

NATIONAL INSURANCE ACT, 1946, SECTION 69 (4)

THE following memorandum indicating briefly the circumstances and manner in which regulations for modifying private pension schemes may be applied for under Section 69(4) of the National Insurance Act, 1946, has been issued by the Chief Registrar of Friendly Societies.

Note on regulations for modifying private pension schemes

Provision has been made in Section 69(4) of the National Insurance Act, 1946, for modifying or winding up in connexion with the passing of the Act any scheme for the provision of pensions or other benefits. The sub-section provides that regulations may be made by such Minister of the Crown or Government department as may be determined by the Treasury to be appropriate in relation to the scheme or if the Treasury determine that there is no appropriate Minister or department by the Chief Registrar of Friendly Societies. In the majority of private pension schemes, if regulations are necessary, they will therefore be made by the Chief Registrar and in view of questions he has been asked he feels he should make it clear that there is no intention to make regulations laying down a standard set of modifications of general application or any regulations laying down the grounds for or manner in which to apply for regulations—indeed it is hoped that the majority of the schemes where modification is desired will be amended under powers conferred upon them by their constitution.

Section 69(4) of the Act will meet cases where a modification is needed and where the constitution of a scheme makes it impossible or very difficult for the parties to it to make the necessary modifications themselves. In such cases it is contemplated that there would have to be a separate set of regulations for each scheme.

An application in respect of a private pension scheme for regulations should be made by letter addressed to the Chief Registrar of Friendly Societies at 17, North Audley Street, London, W. 1. The application should set out

- (a) the reason why it is necessary that the scheme be modified by regulations
- (b) the total number of members and beneficiaries covered by the scheme
- (c) whether any meeting of members or beneficiaries has been held at which the proposed modifications have been considered; if so, numbers attending the meeting, the result of the voting, giving numbers for and against and whether at the meeting or otherwise.

Two copies of the draft modification together with two copies of the scheme and copies of any material documents such as a report of the actuary on the effect of the modifications should accompany the application.