

STATUTORY INSTRUMENTS

1996 No. 1847

The Occupational Pension Schemes (Transfer Values) Regulations 1996

PART III

^{F1} ... STATEMENTS OF ENTITLEMENT AND CALCULATION OF TRANSFER VALUES

[^{F1}Manner of calculation of initial cash equivalents for salary related benefits [^{F2}other than cash balance benefits not calculated by reference to final salary]

7A.—(1) For salary related benefits [^{F3}other than cash balance benefits in respect of which the available sum is not calculated by reference to final salary], the initial cash equivalent is to be calculated—

- (a) on an actuarial basis; and
- (b) in accordance with paragraph (2) and regulation 7B.

(2) The initial cash equivalent is the amount at the guarantee date which is required to make provision within the scheme for a member's accrued benefits, options and discretionary benefits.

(3) For the purposes of paragraph (2), the trustees must determine the extent—

- (a) of any options the member has which would increase the value of his benefits under the scheme;
- (b) of any adjustments they decide to make to reflect the proportion of members likely to exercise those options; and
- (c) to which any discretionary benefits should be taken into account, having regard to any established custom for awarding them and any requirement for consent before they are awarded.]

Textual Amendments

- F1** Regs. 7-7E substituted for reg. 7 and 8 (E.W.S.) (1.10.2008) by [Occupational Pension Schemes \(Transfer Values\) \(Amendment\) Regulations 2008 \(S.I. 2008/1050\)](#), regs. 1(1), **4**
- F2** Words in reg. 7A inserted (E.W.S.) (24.7.2014) by [The Pensions Act 2011 \(Transitional, Consequential and Supplementary Provisions\) Regulations 2014 \(S.I. 2014/1711\)](#), regs. 1(1), **32(4)(a)** (with regs. 6, 41, 44(1), 47(1), 69(2), 72(1), 76(1)); coming into force immediately after s. 29 of 2011 c 19 - see S.I. 2014/1683, art. 2
- F3** Words in reg. 7A(1) inserted (E.W.S.) (24.7.2014) by [The Pensions Act 2011 \(Transitional, Consequential and Supplementary Provisions\) Regulations 2014 \(S.I. 2014/1711\)](#), regs. 1(1), **32(4)(b)** (with regs. 6, 41, 44(1), 47(1), 69(2), 72(1), 76(1)); coming into force immediately after s. 29 of 2011 c 19 - see S.I. 2014/1683, art. 2

Changes to legislation: There are currently no known outstanding effects for the The Occupational Pension Schemes (Transfer Values) Regulations 1996, Section 7A. (See end of Document for details)

Modifications etc. (not altering text)

- C1** Regs. 7-7C modified by S.I. 2000/1048, reg. 3(3)(4)(8) (as substituted (6.4.2016) by [The Pension Sharing \(Miscellaneous Amendments\) Regulations 2016 \(S.I. 2016/289\)](#), regs. 1(2), **2(4)(b)**, (c))
- C2** Regs. 7-7C modified by S.S.I. 2000/112, reg. 3(3)(4)(8) (as substituted (6.4.2016) by [The Pension Sharing \(Miscellaneous Amendments\) Regulations 2016 \(S.I. 2016/289\)](#), regs. 1(2), **7(3)(b)**, (e))
- C3** Regs. 7-7C modified by S.I. 2000/1052, reg. 4 (as substituted (6.4.2016) by [The Pension Sharing \(Miscellaneous Amendments\) Regulations 2016 \(S.I. 2016/289\)](#), regs. 1(2), **4(4)**)
- C4** Reg. 7A(2) modified by SI 2000/1054 reg. 24(2)(e) (as substituted (E.W.S.) (1.10.2008) by [Occupational Pension Schemes \(Transfer Values\) \(Amendment\) Regulations 2008 \(S.I. 2008/1050\)](#) , reg. 1(1) , **Sch. 2 para. 7(c)**)
- C5** Reg. 7A(2) modified by SI 2000/1052 reg. 4(4)(d) (as substituted (E.W.S.) (1.10.2008) by [Occupational Pension Schemes \(Transfer Values\) \(Amendment\) Regulations 2008 \(S.I. 2008/1050\)](#) , reg. 1(1) , **Sch. 2 para. 5(b)**)

Changes to legislation:

There are currently no known outstanding effects for the The Occupational Pension Schemes (Transfer Values) Regulations 1996, Section 7A.