

SCHEDULES

SCHEDULE 30

REGISTERED PENSION SCHEMES: EMPLOYER LOANS

Amount of unauthorised payment

Further reduction in value of charge which is not of adequate value

- 7 (1) If at any time after a loan is made—
- (a) the loan is secured by a charge which is not of adequate value, and
 - (b) an event mentioned in sub-paragraph (2) occurs,
- there is an unauthorised payment.
- (2) The events are—
- (a) the loan ceasing to be secured by a charge,
 - (b) a charge being given which does not comply with conditions A or C,
 - (c) a reduction in the value of the assets charged which does not comply with condition B, and
 - (d) the charge ceasing to comply with condition C.
- (3) The amount of the unauthorised payment is—
- AAE ABE**
- where—
- AAE is amount 2 (see paragraph 13) calculated after the event, and
 - ABE is amount 2 (see paragraph 13) calculated before the event.
- (4) Paragraph 1 defines conditions A, B and C.