

## SCHEDULES

### SCHEDULE 18

#### POWER TO RESTRICT CHARGES OR IMPOSE REQUIREMENTS IN RELATION TO SCHEMES

##### *Power to restrict charges*

- 1.—(1) The Department may by regulations make provision—
- (a) prohibiting administration charges which are of a specified class or description, or which exceed specified limits, from being imposed on a member of a relevant scheme;
  - (b) prohibiting a relevant scheme from containing provision under which administration charges which are of a specified class or description, or which exceed specified limits, will or may be imposed on a member of the scheme.

“Specified” means specified in the regulations.

- (2) The regulations—
  - (a) may make provision for the manner of, and criteria for, determining whether an administration charge is of a specified class or description or exceeds specified limits;
  - (b) may provide for the determination to be made in accordance with guidance issued from time to time by the Department.
- (3) The regulations may impose duties on the trustees or managers of a relevant scheme or others.
- (4) The regulations may provide that a scheme is not a qualifying scheme in relation to a jobholder for the purposes of Part 1 of the Pensions (No. 2) Act if a provision of the regulations—
  - (a) is contravened, or
  - (b) is contravened in a way specified in the regulations.
- (5) In this paragraph—

“administration charge”, in relation to a member of a pension scheme, means any of the following to the extent that they may be used to meet the administrative expenses of the scheme, to pay commission or in any other way

that does not result in the provision of pension benefits for or in respect of members—

- (a) any payments made to the scheme by, or on behalf or in respect of, the member,
- (b) any income or capital gain arising from the investment of such payments, or
- (c) the value of the member's rights under the scheme;

“relevant scheme” means a pension scheme of a description specified in the regulations.