

STATUTORY INSTRUMENTS

2015 No. 879

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

PART 2

RESTRICTIONS ON CHARGES

[^{F1}CHAPTER 1

**DEFAULT ARRANGEMENTS, [^{F1}qualifying collective money purchase schemes,]
NON-CONTRIBUTING MEMBERS AND PAYMENTS TO ADVISERS**

[^{F1}Restrictions on charges

4.—(1) Subject to regulations 9 and 10, the trustees or managers of a relevant scheme[^{F2}, that is not a collective money purchase scheme,] must not impose or permit to be imposed on a member of that scheme to whom [^{F3}this Chapter] applies charges which—

- (a) exceed the limits specified in [^{F3}this Chapter][^{F4}, with the exception of regulation 6A]; or
- (b) are of a description prohibited by [^{F3}this Chapter][^{F5}, with the exception of [^{F6}regulations 5A and] 11A].

[
^{F7}(1ZA) Subject to regulation 9, the trustees of a relevant scheme that is a qualifying collective money purchase scheme must not impose or permit to be imposed on the members of that scheme, in respect of members' rights under the scheme, charges which—

- (a) exceed the limits specified in this Chapter, with the exception of regulation 6; or
- (b) are of a description prohibited by this Chapter, with the exception of regulations 5, 11 and 11A.]

[
^{F8}(1A) Subject to regulation 11C, a service provider must not impose or permit to be imposed on a member to whom regulation 11A applies charges which are of a description prohibited by that regulation.]

(2) With the exception of [^{F9}regulations [^{F10}5A, 6A, 7A, 8A,] 11 and 11A], [^{F11}this Chapter] applies—

- (a) to a member of a relevant scheme[^{F12}, that is not a collective money purchase scheme,] to the extent of the value of that member's rights under a default arrangement; and
- (b) beginning with the date on which the first contribution to the default arrangement referred to in sub-paragraph (a) is received by the trustees or managers on or after the date on which this regulation comes into force.

[

^{F13}(3) [^{F14}For the purposes of paragraph (2), the] application of this regulation and regulations [^{F15}5, 6, 7, 8 and 9] in respect of the value of a member's rights is not affected by—

- (a) a transfer of those rights from one relevant scheme to another [^{F16}(unless the receiving scheme is a qualifying collective money purchase scheme)]; or
- (b) a subsequent transfer of those rights from one arrangement to another within the receiving scheme,

where the member has not given consent to the transfer.

[^{F17}(3A) If the receiving scheme referred to in paragraph (3) is a collective money purchase scheme (other than a qualifying collective money purchase scheme), this regulation and regulations 5, 6, 7, 8 and 9 apply in respect of the value of a member's rights, following any such transfer, as if the person was a member of a relevant scheme within the meaning of regulation 2(2)(a) or (b) to whom this Chapter applies in accordance with paragraph (2) (unless the person is a pensioner member of the receiving scheme, including a person who has become a pensioner member of the receiving scheme after the transfer).

(3B) Subject to paragraph (3C), the application of this regulation and regulations 5A, 6A, 7A, 8A and 9 in respect of a member of a relevant scheme that is a qualifying collective money purchase scheme is not affected by a transfer of the member's rights to a relevant scheme, where the member has not given consent to the transfer.

(3C) Paragraph (3B) does not apply in respect of the transfer of a member's rights from a qualifying collective money purchase scheme to a relevant scheme (within the meaning of regulation 2(2)(a) or (b))—

- (a) if this Chapter (with the exception of regulations 5A, 6A, 7A, 8A, 11 and 11A) would otherwise apply to the member by virtue of paragraph (2) upon their rights being transferred; or
- (b) if the member is a pensioner member of the qualifying collective money purchase scheme.

(3D) If a member's rights are transferred from a relevant scheme that is a qualifying collective money purchase scheme to a relevant scheme that is not a qualifying collective money purchase scheme (and paragraph (3B) applies in respect of the transfer of that member's rights)—

- (a) this regulation and regulations 5A, 6A, 7A, 8A and 9 apply in respect of that member (and any other members whose rights have been transferred at the same time) as if the person was a member, or as if the persons were members, of a qualifying collective money purchase scheme (unless the relevant scheme to which the rights are transferred is not a collective money purchase scheme and any such person is a pensioner member of the scheme, including a person who has become a pensioner member of the scheme after the transfer); and
- (b) references in this regulation and in regulations 5A, 6A, 7A, 8A and 9 to members of a qualifying collective money purchase scheme are to be read as references to those members subject to the transfer.]

(4) [^{F18}This Chapter does not apply to a member of a relevant scheme that is not a collective money purchase scheme] to the extent of the value of that member's rights in an arrangement ("Arrangement A") where—

- (a) the value of the rights has been transferred to Arrangement A from an arrangement which is not a default arrangement;
- (b) the member has not given consent to the transfer;
- (c) before the transfer took place, Arrangement A was not a default arrangement; and

(d) the member has, in the 5 years ending with the date of the transfer, expressed a choice as to where his or her contributions were allocated.]]

[^{F19}(5) In this regulation, “pensioner member” has the meaning given in section 124(1) of the 1995 Act.]

- F1** Ch. 1: reg. 4-13 renumbered as Ch. 1 (1.10.2017) by [The Occupational Pension Schemes \(Charges and Governance\) \(Amendment\) Regulations 2017 \(S.I. 2017/774\)](#), regs. 1, **4**
- F2** Words in [reg. 4\(1\)](#) inserted (1.8.2022) by [The Occupational Pension Schemes \(Collective Money Purchase Schemes\) Regulations 2022 \(S.I. 2022/255\)](#), reg. 1(3), **Sch. 7 para. 8(2)(a)**
- F3** Words in [reg. 4\(1\)](#) substituted (1.10.2017) by [The Occupational Pension Schemes \(Charges and Governance\) \(Amendment\) Regulations 2017 \(S.I. 2017/774\)](#), regs. 1, **5(2)**
- F4** Words in [reg. 4\(1\)\(a\)](#) inserted (1.8.2022) by [The Occupational Pension Schemes \(Collective Money Purchase Schemes\) Regulations 2022 \(S.I. 2022/255\)](#), reg. 1(3), **Sch. 7 para. 8(2)(b)**
- F5** Words in [reg. 4\(1\)\(b\)](#) inserted (6.4.2016) by [The Occupational Pension Schemes \(Charges and Governance\) \(Amendment\) Regulations 2016 \(S.I. 2016/304\)](#), regs. 1, **4(2)**
- F6** Words in [reg. 4\(1\)\(b\)](#) substituted (1.8.2022) by [The Occupational Pension Schemes \(Collective Money Purchase Schemes\) Regulations 2022 \(S.I. 2022/255\)](#), reg. 1(3), **Sch. 7 para. 8(2)(c)**
- F7** [Reg. 4\(1ZA\)](#) inserted (1.8.2022) by [The Occupational Pension Schemes \(Collective Money Purchase Schemes\) Regulations 2022 \(S.I. 2022/255\)](#), reg. 1(3), **Sch. 7 para. 8(3)**
- F8** [Reg. 4\(1A\)](#) inserted (6.4.2016) by [The Occupational Pension Schemes \(Charges and Governance\) \(Amendment\) Regulations 2016 \(S.I. 2016/304\)](#), regs. 1, **4(3)**
- F9** Words in [reg. 4\(2\)](#) substituted (6.4.2016) by [The Occupational Pension Schemes \(Charges and Governance\) \(Amendment\) Regulations 2016 \(S.I. 2016/304\)](#), regs. 1, **4(4)**
- F10** Words in [reg. 4\(2\)](#) inserted (1.8.2022) by [The Occupational Pension Schemes \(Collective Money Purchase Schemes\) Regulations 2022 \(S.I. 2022/255\)](#), reg. 1(3), **Sch. 7 para. 8(4)(a)**
- F11** Words in [reg. 4\(2\)](#) substituted (1.10.2017) by [The Occupational Pension Schemes \(Charges and Governance\) \(Amendment\) Regulations 2017 \(S.I. 2017/774\)](#), regs. 1, **5(3)**
- F12** Words in [reg. 4\(2\)\(a\)](#) inserted (1.8.2022) by [The Occupational Pension Schemes \(Collective Money Purchase Schemes\) Regulations 2022 \(S.I. 2022/255\)](#), reg. 1(3), **Sch. 7 para. 8(4)(b)**
- F13** [Reg. 4\(3\)-\(4\)](#) inserted (1.4.2018) by [The Occupational Pension Schemes \(Preservation of Benefit and Charges and Governance\) \(Amendment\) Regulations 2018 \(S.I. 2018/240\)](#), regs. 1(3), **3(2)**
- F14** Words in [reg. 4\(3\)](#) substituted (1.8.2022) by [The Occupational Pension Schemes \(Collective Money Purchase Schemes\) Regulations 2022 \(S.I. 2022/255\)](#), reg. 1(3), **Sch. 7 para. 8(5)(a)**
- F15** Words in [reg. 4\(3\)](#) substituted (1.8.2022) by [The Occupational Pension Schemes \(Collective Money Purchase Schemes\) Regulations 2022 \(S.I. 2022/255\)](#), reg. 1(3), **Sch. 7 para. 8(5)(b)**
- F16** Words in [reg. 4\(3\)\(a\)](#) inserted (1.8.2022) by [The Occupational Pension Schemes \(Collective Money Purchase Schemes\) Regulations 2022 \(S.I. 2022/255\)](#), reg. 1(3), **Sch. 7 para. 8(5)(c)**
- F17** [Reg. 4\(3A\)-\(3D\)](#) inserted (1.8.2022) by [The Occupational Pension Schemes \(Collective Money Purchase Schemes\) Regulations 2022 \(S.I. 2022/255\)](#), reg. 1(3), **Sch. 7 para. 8(6)**
- F18** Words in [reg. 4\(4\)](#) substituted (1.8.2022) by [The Occupational Pension Schemes \(Collective Money Purchase Schemes\) Regulations 2022 \(S.I. 2022/255\)](#), reg. 1(3), **Sch. 7 para. 8(7)**
- F19** [Reg. 4\(5\)](#) inserted (1.8.2022) by [The Occupational Pension Schemes \(Collective Money Purchase Schemes\) Regulations 2022 \(S.I. 2022/255\)](#), reg. 1(3), **Sch. 7 para. 8(8)**

Changes to legislation:

There are currently no known outstanding effects for the The Occupational Pension Schemes (Charges and Governance) Regulations 2015, Section 4.