STATUTORY INSTRUMENTS

1996 No. 1577

The Occupational Pension Schemes (Contracting-out) Amendment Regulations 1996

Amendment of the Occupational Pension Schemes (Contracting-out) Regulations 1996

2. The Occupational Pension Schemes (Contracting-out) Regulations 1996(1) are amended by inserting after regulation 76 the following regulation—

"Transitional arrangements for schemes contracted-out under section 9(2) of the 1993 Act to become contracted-out under section 9(3) of that Act

- **76A.**—(1) This regulation applies where a scheme, which is a salary-related contractedout scheme immediately before the principal appointed day, satisfies the requirements of section 9(3) of the 1993 Act in respect of all earners' service on or immediately after that day.
- (2) The circumstances referred to in paragraph (1) shall, for the purposes of section 12(3) of that Act (determination of basis on which a scheme is contracted-out) be circumstances in which a scheme which has been contracted-out by virtue of section 9(2) of that Act may become contracted-out by virtue of section 9(3) of that Act.
- (3) Where this regulation applies, sections 50, 52 and 53 of that Act shall be modified so as to have effect as if the guaranteed minimum pensions provided by the scheme were provided by a separate scheme which had ceased to be certified as a contracted-out scheme.
- (4) Where this regulation applies, a contracting-out certificate issued before the principal appointed day shall be cancelled at the end of the period beginning with that day and ending on either—
 - (a) whichever is the earlier of—
 - (i) the day before the effective date of the replacement contracting-out certificate issued by the Secretary of State, or
 - (ii) 31st January 1998, or
 - (b) such later date as the Secretary of State may in his discretion permit in any particular case,

but shall continue to have effect during that period if it is not otherwise cancelled or surrendered and the scheme satisfies the conditions of section 9(3) of the 1993 Act.".