

SCHEDULES

^{F1}SCHEDULE 6

PENSION COMPENSATION PROVISIONS

F1 mod. by SR 2005/171

Modifications etc. (not altering text)

C1 Sch. 6 modified (1.8.2006) by Pension Protection Fund (Pension Sharing) Regulations (Northern Ireland) 2006 (S.R. 2006/282), reg. 3(2)

Compensation in respect of scheme right to transfer payment or contribution refund

20.—(1) Compensation is payable in accordance with this paragraph where—

- (a) ^{F1} a person's pensionable service terminates on the commencement of the assessment period,
- (b) ^{F2} as a result, he has rights, under the admissible rules, to—
 - (i) a transfer payment calculated by reference to the value of benefits which have accrued to him under the scheme (“the protected transfer payment”), or
 - (ii) a cash payment calculated by reference to the amount of contributions made by him or on his behalf to the scheme (“the protected contribution repayment”),
- (c) Chapter 5 of Part IV of the Pension Schemes Act (early leavers: cash transfer sums and contribution refunds) does not apply to him, and
- (d) he does not have relevant accrued rights to benefit (within the meaning of section 97AA(4) of that Act).

(2) That person is entitled to compensation in the form of a lump sum in respect of the protected transfer payment or protected contribution repayment.

(3) The amount of the compensation is 90% of the amount of the protected transfer payment or protected contribution repayment (whichever is the greater).

(4) ^{F1} For the purposes of sub-paragraph (3), the amount of the protected transfer payment or protected contribution repayment is to be calculated in accordance with the admissible rules, which are to be applied for this purpose subject to any prescribed modifications.

(5) The compensation is payable immediately after the transfer notice given under Article 144 is received by the trustees or managers of the scheme.

(6) This paragraph is subject to paragraph 30 (power of Department to change percentage rates by order).

(7) Regulations may modify any provision of paragraph 8, 10, 11 or 14 (compensation for persons who were active members immediately before assessment date) as it applies in the case of a person who is entitled to compensation under this paragraph.

(8) Regulations may modify any provision of sub-paragraphs (1) to (6) as it applies in the case of a person who is entitled to compensation under paragraph 8, 10, 11 or 14.

Status: Point in time view as at 01/01/2006.

Changes to legislation: *The Pensions (Northern Ireland) Order 2005, Paragraph 20 is up to date with all changes known to be in force on or before 13 July 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)*

F1 mod. by SR 2005/171
F2 mod. by SR 2005/84

Status:

Point in time view as at 01/01/2006.

Changes to legislation:

The Pensions (Northern Ireland) Order 2005, Paragraph 20 is up to date with all changes known to be in force on or before 13 July 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.