1990 No. 205

SOCIAL SECURITY

The Personal Pension Schemes (Advertisements) Regulations (Northern Ireland) 1990

Made	*1st June 1990*
Coming into operation—	
except regulation 3	*27th June 1990*
regulation 3	*1st October 1990*

The Department of Health and Social Services, in exercise of the powers conferred on it by Articles 15 and 55 of the Social Security (Northern Ireland) Order 1986(**a**) and of all other powers enabling it in that behalf, hereby makes the following regulations:

Citation, commencement and interpretation

1.—(1) These regulations may be cited as the Personal Pension Schemes (Advertisements) Regulations (Northern Ireland) 1990 and shall come into operation on 27th June 1990, except for regulation 3 which shall come into operation on 1st October 1990.

(2) In these regulations—

"the Order" means the Social Security (Northern Ireland) Order 1986;

"advertisement" includes every form of advertising, whether in a publication, by the display of notices, signs, labels or showcards, by means of circulars, catalogues, price lists or other documents, by an exhibition of pictures or photographic or cinematographic films, by way of sound broadcasting or television, by the distribution of recordings, or in any other manner; and references to the issue of an advertisement shall be construed accordingly;

"explicit charges" means those charges made by the deposit-based scheme, if any, the nature and amount (whether fixed or variable) of which are ascertainable at the time application for membership is made;

"issue" in relation to an advertisement includes any form of issue or publication whether to the public at large or to individuals or groups of individuals or to any employees, but does not include the issuing or publishing of an advertisement to an agent or professional adviser of the issuer in their capacity as such;

"LAUTRO Rules" means the Lautro Rules 1988(**b**);

(**a**) S.I. 1986/1888 (N.I. 18); Article 81(1) provides for section 155(1) to (3A) of the Social Security (Northern Ireland) Act 1975 (c. 15) (extent of powers) to apply to the powers conferred by that Order; section 155(3A) was inserted by Article 63(1)

(**b**) Copies of these Rules may be obtained from Lautro Limited, Centre Point, 103 New Oxford Street, London WC1A 1QH

"off the page advertisement" means an advertisement which contains—

(*a*) an offer by a deposit-based scheme or the provider thereof to admit to membership a person who responds to the advertisement; or

(*b*) an invitation to a person to respond to the advertisement by making an offer to a deposit-based scheme or the provider thereof to become a member of that scheme;

"period" means the period from the date of issue of an advertisement to the date when a pension under the deposit-based scheme is assumed to become payable for the purpose of a projection;

"projection" means an illustration of the amount of any future benefit payable under a deposit-based scheme, being benefit the amount of which is not ascertainable under the rules of that scheme when the calculation is made;

"relevant investment" means the investment into which contributions to be made to a deposit-based scheme by or on behalf of a prospective member will be made;

"standard expenses" means any expenses of a deposit-based scheme which are recoverable out of contributions made to that scheme by or on behalf of a member, the amount of which cannot be ascertained at the time of admission to membership.

Scope of the regulations

2. These regulations apply in respect of any personal pension scheme which takes the form specified in regulation 2(1)(*c*) of the Personal Pension Schemes (Appropriate Schemes) Regulations (Northern Ireland) 1988(**a**) (investment of contributions in an interest-bearing account), and in these regulations such a scheme is referred to as a "deposit-based scheme".

Projections

3. —(1) Any projection contained in an advertisement for a deposit-based scheme shall contain or be accompanied by a statement in the following terms—

> "The figures quoted in this projection of future benefits are illustrations only. They do not represent the upper and lower limits of the amounts of the benefits. What is actually payable will depend on the future movement of market forces, which can go down as well as up, and the effect of charges applicable to the scheme.
>
> These illustrations should not be used as a basis for comparing similar contracts issued by other pension providers.".

(2) In so far as a projection contained in an advertisement for a deposit-based scheme relates to contributions which will give rise to protected rights under the scheme, then—

(*a*) if the projection is in respect of a period of not more than 5 years it—

(**a**) S.R. 1988 No. 34; relevant amending regulations are S.R. 1988 No. 176