

Financial Assistance Scheme

Trustee Update – 30 November 2007

This update is for Trustees, Administrators and members of FAS Qualified schemes. Please make its contents available to colleagues within your organisation.

Subject: Applications to Annuitise – information regarding pre - discontinuance pensioners.	Financial Assistance Scheme (FAS) PO Box 702 York YO32 9XR Tel: 0845 6019941 Email: FAS-Operational-Unit@dwpgsi.gov.uk
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1. The Financial Assistance Scheme (FAS) Halting Annuitisation Regulations 2007, pursuant to section 19 of the Pensions Act 2007, came into force on 26th September.
2. These regulations mean that trustees must apply for approval to purchase annuities if they wish to enter a binding commitment with an annuity provider after 26 September 2007 (for a period of 9 months).
3. As a result of our consideration of the first applications for approval to annuitise and some of the questions raised by trustees on this topic, we wish to clarify that there is no intention to change legislation to alter the entitlements of pre - discontinuance pensioners under the priority order.
4. We hope that this information will reassure trustees that we will take full account of the current legal entitlements of this category of member, as part of any potential changes to the Financial Assistance Scheme.

Yours Sincerely

Pat Ferguson

Unit Manager
FAS Operational Unit