

SCHEDULES

SCHEDULE 1

Pause orders

Consequences of a pause order

1.—(1) If a pause order is made in relation to a Master Trust scheme, any action taken in contravention of the order is void, except to the extent that the action is validated by an order under paragraph 3.

(2) A pause order in relation to a Master Trust scheme does not prevent the scheme being wound up in pursuance of an order under Article 11 of the 1995 Order (power to wind up occupational pension schemes).

(3) If a pause order contains a direction under section 31(5)(b) that no further contributions (or no further specified contributions) are to be paid towards a scheme during the period for which the order has effect—

(a) any contributions which are the subject of the direction and which would otherwise be due to be paid towards the scheme during that period are to be treated as if they do not fall due, and

(b) any obligation to pay those contributions (including any obligation under Article 49(8) of the 1995 Order to pay amounts deducted corresponding to such contributions) is to be treated as if it does not arise.

(4) If a pause order contains a direction under section 31(5)(e) (no transfers etc of members' rights) it does not prevent—

(a) a pension sharing order or provision having effect, or

(b) a pension earmarking order having effect in a case where—

(i) the order requires a payment to be made if a payment in respect of any benefits under the scheme becomes due to a person, and

(ii) a direction under section 31(5)(d) does not prevent the payment becoming due.

(5) In sub-paragraph (4)—

“pension sharing order or provision” means an order or provision falling within Article 25(1) of the Welfare Reform and Pensions (Northern Ireland) Order 1999 (activation of pension sharing);

“pension earmarking order” means—

Changes to legislation: There are currently no known outstanding effects for the Pension Schemes Act (Northern Ireland) 2021, Cross Heading: Consequences of a pause order. (See end of Document for details)

- (a) an order under Article 25 of the Matrimonial Causes (Northern Ireland) Order 1978 (financial provision orders in connection with divorce etc) so far as it includes provision made by virtue of Article 27B or 27C of that Order (powers to include provision about pensions),
 - (b) an order under Part 1 of Schedule 15 to the Civil Partnership Act 2004 (financial provision in connection with dissolution, nullity or separation) so far as it includes provision made by virtue of paragraphs 20 and 21 of Part 5 of that Schedule (powers to include provision about pensions),
 - (c) an order under section 23 of the Matrimonial Causes Act 1973 so far as it includes provision made by virtue of section 25B or 25C of that Act (England and Wales powers corresponding to those mentioned in paragraph (a)),
 - (d) an order under Part 1 of Schedule 5 to the Civil Partnership Act 2004 (England and Wales powers corresponding to those mentioned in paragraph (b)) so far as it includes provision made by virtue of paragraphs 25 and 26 of Part 6 of that Schedule (powers to include provision about pensions), or
 - (e) an order under section 12A(2) or (3) of the Family Law (Scotland) Act 1985 (powers in relation to pension lump sums when making a capital sum order).
- (6) The Department may make regulations modifying any provision of—
- (a) Chapter 1 of Part 4ZA of the Pension Schemes Act (transfer rights: general), or
 - (b) Chapter 2 of that Part (early leavers: cash transfer sums and contribution refunds),

in their application to a Master Trust scheme in relation to which a pause order has effect containing a direction under section 31(5)(e) (no transfers etc of members' rights).

(7) Regulations under sub-paragraph (6) override any provision of the Master Trust scheme, to the extent that there is a conflict.

(8) Disregarding sub-paragraph (1), if a pause order made in relation to a scheme is not complied with, Article 10 of the 1995 Order (civil penalties) applies to any trustee of the Master Trust scheme who has failed to take all reasonable steps to secure compliance.

(9) Sub-paragraph (8) does not apply in the case of non-compliance with a direction under section 31(5)(c) (direction that certain deducted contributions are to be repaid by employer).

(10) In such a case, Article 10 of the 1995 Order (civil penalties) applies to an employer who, without reasonable excuse, fails to repay an amount as required by the direction.

Changes to legislation: There are currently no known outstanding effects for the Pension Schemes Act (Northern Ireland) 2021, Cross Heading: Consequences of a pause order. (See end of Document for details)

(11) Regulations under this paragraph are subject to negative resolution.

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Commencement Information

- I1** Sch. 1 para. 1 not in operation at Royal Assent, see [s. 44\(2\)](#)
- I2** [Sch. 1 para. 1](#) in operation at 16.3.2022 for specified purposes by [S.R. 2022/110, art. 2\(a\)](#)
- I3** [Sch. 1 para. 1](#) in operation at 6.4.2022 in so far as not already in operation by [S.R. 2022/110, art. 2\(b\)](#)

Changes to legislation:

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