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STATUTORY INSTRUMENTS

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**2005 No. 704**

The Personal and Occupational Pension Schemes  
(Indexation and Disclosure of Information)  
(Miscellaneous Amendments) Regulations 2005

PART 3

AMENDMENTS RELATING TO DISCLOSURE OF INFORMATION

*Occupational Pension Schemes (Disclosure of Information) Regulations 1996*

**Increase in maximum level of civil penalties**

17. For regulation 11 of the Disclosure of Information Regulations<sup>(1)</sup> (penalties) substitute—

**“Civil penalties**

11. Where any person fails, without reasonable excuse, to comply with any requirement imposed under these Regulations, the Regulatory Authority may require that person to pay within 28 days a penalty which shall—

- (a) in the case of an individual, not exceed £5,000, and
- (b) in any other case, not exceed £50,000.”

**Choice of annuities: members**

18. For paragraph 7 of Schedule 2 to the Disclosure of Information Regulations<sup>(2)</sup> (information as to options under scheme to be made available to members) substitute—

“7.—(1) The options available to the member within the scheme rules.

(2) Sub-paragraph (3) applies in relation to a member who, under an option within sub-paragraph (1), has an opportunity to select an annuity.

(3) The information to be provided under sub-paragraph (1) must include—

- (a) a statement that the member may select the annuity (including, where the member has an opportunity to select the provider, a statement to that effect);
- (b) a statement that different annuities have different features and different rates of payment;
- (c) a statement that these include, by way of example—

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(1) Regulation 11 was amended by [S.I. 1997/786](#) and [S.I. 1999/3198](#).

(2) Information as to the matters specified in paragraph 7 of Schedule 2 must be sent to members and pension credit members of schemes that make provision for money purchase benefits (see regulation 5(6) and (6A) of those Regulations). Regulation 5(6A) was inserted by [S.I. 2000/2691](#).

- (i) annuities that provide payments that do not vary from year to year and annuities that provide payments that increase from year to year;
  - (ii) annuities that cover a single life and annuities that make provision for a spouse or partner;
  - (iii) annuities that may be with or without guarantee on the early death of the member;
  - (d) general information explaining characteristic features of the types of annuities outlined in the examples in paragraph (c);
  - (e) a statement that the member should consider taking advice as to which annuity is most suitable for him.
- (4) The provision of approved information shall be taken to satisfy the requirements of sub-paragraph (3)(d).
- (5) “Approved information” means information contained in guidance material published for the purposes of sub-paragraph (3)(d) which—
- (a) is prepared, and from time to time revised, by the Regulatory Authority; and
  - (b) is for the time being approved by the Secretary of State.”.

**Choice of annuities: benefit payable on death of member or beneficiary**

**19.** For paragraph 11 of Schedule 2 to the Disclosure of Information Regulations (information as to rights, options and procedures on death of member or beneficiary) substitute—

- “**11.**—(1) The rights and options (if any) on the death of the member or beneficiary and the procedures for exercising them.
- (2) Paragraph 7(3) to (5) also applies in relation to a person who, under an option within sub-paragraph (1), has an opportunity to select an annuity (and, for that purpose, any reference in paragraph 7(3) to “the member” is to be read as a reference to the person with that opportunity).”.

**Minor amendments**

- 20.**—(1) The Disclosure of Information Regulations are amended as follows.
- (2) In regulation 1(2), in the definition of “Regulatory Authority” for the words “the Occupational Pensions Regulatory Authority” substitute “the Pensions Regulator”.
- (3) In Schedule 1 delete paragraph 24.