# Pension Schemes (Northern Ireland) Act 1993

## 1993 CHAPTER 49

### PART III

### CERTIFICATION OF PENSION SCHEMES AND EFFECTS ON MEMBERS' STATE SCHEME RIGHTS AND DUTIES

### CHAPTER I

### CERTIFICATION

*Requirements for certification of occupational and personal money purchase schemes*

**24      Ways of giving effect to protected rights.**

(1) The rules of the scheme must provide for effect to be given to the protected rights of a member—

  (a)    in any case where subsection (3) so requires, by the purchase of such an annuity as is mentioned in that subsection, and

  [F1(aa)    in any case where subsection (1A) so requires, by the making of such payments as are mentioned in that subsection,]

  (b)    in any other case, in such of the ways permitted by the following subsections as the rules may specify,

and they must not provide for any part of a member's protected rights to be discharged otherwise than in accordance with those subsections.

[F2(1A) In the case of a personal pension scheme, where the member so elects, effect shall be given to his protected rights—

  (a)    during the interim period, by the making of payments under an interim arrangement which—

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       (i) complies with section 24A,

       (ii) satisfies such conditions as may be prescribed, and

(b) at the end of the interim period in such of the ways permitted by the following subsections as the rules of the scheme may specify.**]**

(2) Effect may be given to protected rights—

    (a) by the provision by the scheme of a pension which—

       (i) complies with the pension requirements (within the meaning of section 25(1)), and

       (ii) satisfies such conditions as may be prescribed; or

    (b) in such circumstances and subject to such conditions as may be prescribed, by the making of a transfer payment—

       (i) in the case of an occupational pension scheme, to another occupational pension scheme or to a personal pension scheme, and

       (ii) in the case of a personal pension scheme, to another personal pension scheme or to an occupational pension scheme,

where the scheme to which the payment is made satisfies such requirements as may be prescribed.

(3) Subject to **[F3subsection (5)]**, if—

    (a) the rules of the scheme do not provide for a pension; or

    (b) the member **[F4or, where section 24A(2) applies, the member's widow or widower]** so elects,

then, except to the extent that effect is given to protected rights in accordance with subsection **[F5(1A)(a) or]** (4), effect shall be given to them by the purchase by the scheme of an annuity which—

    (i) complies with the annuity requirements (within the meaning of section 25(3)), and

       (ii) satisfies such conditions as may be prescribed.

(4) Effect may be given to protected rights by the provision of a lump sum if—

    (a) the lump sum is payable on a date which is—

       (i) in the case of an occupational pension scheme, a date not earlier than that on which the member attains the age of 60 nor later than that on which he attains the age of

**[F6**65 or such later date as has been agreed by him, or

       (ii) in the case of a personal pension scheme, where the member has elected to receive payments under an interim arrangement, the date by reference to which the member elects to terminate that arrangement, and otherwise such date as has been agreed by him and is not earlier than his 60th birthday nor later than his 75th birthday.**]**

    (b) the annual rate of a pension under subsection (2) or an annuity under subsection (3) giving effect to the protected rights and commencing on the date on which the lump sum is payable would not exceed the prescribed amount;

    (c) the circumstances are such as may be prescribed; and

    (d) the amount of the lump sum is calculated in **[F7the prescribed manner]**by reference to the amount of the pension or annuity.

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(5) If the member has died without effect being given to protected rights under subsection [**F8**(1A),] (2), (3) or (4), effect may be given to them in such manner as may be prescribed.

(6) No transaction is to be taken to give effect to protected rights unless it falls within this section.

**F9**(7) . . . . . . . . . . . . . . . . . . . . . . . . . . . . . .

[**F10**(8) In this section and sections 24A, 24B and 25—

"the interim period" means the period beginning with (and including) the starting date in relation to the member in question and ending with the termination date;

"the starting date, means the date, which must not be earlier than the member's 60th birthday, by reference to which the member elects to begin to receive payments under the interim arrangement;"

"the termination date" means the date by reference to which the member (or, where section 24A(2) applies, the member's widow or widower) elects to terminate the interim arrangement, and that date must be not later than—

(a) the member's 75th birthday, or

(b) where section 24A(2) applies, the earlier of the member's widow or widower's 75th birthday and the 75th anniversary of the member's birth.]

[**F11**(9) This section is subject to section 28A.]

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**Textual Amendments**

**F1** S. 24(1)(aa) inserted (14.3.1996 for certain purposes otherwise 6.4.1996) by S.I. 1995/3213 (N.I. 22), **art. 139(2)**; S.R. 1996/91, art. 2(b), **Sch. Pt. II**

**F2** S. 24(1A) inserted (14.3.1996 for certain purposes otherwise 6.4.1996) by S.I. 1995/3213 (N.I. 22), **art. 139(3)**; S.R. 1996/91, art. 2(b), **Sch. Pt. II**

**F3** Words in s. 24(3) substituted (6.4.1997) by S.I. 1995/3213 (N.I. 22), art. 147, **Sch. 3 para. 27(a)**; S.R. 1997/192, **art. 2(b)**

**F4** Words in s. 24(3)(b) inserted (14.3.1996 for certain purposes otherwise 6.4.1996) by S.I. 1995/3213 (N.I. 22), **art. 139(4)(a)**; S.R. 1996/91, art. 2(b), **Sch. Pt. II**

**F5** Words in s. 24(3)(b) inserted (14.3.1996 for certain purposes otherwise 6.4.1996) by S.I. 1995/3213 (N.I. 22), **art. 139(4)(b)**; S.R. 1996/91, art. 2(b), **Sch. Pt. II**

**F6** Words in s. 24(4)(a) substituted (14.3.1996 for certain purposes otherwise 6.4.1996) by S.I. 1995/3213 (N.I. 22), **art. 139(5)**; S.R. 1996/91, art. 2(b), **Sch. Pt. II**

**F7** Words in s. 24(4)(d) substituted (6.4.1996 for certain purposes otherwise 6.4.1997) by S.I. 1995/3213 (N.I. 22), art. 147, **Sch. 3 para. 27(b)**; S.R. 1996/91, art. 2(d), **Sch. Pt. IV**; S.R. 1997/192, **art. 2(b)**

**F8** Words in s. 24(5) inserted (14.3.1996 for certain purposes otherwise 6.4.1996) by S.I. 1995/3213 (N.I. 22), **art. 139(6)**; S.R. 1996/91, art. 2(b), **Sch. Pt. II**

**F9** S. 24(7) repealed (6.4.1997) by S.I. 1995/3213 (N.I. 22), arts. 147, 168, Sch. 3 para. 27(c), **Sch. 5 Pt. III**; S.R. 1997/192, **art. 2(b)**

**F10** S. 24(8) added (14.3.1996 for certain purposes otherwise 6.4.1996) by S.I. 1995/3213 (N.I. 22), **art. 139(7)**; S.R. 1996/91, art. 2(b), **Sch. Pt. II**

**F11** S. 24(9) inserted (14.3.1996 for certain purposes otherwise 6.4.1996) by S.I. 1995/3213 (N.I. 22), **art. 143(2)**; S.R. 1996/91, art. 2(b), **Sch.**

**Status:**
Point in time view as at 06/04/1997. This version of this provision has been superseded.

**Changes to legislation:**
Pension Schemes (Northern Ireland) Act 1993, Section 24 is up to date with all changes known to be in force on or before 04 September 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.