1988 No. 449

SOCIAL SECURITY

The Personal Pension Schemes (Compensation) Regulations (Northern Ireland) 1988

Made . . . . . *21st December 1988*

Coming into operation . . *26th January 1989*

The Department of Health and Social Services, in exercise of the powers conferred on it by paragraph 10 of Schedule 1 to 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 (Compensation) Regulations (Northern Ireland) 1988 and shall come into operation on 26th January 1989.

(2) In these regulations —

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

"the Appropriate Schemes Regulations" means the Personal Pension Schemes (Appropriate Schemes) Regulations (Northern Ireland) 1988(**b**);

"the Banking Act" means the Banking Act 1987(**c**);

"the Building Societies Act" means the Building Societies Act 1986(**d**);

"the Financial Services Act" means the Financial Services Act 1986(**e**);

"the Financial Services Compensation Rules" means the Financial Services (Compensation of Investors) Rules 1988(**f**) made by the Securities and Investments Board under section 54 of the Financial Services Act;

"the Friendly Societies Protection Scheme" means the arrangement by that name made under section 141 of the Financial Services Act and approved for the time being by the Registrar of Friendly Societies for Northern Ireland;

"liable scheme" has the meaning assigned by regulation 2;

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

(c) 1987 c. 22

(d) 1986 c. 53

(e) 1986 c. 60

(f) By virtue of paragraph 5 of Schedule 9 to the Financial Services Act 1986 these rules are not contained in a statutory instrument but copies are available from the Securities and Investments Board, No. 3 Royal Exchange Buildings, London EC3U 3MOL

"the Policyholders Protection Act" means the Policyholders Protection Act 1975(**a**);

"scheme" means personal pension scheme.

Application of regulations

2. These regulations apply to any scheme except a scheme which takes the form—

(*a*) mentioned in regulation 2(1)(*a*) of the Appropriate Schemes Regulations (insurance policies and annuity contracts), being a scheme established by an authorised insurance company within the meaning of section 3(2) of the Policyholders Protection Act;

(*b*) mentioned in the said regulation 2(1)(*a*), being a scheme established by a friendly society to which apply either the provisions of the Friendly Societies Protection Scheme or the provisions of the Financial Services Compensation Rules;

(*c*) mentioned in regulation 2(1)(*b*) of those regulations (unit trust schemes), being a scheme of which the trustee and operator are both subject to the provisions of the Financial Services Compensation Rules; and

(*d*) mentioned in regulation 2(1)(*c*) of those regulations (interest-bearing accounts etc. with banks and building societies), being a scheme which is established by a body to which the provisions of section 58 of the Banking Act apply, or established by a building society in relation to which, in the event of its insolvency, the provisions of section 27 of the Building Societies Act would apply,

and in these regulations a scheme to which these regulations apply is referred to as a "liable scheme".

Requirements to be complied with by liable schemes in the event of insolvency

3.—(1) For the purposes of sub-paragraph (*b*) of paragraph 10 of Schedule 1 to the Order the prescribed circumstances are—

(*a*) that if the scheme is a liable scheme which takes the form mentioned in regulation 2(1)(*a*) of the Appropriate Schemes Regulations and if (in the case of a scheme established by an insurance company) the provisions of section 10 of the Policyholders Protection Act applied, or (in the case of a scheme established by a friendly society) the provisions of either the Friendly Societies Protection Scheme or the Financial Services Compensation Rules applied, those provisions would become operative;

(*b*) that if the scheme is a liable scheme which takes the form mentioned in regulation 2(1)(*b*) of the Appropriate Schemes Regulations and if the provisions of the Financial Services Compensation Rules applied, those provisions would become operative; and

(*c*) that if the scheme is a liable scheme which takes the form mentioned in regulation 2(1)(*c*) of the Appropriate Schemes Regulations, and if the

(**a**) 1975 c. 75