

SCHEDULE 1

Regulation 3

FURTHER CONDITIONS FOR TRANSFERS OF GUARANTEED MINIMUM PENSIONS

PART I

[^{F1}Further Conditions for Transfer to ^{F2}... a Salary-related ^{F2}... Scheme of Accrued Rights to Guaranteed Minimum Pensions]

- F1** Sch. 1 Pt. I heading substituted (6.4.2016) by [The Pensions Act 2014 \(Abolition of Contracting-out for Salary Related Pension Schemes\) \(Consequential Amendments and Savings\) Order 2016 \(S.I. 2016/200\)](#), arts. 1(2), **4(11)(a)**
- F2** Words in Sch. 1 Pt. I heading omitted (6.4.2018) by virtue of [The Contracting-out \(Transfer and Transfer Payment\) \(Amendment\) Regulations 2018 \(S.I. 2018/234\)](#), regs. 1, **2(7)(a)**

1. Subject to paragraphs 2 to 4, the receiving scheme must in respect of the rights transferred—
 - (a) provide for pensions payable at the rates at which guaranteed minimum pensions would have been payable by the transferring scheme if the transfer had not taken place; ^{F3}...
 - (b) contain the same provision for commencement and continuation of payment of those pensions and (if any) for commutation, suspension and forfeiture as for guaranteed minimum pensions provided by the receiving scheme in accordance with [^{F4}section 13 or (as the case may be) 17 of the 1993 Act].

[^{F5}(c) comply with sections 13 to 24E of the 1993 Act in respect of accrued rights.]

- F3** Word in Sch. 1 para. 1(a) omitted (6.4.2018) by virtue of [The Contracting-out \(Transfer and Transfer Payment\) \(Amendment\) Regulations 2018 \(S.I. 2018/234\)](#), regs. 1, **2(7)(b)(i)**
- F4** Words in Sch. 1 para. 1(b) substituted (6.4.2018) by [The Contracting-out \(Transfer and Transfer Payment\) \(Amendment\) Regulations 2018 \(S.I. 2018/234\)](#), regs. 1, **2(7)(b)(ii)**
- F5** Sch. 1 para. 1(c) inserted (6.4.2018) by [The Contracting-out \(Transfer and Transfer Payment\) \(Amendment\) Regulations 2018 \(S.I. 2018/234\)](#), regs. 1, **2(7)(b)(iii)**

2. Subject to paragraphs 3 and 4, the arrangements for the transfer (in this Schedule called “the arrangements”) must contain provision that the earner’s earnings factors which are attributable to any particular period of service, or the weekly equivalent derived therefrom, will be increased at the same rate under the receiving scheme as that at which they or it would have fallen to be increased under the transferring scheme if—

- ^{F6}(a)
- (b) the transfer had not taken place.

- F6** Sch. 1 para. 2(a) and word omitted (6.4.2016) by virtue of [The Pensions Act 2014 \(Abolition of Contracting-out for Salary Related Pension Schemes\) \(Consequential Amendments and Savings\) Order 2016 \(S.I. 2016/200\)](#), arts. 1(2), **4(11)(b)**

3. If the weekly equivalent derived from the earnings factors which are attributable to any particular period of service was not, before the transfer, affected by a provision made, or a provision analogous to one made, under section 16(2) and (3) of the 1993 Act, the arrangements may contain a provision analogous to one made under section 16(2) and (3) in relation to it.

Changes to legislation: There are outstanding changes not yet made by the [legislation.gov.uk](#) editorial team to *The Contracting-out (Transfer and Transfer Payment) Regulations 1996*. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details) [View outstanding changes](#)

4. If the weekly equivalent derived from the earnings factors which are attributable to any particular period of service was, before the transfer, affected by a provision made, or a provision analogous to one made, under section 16(2) and (3) of the 1993 Act, the arrangements may contain a provision that those earnings factors will be increased under the receiving scheme at the same rate as that at which they would have fallen to be increased if—

- (a) there had never been a provision made, or a provision analogous to one made; or
- (b) in the case only of the first transfer of the rights in question, a different provision had been made

under section 16(2) and (3) relating to that weekly equivalent.

PART II

[^{F7}Further Conditions for Transfer from an Appropriate Policy to a Scheme that was a Salary-related Contracted-out Scheme of Accrued Rights to Guaranteed Minimum Pensions]

F7 Sch. 1 Pt. II substituted (6.4.2016) by [The Pensions Act 2014 \(Abolition of Contracting-out for Salary Related Pension Schemes\) \(Consequential Amendments and Savings\) Order 2016 \(S.I. 2016/200\)](#), arts. 1(2), 4(11)(c)

5. The receiving scheme must provide for pensions to be paid which are of at least equal value to the annuity which would have been payable by the transferring policy, had the transfer not taken place, in respect of the earner's accrued rights to guaranteed minimum pensions.

PART III

FURTHER CONDITIONS FOR TRANSFER OF LIABILITY FOR THE PAYMENT OF A GUARANTEED MINIMUM PENSION TO OR IN RESPECT OF A PERSON WHO HAS BECOME ENTITLED TO IT

[^{F8}6.—(1) The date of commencement of the pension the liability for which is transferred—

- (a) if the pension is payable to the person who has become entitled to it, must be the date from which liability for payment is assumed by the receiving scheme; and
- (b) if the pension is payable to the widow, widower or surviving civil partner of that person, must be the same as it would have been under the provisions of the transferring scheme.

(2) The receiving scheme must contain the same provision (if any) for suspension and forfeiture of that pension as for guaranteed minimum pensions provided by the receiving scheme in accordance with section 13 or (as the case may be) 17 of the 1993 Act.

(3) The receiving scheme must provide for the payment of guaranteed minimum pensions to or in respect of a person who has become entitled to them at a rate that is no lower than the rate at which they would have been paid by the transferring scheme, taking into account any increases to the rate which are required by virtue of section 109 of the 1993 Act.]

F8 Sch. 1 para. 6 substituted (6.4.2018) by [The Contracting-out \(Transfer and Transfer Payment\) \(Amendment\) Regulations 2018 \(S.I. 2018/234\)](#), regs. 1, 2(7)(c)

Changes to legislation:

There are outstanding changes not yet made by the legislation.gov.uk editorial team to The Contracting-out (Transfer and Transfer Payment) Regulations 1996. Any changes that have already been made by the team appear in the content and are referenced with annotations.

[View outstanding changes](#)

Changes and effects yet to be applied to :

- [reg-1 defn\(s\)](#). revoked by [S.I. 1999/3198 reg 2](#)

Changes and effects yet to be applied to the whole Instrument associated Parts and Chapters:

- Act modified by [S.I. 1996/1977 reg.4](#)