

DRAFT STATUTORY INSTRUMENTS

**2015 No.**

**The Occupational Pension Schemes  
(Charges and Governance) Regulations 2015**

**PART 2**

**RESTRICTIONS ON CHARGES**

**Limits on charges**

6.—(1) The limits on charges for the purposes of regulation 4(1)(a) are the limits specified in this regulation and the trustees or managers must choose whether to assess them in accordance with regulation 7 or 8 (but see regulation 8(6)).

(2) The limit in relation to a single charge structure is 0.75% annually of the value of the member's rights under the default arrangement.

(3) The limit in the case of a combination charge structure whose charges fall within regulation 5(3)(a) is —

- (a) in relation to the contribution percentage charge, 2.5% of the contributions allocated under the default arrangement —
  - (i) annually, or
  - (ii) where in relation to a charges year, regulation 4 does not apply to the member for the whole of the year, in the period for which that regulation applies; and
- (b) in relation to the existing rights charge, the percentage annually of the value of the member's rights under the default arrangement which is the figure in Column 2 of the following table which corresponds to the contribution percentage charge rate in Column 1 of that table which is imposed on the member.

<i>Column 1</i>	<i>Column 2</i>
<i>Contribution percentage charge rate (%)</i>	<i>Existing rights charge rate</i>
1 or lower	0.6
Higher than 1 but no higher than 2	0.5
Higher than 2 but no higher than 2.5	0.4

(4) The limit in the case of a combination charge structure whose charges fall within regulation 5(3)(b) is—

- (a) in relation to the flat fee charge, £25 annually; and
- (b) in relation to the existing rights charge, the percentage annually of the value of the member's rights under the default arrangement which is the figure in Column 2 of the following table which corresponds to the annual flat fee charge in Column 1 of that table which is imposed on the member.

---

**Draft Legislation:** This is a draft item of legislation. This draft has since been made as a UK Statutory Instrument: *The Occupational Pension Schemes (Charges and Governance) Regulations 2015 No. 879*

---

<i>Column 1</i>	<i>Column 2</i>
<i>Flat fee charge (£)</i>	<i>Existing rights charge rate (%)</i>
10 or less	0.6
More than 10 but no more than 20	0.5
More than 20 but no more than 25	0.4