
STATUTORY INSTRUMENTS

2005 No. 992

The Occupational and Personal Pension Schemes (Pension Liberation) Regulations 2005

Modification of statutory discharges in the 1993 Act

3.—(1) Section 99(1) (trustees' duties after exercise of option - discharge) shall be modified so as to have effect as if there were inserted after paragraph (b)—

“and

- (c) the trustees or managers of the scheme have taken all reasonable steps to ensure that, where the member requires them to use the cash equivalent in one of the ways specified in section 95(2)(a) or (b) or, as the case may be, section 95(3)(a) or (b) (ways of taking right to cash equivalent), the occupational pension scheme or, as the case may be, the personal pension scheme to which the payment is to be made is a scheme whose trustees or managers are acting in good faith in relation to the scheme,”.

(2) Section 101M ^{F1} (effect of transfer on trustees' duties) shall be modified so as to have effect as if the reference to compliance with a transfer notice included a duty to take all reasonable steps to ensure that where such compliance involved making a payment to an eligible scheme as defined in section 101F(6) (power to give transfer notice – meaning of “eligible scheme”), that scheme is a scheme whose trustees or managers are acting in good faith in relation to the scheme.

(3) From the coming into force of section 264 of the 2004 Act ^{F2} (early leavers: cash transfer sums and contribution refunds), section 101AG(3) (duties of trustees or managers following exercise of right) shall be modified so as to have effect as if after the words “carry out that requirement” there were inserted the words “and have taken all reasonable steps to ensure that where the member has opted for one of the permitted ways of using the cash transfer sum set out in section 101AE(2)(a) or (b) (permitted ways of using cash transfer sum), that scheme to whose trustees or managers the payment is made is a scheme whose trustees or managers are acting in good faith in relation to the scheme”.

F1 Sections 101F and 101M were inserted by section 37 of the Welfare Reform and Pensions Act 1999.

F2 Section 264 inserts sections 101AA to 101AI into the Pension Schemes Act 1993.

Changes to legislation:

There are currently no known outstanding effects for the The Occupational and Personal Pension Schemes (Pension Liberation) Regulations 2005, Section 3.