
STATUTORY INSTRUMENTS

1993 No. 1822

The Occupational Pension Schemes (Preservation of Benefit) Amendment Regulations 1993

Amendment of regulation 12 of the principal Regulations

2. Regulation 12 of the principal Regulations shall be amended as follows—

(a) by substituting for paragraphs (3) and (4) the following paragraphs—

“(3) The condition set out in this paragraph is that an actuary certifies to the trustees or managers of the transferring scheme that—

- (a) the transfer credits to be acquired for each member under the receiving scheme are, broadly, no less favourable than the rights to be transferred; and
- (b) where it is the established custom for discretionary benefits or increases in benefits to be awarded under the transferring scheme, there is good cause to believe that the award of discretionary benefits or increases in benefits under the receiving scheme will (making allowance for any amount by which transfer credits under the receiving scheme are more favourable than the rights to be transferred) be, broadly no less favourable.

(4) For the purposes of paragraph (3)(a), where long service benefit in the transferring scheme is related to a member’s earnings at, or in a specified period before, the time when he attains normal pension age then, in the case of a member in pensionable service at the date of transfer, the value of the rights to be transferred shall be based on pensionable service (including any transfer credits) in the transferring scheme up to that date and projected final pensionable earnings.

(4A) For the purposes of paragraph (3)(b), the actuary shall, in considering whether there is good cause, have regard to all the circumstances of the case and in particular—

- (a) to any established custom of the receiving scheme with regard to the provision of discretionary benefits or increases in benefits; and
- (b) to any announcements made with regard to the provision of such benefits under the receiving scheme.”;

(b) in paragraph (5) the word “and” where it appears following the definition of “actuary” and the definition of “the applicable rules” shall be omitted.