
STATUTORY INSTRUMENTS

1996 No. 1462

**The Contracting-out (Transfer and
Transfer Payment) Regulations 1996**

PART II

**TRANSFERS OF AND TRANSFER PAYMENTS IN
RESPECT OF GUARANTEED MINIMUM PENSIONS**

Transfer payments in respect of guaranteed minimum pensions to overseas schemes

6. A transfer payment may be made to an overseas scheme [^{F1}or an overseas arrangement] if—
- (a) the earner consents in writing;
 - (b) the trustees of the transferring scheme have taken reasonable steps to satisfy themselves [^{F2}(or, if the transfer payment is from an appropriate policy, the transferring insurance company has taken reasonable steps to satisfy itself)] that [^{F3}, where the receiving scheme is an occupational pension scheme, the earner is in employment to which the receiving scheme applies];
 - (c) the transfer payment (whether or not it forms part of a larger payment in respect of both guaranteed minimum pensions and other rights) is of an amount at least equal to the cash equivalent of the earner's accrued rights to guaranteed minimum pensions, as calculated and verified in a manner consistent with regulations made under section 97 of the 1993 Act;
 - (d) the earner has acknowledged in writing that he accepts that the scheme [^{F4}or arrangement] to which the transfer payment is to be made may not be regulated in any way by the law of the United Kingdom and that as a consequence there may be no obligation under that law on the receiving scheme [^{F5}or arrangement] or its trustees or administrators to provide any particular value or benefit in return for the transfer payment; and
 - (e) the trustees of the transferring scheme have taken reasonable steps to satisfy themselves [^{F6}(or, if the transfer payment is from an appropriate policy, the transferring insurance company has taken reasonable steps to satisfy itself)] that the earner has received a statement from the receiving scheme [^{F7}or arrangement] showing the benefits to be awarded in respect of the transfer payment and the conditions (if any) on which these could be forfeited or withheld.

Textual Amendments

- F1** Words in reg. 6 inserted (6.4.2005) by [The Contracting-out, Protected Rights and Safeguarded Rights \(Transfer Payment\) Amendment Regulations 2005 \(S.I. 2005/555\)](#), regs. 1, **2(2)(a)**
- F2** Words in reg. 6(b) inserted (6.4.1997) by [The Personal and Occupational Pension Schemes \(Miscellaneous Amendments\) Regulations 1997 \(S.I. 1997/786\)](#), reg. 1, **Sch. 1 para. 7(3)**

Changes to legislation: There are currently no known outstanding effects for the The Contracting-out (Transfer and Transfer Payment) Regulations 1996, Section 6. (See end of Document for details)

- F3** Words in reg. 6(b) substituted (6.4.2005) by The Contracting-out, Protected Rights and Safeguarded Rights (Transfer Payment) Amendment Regulations 2005 (S.I. 2005/555), regs. 1, **2(2)(b)**
- F4** Words in reg. 6(d) inserted (6.4.2005) by The Contracting-out, Protected Rights and Safeguarded Rights (Transfer Payment) Amendment Regulations 2005 (S.I. 2005/555), regs. 1, **2(2)(c)(i)**
- F5** Words in reg. 6(d) inserted (6.4.2005) by The Contracting-out, Protected Rights and Safeguarded Rights (Transfer Payment) Amendment Regulations 2005 (S.I. 2005/555), regs. 1, **2(2)(c)(ii)**
- F6** Words in reg. 6(e) inserted (6.4.1997) by The Personal and Occupational Pension Schemes (Miscellaneous Amendments) Regulations 1997 (S.I. 1997/786), reg. 1, **Sch. 1 para. 7(3)**
- F7** Words in reg. 6(e) inserted (6.4.2005) by The Contracting-out, Protected Rights and Safeguarded Rights (Transfer Payment) Amendment Regulations 2005 (S.I. 2005/555), regs. 1, **2(2)(d)**

Changes to legislation:

There are currently no known outstanding effects for the The Contracting-out (Transfer and Transfer Payment) Regulations 1996, Section 6.