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STATUTORY INSTRUMENTS

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**1996 No. 1172**

**Occupational Pension Schemes  
(Contracting-out) Regulations 1996**

**PART VII**

**GUARANTEED MINIMUM PENSIONS**

**Scheme rules about guaranteed minimum pensions**

**55.**—(1) For a scheme to be contracted-out in relation to an earner's employment it must include a rule to the effect that if the earner has a guaranteed minimum under section 14 of the 1993 Act<sup>(1)</sup>—

- (a) the weekly rate of his pension under the scheme at pensionable age in respect of his service before the principal appointed day shall not be less than that guaranteed minimum;
- (b) the weekly rate of pension payable to any widow of the earner under the scheme in respect of the earner's service before the principal appointed day shall be not less than half that guaranteed minimum; and
- (c) the weekly rate of pension payable to any widower of the earner under the scheme in respect of the earner's service before the principal appointed day shall be not less than half of that part of the earner's guaranteed minimum which is attributable to earnings factors for the tax year 1988-89 and subsequent tax years up to and including the tax year 1996-97,

that rule to be expressed to override all other provisions of the scheme, except any that are in accordance with the provisions of the 1993 Act.

(2) In paragraph (1) "weekly rate" means, in cases where the pension is paid otherwise than at weekly intervals, a rate which is equivalent to the earner's guaranteed minimum having regard to the period in respect of which the pension is paid.

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<sup>(1)</sup> Section 14 was amended by paragraph 27 of Schedule 5 to the Pensions Act 1995.