
STATUTORY INSTRUMENTS

1995 No. 3213

The Pensions (Northern Ireland) Order 1995

PART II

OCCUPATIONAL PENSIONS

Member-nominated trustees and directors

Corporate trustees: member-nominated directors

18.—(1) Where a company is a trustee of a trust scheme and the employer is connected with the company or prescribed conditions are satisfied, the company must, subject to Article 19 secure—

- (a) that such arrangements for persons selected by the members of the scheme to be directors of the company as are required by this Article are made, and
- (b) that those arrangements, and the appropriate rules, are implemented.

(2) Persons who become directors under the arrangements required by paragraph (1) are referred to in this Part as “member-nominated directors”.

(3) The arrangements must provide—

- (a) for any person who has been nominated and selected in accordance with the appropriate rules to become a director by virtue of his selection, and
- (b) for the removal of such a person to require the agreement of all the other directors.

(4) Where a vacancy for a member-nominated director is not filled because insufficient nominations are received, the arrangements must provide for the filling of the vacancy, or for the vacancy to remain, until the expiry of the next period in which persons may be nominated and selected in accordance with the appropriate rules.

(5) The arrangements must provide for the selection of a person as a member-nominated director to have effect for a period of not less than three nor more than six years.

(6) The arrangements must provide for the number of member-nominated directors to be—

- (a) at least two or (if the scheme comprises less than 100 members) at least one, and
- (b) at least one-third of the total number of directors;

but the arrangements must not provide for a greater number of member-nominated directors than that required to satisfy that minimum unless the employer has given his approval to the greater number.

(7) The arrangements must provide that, if a member-nominated director who was a member of the scheme when he was appointed ceases to be a member of the scheme, he ceases to be a director by virtue of that fact.

(8) Where this Article applies to a company which is—

- (a) a trustee of two or more trust schemes, and

(b) a wholly-owned subsidiary (within the meaning of Article 4 of the Companies (Northern Ireland) Order 1986⁽¹⁾) of a company which is the employer in relation to those schemes, the following provisions apply as if those schemes were a single scheme and the members of each of the schemes were members of that scheme, that is: the preceding provisions of this Article, Article 20 and Article 21(7).

⁽¹⁾ 1986 NI 6.