
STATUTORY RULES OF NORTHERN IRELAND

2014 No. 204

**The Pensions (2012 Act)
(Transitional, Consequential and Supplementary Provisions)
Regulations (Northern Ireland) 2014**

PART 4

Modification of schemes

The subsisting rights provisions

7.—(1) This regulation applies where—

- (a) on or after 6th April 2006 but before the appointed day, a power under an occupational pension scheme to which Article 67^{M1} of the 1995 Order (the subsisting rights provisions) applies has been exercised so as to modify the scheme by replacing or converting a right or entitlement to any of the benefits specified in paragraph (2) with or to a right or entitlement to money purchase benefits (“the scheme modification”);
- (b) if section 27 of the Act had been in operation at the time that the scheme modification took effect (and if this regulation did not apply), the modification would have been a protected modification, and
- (c) the consent requirements (see Article 67B(3) of the 1995 Order) were not satisfied before the scheme modification took effect.

(2) The benefits specified in this paragraph are—

- (a) cash balance benefits;
- (b) a defined benefit minimum (in relation to money purchase underpin benefits or cash balance underpin benefits), and
- (c) top-up benefits.

(3) Where this regulation applies and the requirements specified by—

- (a) Article 67(2)(b) and (c) of the 1995 Order, and
- (b) in the case of each affected member, the actuarial equivalence requirements (within the meaning of Article 67C of that Order),

are satisfied, Article 67A(3)(a) of that Order (the subsisting rights provisions: interpretation) applies as if the right or entitlement to a benefit specified in paragraph (2) of this regulation which was replaced by or converted to a right or entitlement to money purchase benefits were a right or entitlement to money purchase benefits.

Marginal Citations

M1 Articles 67 to 67I were substituted for Article 67 by Article 239 of the Pensions (Northern Ireland) Order 2005

Money purchase underpin benefits and top-up benefits

8.—(1) This regulation applies in relation to any time on or after the appointed day when a member of an occupational pension scheme or a survivor of a member has under the scheme a right or entitlement to—

- (a) money purchase underpin benefits, or
- (b) money purchase benefits, where, under the scheme, the member has a contingent right to a top-up benefit if the amount of the member's rights to money purchase benefits falls short of a defined benefit minimum promised to the member.

(2) Where this regulation applies, Article 67A of the 1995 Order applies as if—

- (a) in paragraph (6)—
 - (i) in sub-paragraph (a)(i) the second “or” were omitted, and
 - (ii) after sub-paragraph (a)(i) there were inserted—
 - “(ia) any contingent right under the scheme rules to a defined benefit minimum (in relation to money purchase underpin benefits) or to a top-up benefit (to which, under the scheme, a member has rights only where the amount of the member's rights to money purchase benefits falls short of a defined benefit minimum promised to the member), or”;
- (b) after paragraph (6) there were inserted—
 - “(6A) In paragraph (6)—
 - (a) “defined benefit minimum” and “top-up benefit” have the meanings given by regulation 3(2) of the Pensions (2012 Act) (Transitional, Consequential and Supplementary Provisions) Regulations (Northern Ireland) 2014, and
 - (b) “money purchase underpin benefits” has the meaning given by regulation 1(2) of those Regulations.”;
- (c) in paragraph (7) after “At any time when the pensionable service of a member of an occupational pension scheme is continuing,” there were inserted “ subject to paragraph (7A) ”;
- (d) after paragraph (7) there were inserted—
 - “(7A) Where a contingent right specified in paragraph (6)(a)(ia) would be extinguished if a member had opted to terminate pensionable service under the scheme, the member's subsisting right to that contingent benefit is to be determined as if the member had not opted to terminate that pensionable service.”.

(3) In this regulation “defined benefit minimum” and “top-up benefit” have the meanings given by regulation 3(2).

Changes to legislation:

There are currently no known outstanding effects for the The Pensions (2012 Act) (Transitional, Consequential and Supplementary Provisions) Regulations (Northern Ireland) 2014, PART 4.