



Pensions Act 1995

1995 CHAPTER 26

PART I

OCCUPATIONAL PENSIONS

The compensation provisions

83 Amount of compensation

- (1) Where in the opinion of the Compensation Board section 81 applies to an application for compensation under section 82 in respect of a trust scheme, and the Board have determined the settlement date, the Board may make a payment or payments to the trustees of the scheme in accordance with this section.
- (2) The amount of any payment must be determined in accordance with regulations and must take account of any payment already made under section 84, and the Compensation Board must give written notice of their determination to the person who made the application under section 82 and (if different) to the trustees.
- (3) The amount of the payment or (if there is more than one) the aggregate—
 - (a) must not exceed 90 per cent. of the shortfall at the application date, together with interest at the prescribed rate for the prescribed period on the shortfall or (if the shortfall comprises more than one reduction in value) on each of the reductions, and also,
 - (b) in the case of a salary related scheme, must not exceed the amount which, on the settlement date, is required to be paid to the trustees of the scheme in order to secure that the value on that date of the assets of the scheme is equal to 90 per cent. of the amount on that date of the liabilities of the scheme.