



2016 CHAPTER 1

PART 2

COLLECTIVE BENEFITS

Introduction and nature of collective benefits

Introduction and definition

8.—(1) This Part is about pension schemes under which at least some of the benefits that may be provided are collective benefits.

(2) A benefit is a “collective benefit” if in all circumstances the rate or amount of the benefit depends entirely on—

- (a) the amount available for the provision of benefits to or in respect of the member and one or more other members collectively, and
- (b) factors used to determine what proportion of that amount is available for the provision of the particular benefit.

(3) But a benefit is not a collective benefit if—

- (a) it is a money purchase benefit, or
- (b) it is of a description specified in regulations.