2015 CHAPTER 5

PART 6

PRIVATE PENSIONS

Other

Pension Protection Fund: compensation cap to apply separately to certain benefits

49.—(1) Paragraph 26 of Schedule 6 to the 2005 Order (Pension Protection Fund: compensation cap) is amended as follows.

(2) In sub-paragraph (1)(b), for "sub-paragraph (2)(a) or (b)" substitute "sub-paragraph (2)(a), (b) or (c)".

(3) In sub-paragraph (2)(a)(ii), for "paragraph (b)(i) does not apply" substitute "neither of paragraphs (b) and (c) applies".

(4) In sub-paragraph (2)(b)—

(a) before paragraph (i) insert—

"(zi) benefit A is attributable to the person's pensionable service,";

(b) in paragraph (i), after "one or more other benefits" insert "that are attributable to his pensionable service".

(5) In sub-paragraph (2), after paragraph (b) insert ", and

(c) this paragraph applies if—

(i) benefit A is attributable to a pension credit from a transferor,

(ii) at the same time as the person becomes entitled to relevant compensation in respect of benefit A he also becomes entitled to

relevant compensation in respect of one or more other benefits that are—

(iia) under the scheme or a connected occupational pension scheme, and

(iib) attributable to a pension credit from the same transferor, ("benefit or benefits B"), and

(iii) the aggregate of the annual values of benefit A and benefit or benefits B exceeds the compensation cap.".

(6) In sub-paragraph (5), after "sub-paragraph (2)(b)" insert "or (c)".

(7) The amendments made by this section are to be treated as always having had effect.

(8) Regulations under paragraph 26(9) of Schedule 6 to the 2005 Order (modifications for cases where compensation becomes payable on different occasions) made in consequence of this section may be made with retrospective effect.