

## SCHEDULES

### SCHEDULE 13

#### EMPLOYER ASSET-BACKED PENSION CONTRIBUTIONS ETC

#### PART 4

##### TRANSITIONAL PROVISION RELATING TO PART 3

##### *Application and interpretation*

- 21 (1) In this Part of this Schedule “the completion day” means the earliest of the following—
- (a) the day on which the asset-backed arrangement is to be completed determined as at the beginning of 22 February 2012;
  - (b) the day on which the asset-backed arrangement is actually completed;
  - (c) the day which is the last day of the period of 25 years beginning with the day on which E’s contribution is paid;
  - (d) the day on which a completion event occurs (see sub-paragraphs (2) to (11));
  - (e) if an event falling within paragraph 22 occurs, the day on which falls the time immediately before the occurrence of the event.
- (2) Sub-paragraphs (3) and (4) apply if the section which would have applied as mentioned in paragraph 18(1)(d) above is section 196B of FA 2004.
- (3) To determine if a completion event occurs for the purposes of sub-paragraph (1)(d) first determine, as at the beginning of 22 February 2012, the following—
- (a) the number of payments to be made after the beginning of 22 February 2012 to which the lender or a person connected with the lender is entitled in connection with the asset-backed arrangement,
  - (b) what the amounts of those payments are to be, and
  - (c) the times at which those payments are to be made.
- (4) A completion event occurs for the purposes of sub-paragraph (1)(d) if, after the beginning of 22 February 2012—
- (a) whether as a result of a term of the asset-backed arrangement or another arrangement or otherwise—
    - (i) there is a change in the number of payments to be made from that determined under sub-paragraph (3),
    - (ii) there is a significant change in the amount of a payment to be made from that so determined, or
    - (iii) there is a significant change in the time at which a payment is to be made from that so determined,
  - (b) a payment determined under sub-paragraph (3) is not made,

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*Status: This is the original version (as it was originally enacted).*

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- (c) a payment determined under sub-paragraph (3) is made but its amount is significantly different from the amount so determined for the payment, or
  - (d) a payment determined under sub-paragraph (3) is made but is made at a time significantly different from the time so determined for the payment.
- (5) Sub-paragraphs (6) and (7) apply if the section which would have applied as mentioned in paragraph 18(1)(d) above is section 196D or 196F of FA 2004.
- (6) To determine if a completion event occurs for the purposes of sub-paragraph (1)(d) first determine, as at the beginning of 22 February 2012, the following—
- (a) what the amount of the share in the partnership’s profits of the person involved in the relevant change is to be so far as the share is to be determined under the asset-backed arrangement by reference to payments made after the beginning of 22 February 2012,
  - (b) the number of drawings to be made from the partnership on account of the amount determined under paragraph (a) and the number of any other payments to be made after the beginning of 22 February 2012 to which the person involved in the relevant change, the lender or any other person connected with the lender is entitled in connection with the asset-backed arrangement,
  - (c) what the amounts of those drawings or other payments are to be, and
  - (d) the times at which those drawings or other payments are to be made.
- (7) A completion event occurs for the purposes of sub-paragraph (1)(d) if, after the beginning of 22 February 2012—
- (a) whether as a result of a term of the asset-backed arrangement or another arrangement or otherwise—
    - (i) there is a change in the number of drawings or other payments to be made from that determined under sub-paragraph (6),
    - (ii) there is a significant change in the amount of a drawing or other payment to be made from that so determined, or
    - (iii) there is a significant change in the time at which a drawing or other payment is to be made from that so determined,
  - (b) a drawing or other payment determined under sub-paragraph (6) is not made,
  - (c) a drawing or other payment determined under sub-paragraph (6) is made but its amount is significantly different from the amount so determined for the drawing or other payment, or
  - (d) a drawing or other payment determined under sub-paragraph (6) is made but is made at a time significantly different from the time so determined for the drawing or other payment.
- (8) In sub-paragraphs (3) and (4) and (6) and (7) references to payments are to payments of any type including drawings or distributions from a partnership, payments in respect of the security and other payments in respect of an asset (as read in accordance with section 776(4)(b) of CTA 2010).
- (9) In sub-paragraphs (6) and (7) references to the making of drawings from the partnership include references to the receiving of distributions from the partnership.
- (10) For the purposes of sub-paragraphs (3)(a) and (6)(b) a person is entitled to a payment “in connection with” the asset-backed arrangement if the person is entitled to the payment directly or indirectly in consequence of the arrangement or otherwise in connection with the arrangement.

- (11) For the purposes of sub-paragraphs (4)(b) to (d) and (7)(b) to (d) it does not matter if the event in question is authorised by a term of the asset-backed arrangement or any other arrangement or results from the occurrence or non-occurrence of another event which is so authorised.