

# **PENSIONS ACT 2008**

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## **EXPLANATORY NOTES**

### **COMMENTARY ON SECTIONS**

#### **Part 2: Simplification**

##### ***Section 100: Abolition of safeguarded rights***

237. Where, on divorce or dissolution of a civil partnership, rights to a pension are shared under the mechanism in Chapter 1 of Part 4 of Welfare Reform and Pensions Act 1999, and those rights include contracted-out rights, the law as it stands treats the contracted-out rights in a different way from the other shared rights. They are known as “safeguarded rights” and are subject to various restrictions. Section 100 and the related repeals in Schedule 11 abolish these restrictions. Once these provisions are brought into force, shared rights that derive from contracted-out rights will be treated in the same way as other shared rights.

##### ***Section 101: Revaluation of accrued benefits etc***

238. This section amends the method of revaluing the accrued pension benefits of deferred members in certain occupational pension schemes and also amends related arrangements applying to pension compensation payable by the Pension Protection Fund. The details of the amended provisions are set out in [Schedule 2](#).
239. The amended revaluation arrangements do not apply to revaluation periods ending before the section becomes operational.