



Pension Schemes Act 1993

1993 CHAPTER 48

PART IV

PROTECTION FOR EARLY LEAVERS

CHAPTER IV

TRANSFER VALUES

98 Variation and loss of rights under s. 94.

- (1) Regulations may provide that a member of an occupational pension scheme [^{F1}other than a salary related scheme] who continues in employment to which the scheme applies after his pensionable service in that employment terminates—
- (a) only acquires a right to the cash equivalent of such part of the benefits specified in section 94(1) as may be prescribed; or
 - (b) acquires no right to a cash equivalent.

- [^{F2}(1A) Regulations may provide that a member of a salary related occupational pension scheme who continues in employment to which the scheme applies after his pensionable service in that employment terminates—
- (a) acquires a right to only part of his guaranteed cash equivalent, or
 - (b) acquires no right to his guaranteed cash equivalent.]

- (2) Regulations may provide for the purposes of subsection (1) [^{F3}or (1A)] that in prescribed circumstances a number of employments (whether or not consecutive) shall be treated as a single employment.
- (3) Regulations may provide that where—
- (a) by virtue of regulations under subsection (1) or (2), a member of an occupational pension scheme [^{F4}other than a salary related scheme] does not, on the termination of his pensionable service in an employment to which a

Status: Point in time view as at 01/01/2001. This version of this provision has been superseded.

Changes to legislation: Pension Schemes Act 1993, Section 98 is up to date with all changes known to be in force on or before 05 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

- scheme applies, acquire a right at the relevant date to the cash equivalent of the whole or a part of the benefits specified in section 94(1); [^{F5}and][^{F5}or] that right shall accrue to him on the date when that employment terminates and be valued accordingly.]
- [^{F5}(aa) by virtue of regulations under subsection (1A) or (2), a member of a salary related occupational pension scheme does not, on such a termination, acquire a right to the whole or any part of his guaranteed cash equivalent, and his employment terminates at least one year before normal pension age]
- (4) In relation to any case to which regulations under subsection (3) apply, they may substitute—
- (a) a new definition of “the relevant date” for the definition in section 94(2); and
 - (b) a new definition of “the last option date” for the definition in section 95(8).
- (5) Where the whole or any part of the [^{F6}relevant] benefits payable to a member of a personal pension scheme under the scheme have become payable on or before the relevant date, the right which he acquires under section 94 is only to the cash equivalent of [^{F7}benefits] which have not become payable.
- (6) A member of an occupational pension scheme or a personal pension scheme loses the right to any cash equivalent under this Chapter if the scheme is wound up.
- (7) A member of an occupational pension scheme also loses that right [^{F8}if]—
- ^{F9}(a)
 - (b) he fails to exercise the option conferred by section 95 on or before the last option date (within the meaning of subsection (7) of that section).
- (8) In this section
- [^{F10}“relevant benefits” means any benefits not attributable (directly or indirectly) to a pension credit; and]
- “the relevant date” has the same meaning as in section 94(2).

Textual Amendments

- F1** Words in s. 98(1) inserted (6.4.1996 for specified purposes, 6.4.1997 in so far as not already in force) by Pensions Act 1995 (c. 26), s. 180(1), **Sch. 6 para. 5(a)**; S.I. 1996/778, art. 2(5)(a), **Sch. Pt. V**; S.I. 1997/664, art. 2(3), **Sch. Pt. II**
- F2** S. 98(1A) inserted (6.4.1996 for specified purposes, 6.4.1997 in so far as not already in force) by Pensions Act 1995 (c. 26), s. 180(1), **Sch. 6 para. 5(b)**; S.I. 1996/778, art. 2(5)(a), **Sch. Pt. V**; S.I. 1997/664, art. 2(3), **Sch. Pt. II**
- F3** Words in s. 98(2) inserted (6.4.1996 for specified purposes, 6.4.1997 in so far as not already in force) by Pensions Act 1995 (c. 26), s. 180(1), **Sch. 6 para. 5(c)**; S.I. 1996/778, art. 2(5)(a), **Sch. Pt. V**; S.I. 1997/664, art. 2(3), **Sch. Pt. II**
- F4** Words in s. 98(3)(a) inserted (6.4.1996 for specified purposes, 6.4.1997 in so far as not already in force) by Pensions Act 1995 (c. 26), s. 180(1), **Sch. 6 para. 5(d)(i)**; S.I. 1996/778, art. 2(5)(a), **Sch. Pt. V**; S.I. 1997/664, art. 2(3), **Sch. Pt. II**
- F5** S. 98(3)(aa) substituted (6.4.1996 for specified purposes, 6.4.1997 in so far as not already in force) by Pensions Act 1995 (c. 26), s. 180(1), **Sch. 6 para. 5(d)(ii)**; S.I. 1996/778, art. 2(5)(a), **Sch. Pt. V**; S.I. 1997/664, art. 2(3), **Sch. Pt. II**
- F6** Word in s. 98(5) inserted (1.12.2000) by Welfare Reform and Pensions Act 1999 (c. 30), s. 89(1), **Sch. 12 para. 37(2)(a)**; S.I. 2000/1047, art. 2(2)(d), **Sch. Pt. 4**

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- F7** Word in s. 98(5) substituted (1.12.2000) by Welfare Reform and Pensions Act 1999 (c. 30), s. 89(1), **Sch. 12 para. 37(2)(b)**; S.I. 2000/1047, art. 2(2)(d), Sch. Pt. 4
- F8** Word in s. 98(7) inserted (1.1.2001) by Child Support, Pensions and Social Security Act 2000 (c. 19), s. 86(1)(b)(2), **Sch. 5 para. 8(2)(a)** (with s. 83(6), Sch. 5 para. 8(4)); S.I. 2000/3166, art. 2(3)(b)(v)
- F9** S. 98(7)(a) repealed (1.1.2001) by Child Support, Pensions and Social Security Act 2000 (c. 19), s. 86(1)(b)(2), Sch. 5 para. 8(2)(b), **Sch. 9 Pt. III(8)** (with s. 83(6), Sch. 5 para. 8(4)); S.I. 2000/3166, art. 2(3)(b)(v)(e)
- F10** Words in s. 98(8) inserted (1.12.2000) by Welfare Reform and Pensions Act 1999 (c. 30), s. 89(1), **Sch. 12 para. 37(3)**; S.I. 2000/1047, art. 2(2)(d), Sch. Pt. 4

Modifications etc. (not altering text)

- C1** Ss. 93-101 modified (1.4.1998) by The Local Government Pension Scheme (Scotland) Regulations 1998 (S.I. 1998/366), regs. 1, **116-118**

Commencement Information

- I1** Ss. 1-187 in force at 7.2.1994 by S.I. 1994/86, **art. 2**

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