Pension Schemes Act 1993

1993 CHAPTER 48

PART IV

PROTECTION FOR EARLY LEAVERS

CHAPTER IV

TRANSFER VALUES

96   Further provisions concerning exercise of option under s. 95.

(1) A member may exercise the option conferred by subsection (1) of section 95 in different ways in relation to different portions of his cash equivalent, but a member who exercises that option must do so—

    (a)   in relation to the whole of his cash equivalent; or

    (b)   if subsection (2) applies, in relation to the whole of the balance mentioned in subsection (3).

(2) This subsection applies where—

    (a)   the trustees or managers—

        (i) of an occupational pension scheme which is not a contracted-out scheme, or

        (ii) of a personal pension scheme which is not an appropriate scheme, [F1or]

        (iii) [F1of a self-employed pension arrangement,]

    are able or willing to accept a transfer payment only in respect of a member's rights other than his accrued rights to guaranteed minimum pensions, [F2his accrued rights so far as attributable to service in contracted-out employment on or after the principal appointed day] or his protected rights; and

    (b)   the member has not required the trustees or managers of the scheme from which he is being transferred to use the portion of his cash equivalent which

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represents those accrued or protected rights in any of the ways specified in subsection (2) or, as the case may be, subsection (3) of section 95.

(3) Where subsection (2) applies, this section and sections 94, 95 and 97 are to be construed as conferring on the member an option only in respect of the balance of the cash equivalent to which the member would otherwise be entitled, after deduction of an amount sufficient for the trustees or managers of the scheme from which he is being transferred to meet their liability—

 (a) in the case of a transfer from an occupational pension scheme, in respect of the member's and the member's widow's or, as the case may be, widower's [**F3**pensions, being guaranteed minimum pensions or pensions so far as attributable to service in contracted-out employment on or after the principal appointed day] or the member's protected rights; and

 (b) in the case of a transfer from a personal pension scheme, of the member's protected rights.

Textual Amendments

F1 S. 96(2)(a)(iii) and preceding word repealed (11.11.1999 for specified purposes) by Welfare Reform and Pensions Act 1999 (c. 30), s. 89(5)(a), Sch. 2 para. 3(2)(b), **Sch. 13 Pt. I**; S.I. 2000/1047, art. 2(2)(b), Sch. Pt. 2

F2 Words in s. 96(2)(a) inserted (6.4.1997) by Pensions Act 1995 (c. 26), s. 180(1), **Sch. 5 para. 63(a)**; S.I. 1997/664, art. 2(3), Sch. Pt. 2

F3 Words in s. 96(3)(a) substituted (6.4.1997) by Pensions Act 1995 (c. 26), s. 180(1), **Sch. 5 para. 63(b)**; S.I. 1997/664, art. 2(3), Sch. Pt. 2

Modifications etc. (not altering text)

C1 Ss. 93-101 modified (1.4.1998) by The Local Government Pension Scheme (Scotland) Regulations 1998 (S.I. 1998/366), regs. 1, **116-118**

C2 S. 96(2)(3) applied (15.7.1994) by The European Parliamentary (United Kingdom Representatives) Pensions (Consolidation and Amendment) Order 1994 (S.I. 1994/1662), arts. 1, **19(3)**

Commencement Information

I1 Ss. 1-187 in force at 7.2.1994 by S.I. 1994/86, **art. 2**

Status:
Point in time view as at 11/11/1999. This version of this provision has been superseded.

Changes to legislation:
Pension Schemes Act 1993, Section 96 is up to date with all changes known to be in force on or before 07 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.