
STATUTORY RULES OF NORTHERN IRELAND

2014 No. 204

**The Pensions (2012 Act)
(Transitional, Consequential and Supplementary Provisions)
Regulations (Northern Ireland) 2014**

PART 2

Money purchase underpin benefits and top-up benefits

Interpretation and application of this Part

3.—(1) This Part—

- (a) applies in relation to any period after 1st January 1997, and
- (b) is subject to the contrary provision for transitional purposes made by these Regulations.

(2) In this Part—

(a) “defined benefit minimum” means—

- (i) in relation to money purchase underpin benefits, benefits which are not money purchase benefits, but which accrue or may accrue under an occupational pension scheme in respect of the same period of a member’s pensionable service as the member’s rights to money purchase underpin benefits, or
- (ii) in relation to top-up benefits, a specified minimum value or amount, where under the scheme a member is promised that the member’s rights to money purchase benefits will be at least equal to that specified minimum value or amount, and

(b) a “top-up benefit” is a benefit—

- (i) the value or amount of which is greater than nil, and
- (ii) to which, under an occupational pension scheme, a member has rights only where the amount of the member’s rights to money purchase benefits falls short of a defined benefit minimum promised to the member.

Money purchase underpin benefits

4.—(1) If, at the relevant date, a member of an occupational pension scheme has rights under the scheme to money purchase underpin benefits, the existence of a contingent promise under the scheme to provide a defined benefit minimum to the member does not prevent the money purchase underpin benefits from being money purchase benefits for as long as the defined benefit minimum is of equal or lower value than the amount of the member’s rights to money purchase underpin benefits.

(2) In this regulation “the relevant date” means the date as at which the amount of the money purchase underpin benefits and the value of a defined benefit minimum promised under the scheme is being compared (for any purpose) in order to determine which is greater.

Top-up benefits

- 5.—(1) If, at the relevant date, a member of an occupational pension scheme has rights to—
- (a) money purchase benefits, the amount of which is less than a defined benefit minimum promised to the member under the scheme, and
 - (b) a top-up benefit,

the amount of the member’s rights to money purchase benefits by reference to which the top-up benefit is calculated and the value of the top-up benefit must be aggregated to form a single benefit, which is not a money purchase benefit.

(2) In this regulation “the relevant date” means the date as at which the amount of the member’s rights to money purchase benefits and the amount of the top-up benefit is being calculated (for any purpose).