

SCHEDULE 5

CONTINUITY OPTION 1: TRANSFER OUT AND WINDING UP

Administration charges

13.—(1) For the purposes of section 24(5)(i) of the Act (continuity option 1: transfer out and winding up), the trustees of an applicable scheme must provide to the Regulator a document setting out the administration charges in accordance with the following provisions.

- (2) The document must be provided within the period of 28 days beginning with—
 - (a) in the case of the trustee default scheme, the date on which the trustees received notice from the trustees of the transferring scheme under paragraph 4(1), or
 - (b) in the case of an employer default scheme, the date on which the trustees received notice from the employer under paragraph 5(1)(b).
- (3) The document must set out all levels of administration charges for each charge structure, including any discounted levels—
 - (a) for each arrangement, including a default arrangement, and any different levels in relation to any one arrangement;
 - (b) for any additional charges, including the reason for imposing them;
 - (c) for any third-party charges, including the reason for imposing them, and
 - (d) for any other type of administration charge in the scheme, including the reason for imposing it.
- (4) The charges must be set out as at the most recent date, not falling within a triggering event period in relation to the transferring scheme, on which the applicable scheme submitted a continuity strategy to the Regulator.
- (5) The levels must be set out on an annualised basis.
- (6) Where there is a discounted level, the reason for charging the lower level must also be set out.
- (7) The document must include a statement explaining—
 - (a) how the applicable scheme has complied with section 33(2) of the Act (prohibition on increasing charges during triggering event period);
 - (b) whether the applicable scheme is liable for the costs mentioned in section 33(3) of the Act, and
 - (c) if the applicable scheme is liable for those costs, how it is to meet them.