



Pensions Act 2008

2008 CHAPTER 30

PART 3

PENSION COMPENSATION

CHAPTER 1

PENSION COMPENSATION ON DIVORCE ETC

116 Discharge of liability

- (1) This section applies where the Board is subject to a liability in respect of a pension compensation credit.
- (2) The Board must discharge the liability by sending a notice to the transferee.
- (3) On the sending of the notice the transferee becomes entitled, with effect from (and including) the transfer day, to compensation calculated in accordance with Schedule 5.
- (4) For the purposes of that calculation, the initial annual rate of compensation is an amount determined by the Board.
- (5) The Board must determine that amount in such a way as to secure that the cash equivalent value of the compensation to which the transferee becomes entitled under subsection (3) equals the amount of the credit.
- (6) The Secretary of State may by regulations make provision about the calculation of cash equivalents for the purposes of subsection (5).
- (7) The notice sent under this section must—
 - (a) state that the transferee is entitled to periodic pension compensation calculated under Schedule 5, and
 - (b) specify the amount determined under subsection (4).
- (8) Where the transferee dies before liability in respect of the credit has been discharged—

Status: *This is the original version (as it was originally enacted).*

- (a) subsections (2) to (7) do not have effect in relation to the discharge of liability in respect of the credit, and
- (b) liability in respect of the credit must be discharged in accordance with regulations made by the Secretary of State.