
STATUTORY RULES OF NORTHERN IRELAND

2005 No. 378

The Pensions Regulator (Financial Support Directions, etc.) Regulations (Northern Ireland) 2005

Calculation of value of resources – business

9.—(1) The value of the resources of an entity shall be calculated in accordance with the provisions of this regulation.

(2) If, following any stage of the calculation in the case of the employer, the test set out in Article 40(3)(a) is not met (that is, the amount calculated to that point is greater than 50 per cent. of the estimated Article 75 debt in relation to the scheme) then the employer may seek the agreement of the Regulator that the employer be deemed to be not insufficiently resourced (but see regulation 10), and if the Regulator so agrees no further calculations in relation to either the employer or the business associate need be undertaken.

(3) If following any stage of the calculation set out in paragraphs (4) to (7) the value of the resources of the entity in relation to which the calculation is being undertaken—

(a) in the case of the employer, meets the test set out in Article 40(3)(a), substituting zero if the value of resources calculated to this point is less than zero, or

(b) in the case of the business associate, meets the test set out in Article 40(3)(b),

that entity may seek the agreement of the Regulator that the value of that entity's resources shall be set at the amount resulting from the calculations undertaken up to that point (but see regulation 10), and if the Regulator so agrees no further calculations in relation to that entity need be undertaken.

(4) In the case of the employer, stage one of the calculation is as follows—

$NA + P$ (assuming P is a liability; if P is an asset then deduct P) + Se .

(5) In the case of the business associate, stage one of the calculation is as follows—

$NA + P$ (assuming P is a liability; if P is an asset then deduct P) – Eb (assuming Eb is an asset; if Eb is a liability then add Eb).

(6) Stage two of the calculation is to add to the amount resulting from the applicable stage one any identified FVD, calculated in relation to any asset (or assets) or liability (or liabilities) selected by the relevant entity.

(7) Stage three of the calculation is to calculate the EVD and add that to the amount that resulted from the stage two calculation.