

STATUTORY INSTRUMENTS

1996 No. 3126

**The Occupational Pension
Schemes(Winding Up) Regulations 1996**

Preferential liabilities on winding up

Modifications of s. 73(3) [^{F1}for schemes beginning to be wound up before 6th April 2005]

3.—(1) Section 73(3) applies [^{F2}if the scheme begins to be wound up before 6th April 2005]—

(a) in all cases subject to the modifications mentioned in paragraphs (3) and (4);

[^{F3}(b) in the case of a scheme which begins to be wound up on or after 10 May 2004 ^{F4} ..., subject to the modifications in paragraphs (5A) to (6).]

^{F5}(c)

^{F6}(2)

(3) After paragraph (a) of section 73(3) there shall be inserted—

“(aa) where—

(i) the trustees or managers of the scheme are entitled to benefits under a contract of insurance which was entered into before 6th April 1997 with a view to securing the whole or part of the scheme’s liability for any pension or other benefit payable in respect of one particular person whose entitlement to payment of a pension or other benefit has arisen and for any benefit which will be payable in respect of that person on his death, and

(ii) either that contract may not be surrendered or the amount payable on surrender does not exceed the liability secured by the contract (but excluding liability for increases to pensions),

the liability so secured”.

(4) In section 73(3)(b)—

(a) at the beginning there shall be inserted the words “ in a case not falling within paragraph (aa), ”; and

(b) for the words “to dependants” there shall be substituted the words “ in respect ”.

^{F7}(5)

[^{F8}(5A) In paragraph (d) of section 73(3), for “(b) and (c)” there shall be substituted “(aa) and (b).”

(5B) After that paragraph there is inserted—

“(e) any liability for increases to pensions referred to in paragraph (c).”.]

[^{F9}(6) In the words following paragraph (e) of section 73(3) as inserted by paragraph (5B) for the words “paragraphs (b) to (d)” there shall be substituted the words “paragraphs (aa) to (e).”]

^{F10}(7)

Changes to legislation: *The Occupational Pension Schemes(Winding Up) Regulations 1996, Section 3 is up to date with all changes known to be in force on or before 30 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. (See end of Document for details) View outstanding changes*

[^{F11}(8) In the case of any scheme to which section 73(3) applies with the modifications mentioned in paragraphs (5A) to (6), regulation 7(3)(b)(iv) of the Occupational Pension Schemes (Transfer Values) Regulations 1996, has effect with the substitution for “(d)” of “(e)”.]

[^{F12}(9) Paragraph (8) does not apply where regulation 7(3)(b)(iv) of the Occupational Pension Schemes (Transfer Values) Regulations 1996 applies with the amendments in regulation 15 of the Occupational Pension Schemes (Winding up etc.) Regulations 2005.]

Textual Amendments

- F1** Words in reg. 3 added (6.4.2005) by Occupational Pension Schemes (Winding Up etc.) Regulations 2005 (S.I. 2005/706), reg. 1(2), **Sch. para. 2(a)**
- F2** Words in reg. 3(1) inserted (6.4.2005) by Occupational Pension Schemes (Winding Up etc.) Regulations 2005 (S.I. 2005/706), reg. 1(2), **Sch. para. 2(b)**
- F3** Reg. 3(1)(b) substituted (10.5.2004) by Occupational Pension Schemes (Winding Up) (Amendment) Regulations 2004 (S.I. 2004/1140), regs. 1(1), **3(a)**
- F4** Words in reg. 3(1)(b) omitted (6.4.2005) by virtue of Occupational Pension Schemes (Winding Up etc.) Regulations 2005 (S.I. 2005/706), reg. 1(2), **Sch. para. 2(c)**
- F5** Reg. 3(1)(c) omitted (6.4.2005) by virtue of Occupational Pension Schemes (Winding Up etc.) Regulations 2005 (S.I. 2005/706), reg. 1(2), **Sch. para. 2(d)**
- F6** Reg. 3(2) omitted (6.4.2005) by virtue of Occupational Pension Schemes (Winding Up etc.) Regulations 2005 (S.I. 2005/706), reg. 1(2), **Sch. para. 2(d)**
- F7** Reg. 3(5) revoked (10.5.2004) by Occupational Pension Schemes (Winding Up) (Amendment) Regulations 2004 (S.I. 2004/1140), regs. 1(1), **2(a)**
- F8** Reg. 3(5A) - Reg. 3(5B) inserted (10.5.2004) by Occupational Pension Schemes (Winding Up) (Amendment) Regulations 2004 (S.I. 2004/1140), regs. 1(1), **3(b)**
- F9** Reg. 3(6) substituted (10.5.2004) by Occupational Pension Schemes (Winding Up) (Amendment) Regulations 2004 (S.I. 2004/1140), regs. 1(1), **3(e)**
- F10** Reg. 3(7) omitted (6.4.2005) by virtue of Occupational Pension Schemes (Winding Up etc.) Regulations 2005 (S.I. 2005/706), reg. 1(2), **Sch. para. 2(d)**
- F11** Reg. 3(8) substituted (10.5.2004) by Occupational Pension Schemes (Winding Up) (Amendment) Regulations 2004 (S.I. 2004/1140), regs. 1(1), **3(d)**
- F12** Reg. 3(9) added (6.4.2005) by Occupational Pension Schemes (Winding Up etc.) Regulations 2005 (S.I. 2005/706), reg. 1(2), **Sch. para. 2(f)**

Changes to legislation:

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Changes and effects yet to be applied to :

- Instrument saved by [S.I. 1997/784 reg.8](#)