposes of this section a person (“A”) is connected with another person (“B”) if—
- (a) A is an associate of B;
 - (b) where B is a company, A is a director or shadow director of B or an associate of a director or shadow director of B;
 - (c) A is a trustee of an occupational pension scheme established under a trust and—
 - (i) the beneficiaries of the trust include B or an associate of B, or
 - (ii) the terms of the trust confer a power that may be exercised for the benefit of B or an associate of B.
- (6) In this section—
- “associate” has the meaning given by section 435 of the Insolvency Act 1986;
 - “director” and “shadow director” have the meanings given by section 251 of that Act.
- (7) The first regulations that are made under subsection (4) are subject to affirmative resolution procedure.
- (8) Any subsequent regulations under subsection (4), and regulations under subsections (2) and (3), are subject to negative resolution procedure.