

SCHEDULE 5

CONTINUITY OPTION 1: TRANSFER OUT AND WINDING UP

Trustees' second notice to members

6.—(1) After the period allowed for employers to send notice to the trustees under paragraph 5, the trustees must send a second notice to each member of the transferring scheme.

(2) A notice under this paragraph must be sent within the period of 3 months beginning with the day on which the trustees sent notice to members and employers under paragraph 4.

(3) A notice under this paragraph must state—

- (a) the proposed transfer date;
- (b) if the member's employer has not nominated an employer default scheme—
 - (i) the fact that the member will be transferred to the trustee default scheme unless the member specifies otherwise, and
 - (ii) the name of, and information about—
 - (aa) the trustee default scheme, and
 - (bb) the default arrangement in that scheme;
- (c) if the member's employer has nominated an employer default scheme—
 - (i) the fact that the member will be transferred to the employer default scheme unless the member specifies otherwise, and
 - (ii) the name of, and information about—
 - (aa) the employer default scheme, and
 - (bb) the default arrangement in that scheme;
- (d) the member's ability to obtain information about arrangements from the applicable scheme;
- (e) the fact that the member's funds will be allocated to the default arrangement unless the member specifies otherwise;
- (f) where the member can obtain guidance about the proposed transfer;
- (g) the member's right to choose whether the member's accrued rights and benefits in the transferring scheme are transferred to—
 - (i) the applicable scheme, or
 - (ii) an alternative scheme selected by the member;
- (h) the requirement for a member who has selected an alternative scheme to send the trustees of the transferring scheme a notice that meets the requirements of paragraph 7(2);
- (i) the member's rights under Part 4ZA(1) of the Pension Schemes Act (transfers and contribution refunds);
- (j) the member's right to require the cash equivalent of the member's accrued rights and benefits to be used to buy one or more policies as set out in paragraph 7(1)(b);
- (k) the consequences for the member of his or her choice of receiving scheme, with particular reference to its effect on payment of contributions by the member's employer;
- (l) the timetable for future communication with members.

(1) See paragraph 50 of Schedule 4 to the Pension Schemes Act 2015

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