
STATUTORY INSTRUMENTS

2005 No. 255

The Pensions (Northern Ireland) Order 2005

PART II

THE PENSIONS REGULATOR

[^{F1}Financial penalty for avoidance of employer debt

[^{F1}54C.—(1) This Article applies in relation to an occupational pension scheme other than—

- (a) a money purchase scheme, or
- (b) a prescribed scheme or a scheme of a prescribed description.

(2) Article 83A (financial penalties) applies to a person who was party to an act or deliberate failure to act the main purpose or one of the main purposes of which was—

- (a) to prevent the recovery of the whole or any part of a debt which is due from the employer in relation to the scheme under Article 75 of the 1995 Order (deficiencies in the scheme assets),
- (b) to prevent such a debt becoming due,
- (c) to compromise or otherwise settle such a debt, or
- (d) to reduce the amount of such a debt which would otherwise become due,

if it was not reasonable for the person to act or fail to act in the way that the person did.

(3) This Article does not apply where the Regulator is of the opinion that the person, in being a party to the act or failure, was acting in accordance with the person's functions as an insolvency practitioner in relation to another person (see Article 54A(9)).

(4) For the purposes of this Article a reference to a debt due under Article 75 of the 1995 Order includes a contingent debt under that Article.

(5) Accordingly, in the case of such a contingent debt, the reference in paragraph (2) to preventing a debt becoming due is to be read as including a reference to preventing the occurrence of any of the events specified in Article 75(4C)(a) or (b) of the 1995 Order upon which the debt is contingent.

(6) For the purposes of this Article the parties to an act or deliberate failure to act include those persons who knowingly assist in the act or failure.

(7) If the Regulator is of the opinion that—

- (a) a person was party to a series of acts or deliberate failures to act, and
- (b) the requirements of paragraph (2) are met in relation to the series,

the series of acts or failures to act is to be regarded as an act or failure to act in relation to which the requirements of paragraph (2) are met.]

F1 Arts. 54C, 54D inserted (1.10.2021) by Pension Schemes Act 2021 (c. 1), s. 131(2)(b), Sch. 8 para. 6(2); S.R. 2021/271, art. 2(3)(d) (with art. 3(1)(4))

Changes to legislation: *The Pensions (Northern Ireland) Order 2005, Section 54C is up to date with all changes known to be in force on or before 29 April 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes*

Modifications etc. (not altering text)

- C1** Art. 54C modified (1.8.2022) by [The Occupational Pension Schemes \(Collective Money Purchase Schemes\) \(Modifications and Consequential and Miscellaneous Amendments\) Regulations \(Northern Ireland\) 2022 \(S.R. 2022/192\)](#), regs. 1(1), **14(4)**

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The Pensions (Northern Ireland) Order 2005, Section 54C is up to date with all changes known to be in force on or before 29 April 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations.

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Changes and effects yet to be applied to the whole Order associated Parts and Chapters:

Whole provisions yet to be inserted into this Order (including any effects on those provisions):

- Sch. 6 para. 21(2)(c)-(cc) substituted for (b)(c) by [2008 c. 13 \(N.I.\) Sch. 6 para. 11](#)
- art. 2(4)(b)(viii)-(x) inserted by [2016 c. 1 \(N.I.\) Sch. 2 para. 21\(3\)\(b\)](#)
- art. 19(1A) inserted by [2016 c. 1 \(N.I.\) Sch. 2 para. 24\(3\)](#)
- art. 19(10A) inserted by [2016 c. 1 \(N.I.\) Sch. 2 para. 24\(5\)](#)
- art. 34(1)-(1B) substituted for art. 34(1) by [2016 c. 1 \(N.I.\) Sch. 2 para. 25](#)
- art. 34(7)(da) inserted by [2021 c. 1 Sch. 8 para. 3\(2\)](#)
- art. 39(1)-(1B) substituted for art. 39(1) by [2016 c. 1 \(N.I.\) Sch. 2 para. 26\(2\)](#)
- art. 48(1)-(1B) substituted for art. 48(1) by [2016 c. 1 \(N.I.\) Sch. 2 para. 27](#)
- art. 75(1)(a)(iib) inserted by [2021 c. 1 Sch. 8 para. 8\(2\)](#)
- art. 110(1)-(1B) substituted for art. 110(1) by [2016 c. 1 \(N.I.\) Sch. 2 para. 29](#)
- art. 191(5) added by [2008 c. 13 \(N.I.\) Sch. 9 para. 6](#)
- art. 267(4)(f) and word inserted by [2021 c. 1 Sch. 6 para. 20\(b\)](#)