Draft Order laid before Parliament under section 7(4) of the Age-Related Payments Act 2004, for approval by resolution of each House of Parliament.

DRAFT STATUTORY INSTRUMENTS

2013 No.

AGE-RELATED PAYMENTS

The Age-Related Payments Regulations 2013

Made - - - - 2013

Coming into force in accordance with regulation 1(1)

In accordance with section 7(4)(b) of the Age-Related Payments Act 2004(**1**), a draft of these Regulations has been laid before Parliament and approved by a resolution of each House;

The Treasury make the following Regulations in exercise of the powers conferred by section 7(1), (2) and (3) of the Age-Related Payments Act 2004, now vested in them by the Transfer of Functions (Age-Related Payments) Order 2013(**2**):

Citation, commencement and interpretation

1.—(1) These Regulations may be cited as the Age-Related Payments Regulations 2013 and come into force on the day after the day on which they are made.

(2) In these Regulations—

"Equitable Life" means the Equitable Life Assurance Society;

"individual with-profits annuity policy" means an individual with-profits policy under which the financial benefit is an annuity;

"individual with-profits policy" means a contract of insurance under which—

(a) there is only one person eligible to receive a financial benefit under the contract;

(b) that person is an individual; and

(c) that person is eligible to receive that financial benefit at the discretion of the insurer;

"joint with-profits annuity policy" means a joint with-profits policy under which the financial benefit under the contract is an annuity;

"joint with-profits policy" means a contract of insurance under which—

(d) there is more than one person eligible to receive a financial benefit under the contract;

(e) each person eligible to receive a financial benefit under the contract is an individual; and

(**1**) 2004 c.10.
(**2**) S.I 2013/1442.

(f) each person eligible to receive a financial benefit under the contract is eligible to receive that financial benefit at the discretion of the insurer;

"Prudential" means the Prudential Assurance Company Limited (company registered number 15454);

"qualifying Equitable Life annuitant" means an individual who, on 20th March 2013—

(g) was alive;

(h) had attained the age of 60 years; and

(i) was eligible to receive an annuity payment from Prudential under a relevant with-profits annuity policy;

"relevant with-profits annuity policy" means an individual with-profits annuity policy or a joint with-profits annuity policy that was purchased from Equitable Life on or before 31st August 1992 and was in force on 20th March 2013.

Entitlement: payments to qualifying Equitable Life annuitants

2.—(1) A qualifying Equitable Life annuitant ("A") is entitled to a payment of £5000 in respect of each relevant with-profits annuity policy under which A is eligible to receive an annuity payment.

(2) If A is entitled to a payment of £5000 in respect of an individual with-profits annuity policy, and A dies before a payment under paragraph (1) is made, the payment is, subject to paragraph (4), to be made to A's personal representative.

(3) If A is entitled to a payment of £5000 in respect of a joint with-profits annuity policy, and A dies before a payment under paragraph (1) is made—

(a) A's entitlement to a payment under this regulation ceases unless all the other persons eligible to receive a financial benefit under the contract died before A;

(b) the payment is, subject to paragraph (4), to be made to A's personal representative if all the other persons eligible to receive a financial benefit under the contract have died.

(4) A payment is only to be made to A's personal representative if the personal representative makes an application for the payment under regulation 4 (procedure).

(5) If A is resident in a state outside the United Kingdom, payment may be made in the currency of that state at the spot rate of exchange for the day on which the payment is made.

Entitlement: payments to qualifying Equitable Life annuitants in receipt of pension credit or an equivalent benefit

3.—(1) A qualifying Equitable Life annuitant ("A") is entitled to a further payment of £5000 if A is or was in receipt of state pension credit on 1st November 2013.

(2) For the purposes of this regulation, "state pension credit" means—

(a) state pension credit within the meaning of section 1(1) of the State Pension Credit Act 2002(**3**);

(b) state pension credit within the meaning of section 1(1) of the State Pension Credit Act (Northern Ireland) 2002(**4**);

(c) any benefit similar to the benefit referred to in sub-paragraph (a) that is paid by another EEA state or by Switzerland.

(**3**) 2002 c 16.
(**4**) 2002 c 14 (N.I.).