STATUTORY RULES OF NORTHERN IRELAND

2010 No. 106

PENSIONS

The Occupational Pension Schemes (Fraud Compensation Payments) (Amendment) Regulations (Northern Ireland) 2010

Made - - - -	*15th March 2010*
Coming into operation	*6th April 2010*

The Department for Social Development makes the following Regulations in exercise of the powers conferred by Article 170(8) of the Pensions (Northern Ireland) Order 2005(**1**).

Citation and commencement

1. These Regulations may be cited as the Occupational Pension Schemes (Fraud Compensation Payments) (Amendment) Regulations (Northern Ireland) 2010 and shall come into operation on 6th April 2010.

Amendment of the Occupational Pension Schemes (Fraud Compensation Payments and Miscellaneous Amendments) Regulations

2.—(1) The Occupational Pension Schemes (Fraud Compensation Payments and Miscellaneous Amendments) Regulations (Northern Ireland) 2005(**2**) are amended in accordance with paragraphs (2) and (3).

(2) In regulation 1(3) (interpretation) after the definition of "stakeholder pension scheme" insert —

""transfer notice" is to be construed in accordance with Article 144;

"transfer payment" means a fraud compensation transfer payment made under Article 170(2);".

(3) After regulation 8 (interim payments) insert—

"**Amount of fraud compensation transfer payment**

8A.—(1) For the purpose of Article 170(8) (determination of amount of fraud compensation transfer payment) and subject to Article 170(7) (maximum payments) the amount of any transfer payment shall be calculated in accordance with this regulation.

(**1**) S.I. 2005/255 (N.I. 1)
(**2**) S.R. 2005 No. 381, to which there are amendments not relevant to these Regulations

(2) Subject to paragraph (4), the amount of the transfer payment shall be calculated in accordance with the formula P – Q where—

(a) P is—

(i) the value of the assets of the scheme—

(aa) as stated in the PPF valuation which immediately precedes the loss, and

(bb) adjusted by the relevant person to take account of any alterations in their value between the date which immediately precedes the loss and the date of the transfer notice;

(ii) if there is no such PPF valuation, the value of the assets of the scheme—

(aa) on such date as immediately precedes the loss;

(bb) as reported by an accountant, and

(cc) adjusted by an accountant so as to take account of any alterations in their value between the date which immediately precedes the loss and the date of the transfer notice, and

(b) Q is the value of the assets of the scheme immediately before the date of the transfer notice, as reported by an accountant.

(3) For the purposes of paragraph (2)—

(a) any adjustments made to take account of alterations in the value of the assets of the scheme shall—

(i) include alterations resulting from—

(aa) investment gains and losses;

(bb) payments made and received by the scheme, in accordance with the rules of the scheme, and

(ii) not include alterations resulting from the loss;

(b) a relevant person is a person with the qualifications or experience prescribed by regulations made under, or a person approved by the Department under, Article 127(11)(a)(ii) (valuation of assets and liabilities).

(4) In the case of—

(a) a section of a segregated scheme or a segregated part, paragraph (2) shall apply to the assets of the section or part to which the transfer notice related;

(b) except where paragraph (5) applies, an unsecured part of a partially guaranteed scheme, paragraph (2) shall apply to the assets of the unsecured part to which the transfer notice related.

(5) This paragraph applies to a scheme to which regulation 2A of the Pension Protection Fund (Partially Guaranteed Schemes) (Modification) Regulations (Northern Ireland) 2005(**3**) (schemes to which regulation 2(1) does not apply) applies.".

(**3**) S.R. 2005 No. 55; regulation 2A was inserted by regulation 2(4) of S.R. 2010 No. 32