Armed Forces Pension Scheme 2015 - Your Pension Scheme Explained

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

Ministry of Defence

The Armed Forces Pension Scheme 2015

Your Pension Scheme Explained



Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

Contents

1.	Introduction	Page 4
2.	Pension terms you need to know	Page 6
3.	Membership	Page 10
4.	What your pension scheme provides	Page 13
5.	Pension forecasts	Page 18
6.	Early departure payment	Page 21
7.	Resettlement grant	Page 24
8.	Ill-health benefits	page 26
9.	Benefits paid in the event of your death	Page 31
10.	How divorce/dissolution of a civil partnership can affect your pension	page 35
11.	Increasing your pension benefits	Page 38
12.	Transferring your benefits	Page 41
13.	Making the most of your membership	Page 44
14.	Re-employment in the Armed Forces	Page 45
15.	Reserve Forces	Page 49
16.	Disputes and complaints resolution	Page 53
17.	Further information	Page 56

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

1. Introduction

The Armed Forces pension schemes are designed to reflect the special features of Service life, to provide a retirement income for you and your dependants, and to incentivise retention in service as a key part of your overall remuneration package.

The Armed Forces Pension Scheme 2015 (AFPS 15) implements the recommendations set out by Lord Hutton's Independent Public Service Pensions Commission to reform public service pension schemes, to ensure that they are more affordable and sustainable and also fair to scheme members and the taxpayer. **AFPS 15** is a non-contributory pension scheme and will help to provide financial security for you and your dependants until your retirement age and beyond.

The Public Service Pensions Act 2013 granted powers to the Government to close existing pension schemes to new members and transfer existing members to the new public service schemes, unless they qualified for **transitional protection** which is explained in this booklet **Chapter 3, Membership.**

This booklet provides you with guidance about the pension benefits you could earn as a member of **AFPS 15**. It also provides information on other benefits you may receive on leaving the Armed Forces such as the **Early Departure Payment (EDP)** and **Resettlement Grant** and scenarios you may need to consider such as ill-health and rejoining the Armed Forces.

There are some specific terms associated with pensions and the related benefits which you will need to familiarise yourself with. They appear in bold letters throughout this guide and you will find the terms explained in full in **Chapter 2, Pension Terms You Need to Know**.

If you have accrued pension and related benefits as a member of a legacy pension scheme, you are advised to read the relevant policy documents which provide detailed information on each of the pension schemes. Links to these documents can be found in Chapter 17, Further Information.

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

The information in this booklet is for members of **AFPS 15**. It is to be used for general guidance as it does not give a full explanation of the rules, neither does it cover every personal circumstance or past entitlement. The definitive rules can be found in the following **AFPS 15** Legislation:

- **The Armed Forces Pension Scheme Regulations 2014 (www)**

- **The Armed Forces Early Departure Payment Scheme Regulations 2014 (www)**

In the event of any dispute over your pension or related benefits, the appropriate legislation, as detailed above, will prevail over the information contained in this booklet, the JSP or any other supplementary guidance.

If you have any queries about **AFPS 15** or any of the legacy Armed Forces pension schemes, you can find other sources of information in **Chapter 17, Further Information**. You can also refer to J**SP 905 - Armed Forces Pension Scheme 2015, Accrued Rights and Related Benefits**.

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

2. Pension terms you need to know

Abatement	When a pension which is already in payment is reduced on rejoining the Armed Forces. This applies to legacy pensions only; AFPS 15 pension is not abated.
Accrual Rate	The rate at which pension benefits accrue for each scheme year.
Accrued Rights Member	An individual who has accrued pension benefits in legacy pension schemes for service prior to 1 April 2015; these benefits are protected.
Added Pension	Tax deductible payments made by a scheme member to enhance the member, or member and dependants' benefits.
Adult Dependant	An adult dependant may be deemed to exist providing there was a degree of financial dependence upon the member or financial inter-dependence.
Armed Forces Attributable Benefits (AFAB)	AFAB are paid under the AFAB Scheme 2010 where an injury or death was caused by Service before 6 April 2005. If an injury, illness or death was caused by Service on or after 6 April 2005, attributable benefits are paid under the Armed Forces Compensation Scheme.
Armed Forces Compensation Scheme (AFCS)	A Compensation scheme for members of the Regular and Reserve Forces. It provides compensation for all injuries, ill-health and deaths which were predominantly caused by Service on or after 6 April 2005.
Armed Forces Pension Scheme 2015 (AFPS 15)	The pension scheme for Regular and Reserve Service personnel who join the Armed Forces from 1 April 2015, and those Service personnel who were already in Service on that date and did not qualify for transitional protection.
Armed Forces Pension Scheme 2005 (AFPS 05)	The pension scheme for Regular Service personnel who joined the Armed Forces from 6 April 2005, and from 6 April 2006 for Regular Service personnel who elected to transfer from AFPS 75 as a result of the Offer To Transfer. AFPS 05 closed to new members from 1 April 2015 onwards with the exception of members with transitional protection.
Armed Forces Pension Scheme 1975 (AFPS 75)	The pension scheme for Regular Service personnel which was introduced in April 1975 and closed to new entrants from 6 April 2005.
Aggregation	When 2 or more separate periods of qualifying service are added together.
Allocation	When a member chooses to allocate a proportion of their annual pension (but not an ill-health pension) to one or more nominated dependants who must be financially dependent on the member in order for them to receive an income for life. The maximum that may be allocated is 37.5% of the annual pension.
Annual Allowance (AA)	The limit on what can be added each tax year to the value of the pension without a tax charge. The rule is that, when added together, the increase in the value of an individual's pension savings in any input period may NOT exceed the AA. Any amount over the AA is taxed at 40%, which is due as a lump sum when the tax liability is calculated.
Attachment Order	A Court Order made as part of a divorce or dissolution settlement to pay all or part of a scheme members' pension benefits to the member's former spouse or civil partner.
Attributable	The term used to describe a death, injury or illness which was caused, hastened or significantly aggravated by Service in the Armed Forces.
Average Weekly Earnings Index (AWE)	The AWE is published monthly and is designed to capture changes in average earnings of employees in Great Britain. For AFPS 15 it is the method used to increase the value of a member's pension (except deferred pensions and pensions in payment) up to the point at which the member leaves the Armed Forces.

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

Benefits Crystallisation Event (BCE)	The point at which a pension comes in to payment.
Benefits Transfer	A payment made from one pension scheme to another.
Career Average Revalued Earnings (CARE) Scheme	A CARE pension scheme is one which provides pension benefits which are directly proportionate to pensionable earnings received throughout a career.
Civil Partner	A person of the same sex with whom there is a legally recognised partnership.
Commutation	When a member gives up part of the pension income in return for a tax-free lump sum.
Consumer Price Index (CPI)	This is published monthly to measure the change in price levels in the UK. For AFPS 15 it is the index used by HMT to increase the value of a pension once a member has left the Armed Forces (HMT could change the method by which indexation is applied in the future).
Continuous Service	When rejoining the Armed Forces, periods of service which are broken by gaps of 5 years or less can be regarded as continuous service for pension and EDP purposes (some exceptions apply).
Deferred Pension	Awarded when an individual has vested in the scheme but then leaves the Armed Forces before reaching the AFPS 15 Normal Pension Age (age 60). The deferred pension then comes into payment at State Pension Age.
Dependants	A scheme members spouse, civil partner, eligible partner or eligible children.
Earmarking Order	A Court Order under Scottish law, made as part of a divorce or dissolution settlement to pay all or part of a member's pension to the member's former spouse or civil partner.
Early Departure Payment (EDP) 2005	A payment made to members of AFPS 05 who leave the Regular Armed Forces before age 55, after a minimum of 18 years qualifying service AND who are at least age 40.
Early Departure Payment (EDP) 2015	A payment made to scheme members of AFPS 15 who leave the Regular Armed Forces before age 60, after a minimum of 20 years qualifying service AND who are at least age 40.
Eligible Child / Children	A natural child or any child, who is financially dependant on the scheme member and who is: Under 18; Under 23 and in full time education or vocational training, or unable to engage in full time gainful employment because of a physical or mental impairment and the person was dependant on the scheme member at the time of death. This includes children born within one year of the scheme member's death.
Eligible Partner	Someone with whom a scheme member was cohabiting, in an exclusive and substantial relationship with financial dependence or inter-dependence with whom they were not prevented from marrying or forming a civil partnership.
Final Pensionable Earnings (FPE)	The greatest amount of the members' total pensionable earnings in the best 365 consecutive days of their final 3 years of service.
Final Salary Link	The Final Salary Link allows for accrued pension benefits to be paid at rates related to the scheme member's salary or rank at the point of leaving the Armed Forces.
Full Time Reserve Service Pension Scheme 1997 (FTRSPS 97)	The pension scheme applicable to Reserve Service personnel who gave Full Time Reserve Service before 6th April 2005. The scheme was closed to new entrants and those starting new commitments from 6 April 2005.

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

Indexation	Annual increase in pension value in line with inflation.
Inverse Commutation	When a scheme member exchanges all of an EDP lump sum for an increase in the amount of monthly EDP income.
Life Time Allowance (LTA)	The Lifetime Allowance (LTA) is the maximum amount of pension savings (pension and lump sum) that an individual can build up over their life from all registered pension schemes before incurring a tax charge.
Member	An individual who has joined AFPS 15 and is earning benefits under the scheme (active member), or has a deferred pension under the scheme (deferred member), or is receiving a pension from the scheme (pensioner member).
Non Regular Permanent Staff Pension Scheme (NRPS PS)	The pension scheme for members of the Reserve Forces who serve on a full time basis in units or posts responsible for the Army Reserve. The scheme closed to new members or those on new commitments from September 2011.
Normal Pension Age (NPA)	The earliest age at which a person is entitled to an unreduced pension payable immediately on leaving service. The NPA for AFPS 15 is 60.
Opting Out	Occurs when an individual chooses not to become a member of AFPS 15, or chooses to leave the scheme, if already a member.
Pension Board	The Pension Board is responsible for assisting the Scheme Manager to comply with the scheme regulations and other legislation relating to the governance and administration of the scheme.
Pension Credit Member	A former spouse or civil partner who becomes a member of a pension scheme in their own right as a result of a Court order which decrees that a percentage of the value of a scheme members' pension benefits are transferred to them permanently.
Pension Debit Member	A scheme member whose pension is reduced as a result of a Court order which decrees that a percentage of the value of their pension benefits are transferred to their former spouse or civil partner.
Pensionable Earnings	Basic pay including assumed pay and X-factor but excluding allowances, expenses, bonuses, financial incentives, Loan Service Pay and any form of Recruitment and Retention Pay.
Pensionable Service	Any period in which a member is in scheme employment and is receiving pensionable earnings or assumed pay.
Pension Sharing Order (PSO)	An order made by the Court on divorce or dissolution of a civil partnership creating pension benefits for a former spouse or civil partner. The former spouse or civil partner becomes a member of the scheme in their own right.
Qualifying service for a Resettlement grant	All continuous service in the Regular Armed Forces excluding periods of unauthorised absence, unpaid leave, service detention and imprisonment. All Regular paid service in AFPS 05, and all Regular paid service in AFPS 75 (from age 18 for other ranks and from age 21 for officers) will also count.
Qualifying service for AFPS 15 EDP	All continuous service in the Regular Armed Forces excluding periods of unauthorised absence, unpaid leave, service detention and imprisonment. NB. Other criteria may apply.
Qualifying service for pension	All paid service in the Armed Forces, provided a member has vested.
Resettlement Grant (RG)	A lump sum payable to Regular service personnel who do not qualify for an EDP or ill-health benefits but who have completed more than 12 years service.

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

Reserve Forces Pension Scheme 2005 (RFPS 05)	The pension scheme for Reserve Service personnel starting or renewing a Full Time Reserve Service (FTRS) commitment, including those on Additional Duties Commitment (ADC) terms on or after 6 April 2005. Personnel mobilised under parts 4, 5 or 6 of the Reserve Forces Act 1996, (or corresponding provisions of the Reserve Forces Act 1980) from that date could choose to become members of RFPS 05. Members of FTRSPS 97 were given an opportunity to transfer to RFPS 05 from this date. RFPS 05 closed to new members from 1 April 2015 onwards with the exception of those with transitional protection.
State Second Pension (S2P) (will cease to exist from 1 April 2016)	A State benefit derived from National Insurance Contributions. The S2P will end on 1 April 2016.
Scheme Actuary	The actuary appointed by the scheme manager to provide a consulting service on actuarial matters relevant to the scheme.
Scheme Manager	The Scheme Manager is the Secretary of State and is responsible for managing the scheme.
Scheme Administrator	Defence Business Services – Veterans UK is the Scheme Administrator for all Armed Forces pension schemes.
Scheme Advisory Board	The Scheme Advisory Board has the authority to recommend changes to scheme rules; the Pension Board will ensure that those rules are followed.
Scheme Manager	The Secretary of State for Defence is the Scheme Manager.
Scheme Pays	Introduced on 11 August 2011 by HMRC, Scheme Pays assists individuals in meeting part or all of any tax bill arising as a result of breaching the AA. Armed Forces Pension Scheme members who incur an AA tax bill exceeding £2,000 may elect for the tax due to be paid by the pension scheme. This amount will then be recovered by a reduction in the pension benefits paid on retirement.
Spouse	A legally married (including separated but not divorced) partner of the scheme member.
Substantial Relationship	To establish whether a relationship is substantial, various factors are taken into consideration, such as; children, financial dependence or inter-dependence, shared commitments such as a mortgage, prime beneficiary of a will, shared accommodation, the length of the relationship and the absence of a legal spouse or civil partner (on either side).
Transfer Value	The sum of money that a member requests to transfer between two pension schemes.
Transitional Protection (may also be referred to as Full Protection)	Transitional protection is the protection awarded to individuals who, as of 1 April 2012, had ten years or less to serve to reach their Public Service Pension Scheme's Normal Pension Age. Individuals with transitional protection remain in their existing pension scheme and do not transfer into AFPS 15.
Vesting Period	The period of 2 calendar years service (excluding periods of unauthorised absence, unpaid leave, service detention and imprisonment) required before a member will be eligible to receive any pension benefits (other criteria may apply).
War Pension Scheme (WPS)	The WPS provides no-fault compensation for all ex-Service personnel where illness, injury or death is caused by service before 6 April 2005.

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.



3. Membership

If you are a serving member of the Regular Armed Forces or Reserve Forces (see categories listed under **Chapter 15, Reserve Forces**) and are in service on or after 1 April 2015, you will be an active member of **AFPS 15**, providing you do not meet any of the categories listed below. Membership starts from your first day of paid service unless you choose to opt out.

The following Service personnel are excluded from membership of AFPS 15:

- those with **Transitional (Full) Protection** in other Armed Forces pension schemes;
- those who have opted out of the scheme.

Whilst you are an active member of **AFPS 15**, you cannot also be a member of another occupational pension scheme which is related to your military service (for example the pension scheme of a company you join whilst on secondment). You may, however, pay into a stakeholder or personal pension, subject to Her Majesty's Revenue and Customs (HMRC) limits. For further information about Stakeholder pensions see **Chapter 11, Increasing your Benefits**.

Option not to join AFPS 15

You may opt not to join the scheme by completing AFPS Form 16 available from the DBS Veterans UK website and submitting it through your Commanding Officer to DBS Veterans

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

UK (see **Chapter 17, Further Information** for the Veterans UK address). The form must be submitted within 3 months of joining the Armed Forces.

Option to leave AFPS 15

As an active member you may opt to leave the scheme by completing AFPS Form 16 and submitting it through your Commanding Officer to DBS Veterans UK (see **Chapter 17, Further Information** for the Veterans UK address). You will no longer be a member from the start of the first pay period after the letter is received by DBS Veterans UK.

IF YOU ARE CONSIDERING OPTING OUT OF AFPS 15, YOU ARE STRONGLY ADVISED TO SEEK ADVICE FROM AN INDEPENDENT FINANCIAL ADVISOR BEFORE DOING SO.

Opting out of **AFPS 15** does not affect any entitlement you have to an **Early Departure Payment (EDP)**, the Armed Forces Redundancy Schemes or a **Resettlement Grant** but it will affect entitlement to Ill-Health and Dependants' Benefits.

Option to rejoin AFPS 15 after opting out

If you opt to leave **AFPS 15** (or not to join), but later decide that you want to rejoin (or join) the pension scheme, you can do so by completing AFPS Form 16 and submitting it through your Commanding Officer to DBS Veterans UK (see **Chapter 17, Further Information** for the Veterans UK address). You can do this once in any 12 month period, providing you are still in Service. If you are a Reservist and mobilised for short periods, you can choose to opt out of **AFPS 15**. You have the opportunity to opt out/in once per period of mobilisation. You will be deemed to have joined the scheme on the date your letter is received by DBS Veterans UK. For further information see **Chapter 15, Reserve Forces**.

Vesting Period

The vesting period must be served before you become a full member of a pension scheme. In order to be eligible to receive any pension benefits, you will be required to serve for a vesting period of 2 calendar years, starting from your first day of paid service (but excluding periods of unauthorised absence, unpaid leave, service detention and imprisonment). Vested service as a member of a legacy Armed Forces pension scheme may also count towards vesting in **AFPS 15**, provided the gap between the periods of service is 5 years or less. A period of pensionable service transferred in from another pension scheme will also count as qualifying towards the 2 year vesting period but any **Added Pension** you have purchased will not. Personnel who have not completed the 2 year vesting period and who become ill, are injured, or who die for reasons that are attributable to their service, will still be eligible to receive benefits from the **Armed Forces Compensation Scheme**.

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

Pension Benefits Accrued in Legacy Armed Forces Pension Schemes

Prior to the introduction of **AFPS 15** and other public service pension schemes, the Government made a commitment to protect pension benefits already earned in existing schemes, up to the implementation date of any new scheme. This is known as **accrued rights.**

If you were in Service prior to 1 April 2015 then you will have earned benefits in another Armed Forces Pension Scheme (unless you opted out). The accrued rights protection means that these benefits, up to and including 31 March 2015, will be guaranteed and you will be entitled to receive that proportion of these benefits at the same time as you would originally have expected to receive them (in accordance with the relevant scheme rules). Providing there is no break in service of more than 5 years, your pension will also be linked to your final pensionable salary at the date of leaving the services - not the salary/rank at the time you transferred into AFPS 15.

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.



4. What your pension scheme provides

General

The Armed Forces pension schemes are designed to reflect the special features of Service life and to provide adequate retirement income and protection for you and your dependants. You may also be eligible for either a **Resettlement Grant** or an **Early Departure Payment (EDP)** at the point of leaving the Armed Forces which is separate to your retirement income, providing you meet the qualification criteria.

Pension Board and Scheme Advisory Board

The Public Service Pensions Act 2013 mandated the requirement for a formal Governance structure specifically for Public Service pensions. From 1 April 2015, a **Scheme Advisory Board** and a **Pension Board** are responsible for ensuring that all Armed Forces pension schemes are managed and administered efficiently and effectively and with transparency.

The **Scheme Advisory Board** is responsible for providing advice on the requirement for any major changes to the pension schemes. Meetings take place only when scheme valuations are conducted or when significant policy changes are required. The **Pension Board** is

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

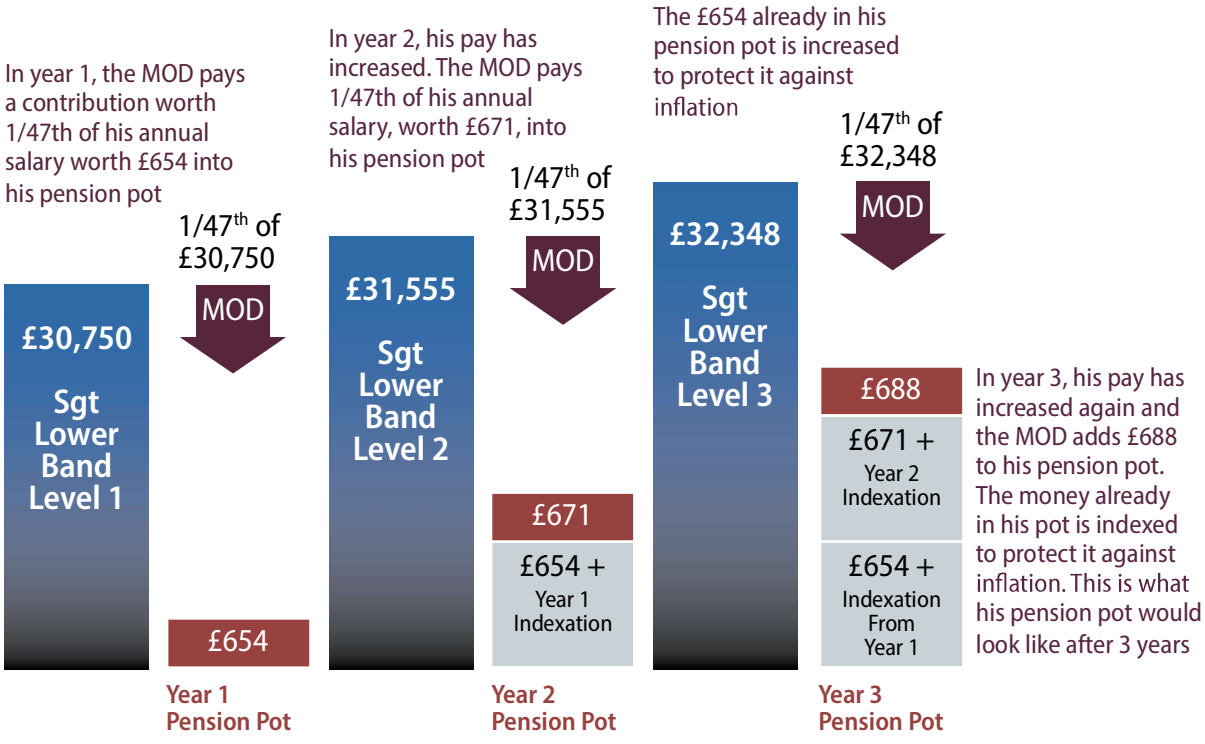
responsible for assisting the **Scheme Manager** in ensuring that the scheme regulations and other legislation relating to the governance and administration of the scheme are adhered to.

How your Benefits are Calculated and Paid

Your pension entitlement starts accumulating from your first day of paid service and you will be eligible to receive pension benefits provided you have completed at least 2 years **qualifying service**. Your pension is calculated using a system called **Career Average Revalued Earnings (CARE)**.

Every year, the MOD adds an amount equal to 1/47th of your annual pensionable earnings for that year, to your individual 'pension pot'. Your 'pension pot' starts to accumulate from your first day of paid service and is carried forward into each year where it grows slightly to ensure that it tracks inflation and maintains its value. This growth, known as **indexation**, is based on the **Average Weekly Earnings index** and is similar to money in a bank account earning interest. This process is repeated every year until you leave the Armed Forces.

The diagram below demonstrates how a CARE scheme works for a Sgt earning £30,750 in 2014/15:



Early Departure Payment (EDP)

In addition to a pension, you may also be entitled to an **EDP**. The **EDP** is an additional benefit which is entirely separate to your pension. The purpose is to retain Regular

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

personnel in Service through to at least age 40 and to compensate for the fact that a full career to age 60 is not available to the majority.

You will need to serve as a **Regular** for 20 years or more **and** reach at least age 40 to be eligible for an **EDP**. This is known as the 20/40 **EDP** point. If you have had a break in service of more than 5 years, on returning to the Armed Forces you will not be able to link the 2 periods of service together and you will need to serve for at least another 20 years in order to qualify for an EDP. Further information can be found in **Chapter 6, Early Departure Payment**.

Resettlement Grant

The **Resettlement Grant** is paid to Regular members of the Armed Forces who leave after 12 or more years service but before they qualify for any other form of immediate pension or EDP benefits. It is not linked to your pension entitlement but it is intended to help you adjust to civilian life. Further information can be found in **Chapter 7, Resettlement Grant**.

Deferred Pension

If you leave the Armed Forces having completed at least 2 years **qualifying service** or have vested because a **transfer value payment** has been accepted by the **Scheme Administrator**, you will be entitled to a **deferred pension**. This is paid at the Deferred Pension Age (linked to your State Pension Age). Your deferred pension will increase annually in line with the **Consumer Price Index (CPI)** when you leave Service.

Providing you are aged 55 or over you can apply to have your **deferred pension** paid early, subject to an actuarial reduction, which reflects the fact that the pension will be paid over a longer period.

Full Pension (Serving to Age 60)

If you have at least 2 years **qualifying service** and you serve until age 60 you will be entitled to claim your pension immediately. Once in payment, your pension will increase annually in line with **CPI**.

You will not receive an **EDP** (see **Chapter 6, Early Departure Payment** for further information) because your pension benefits will be payable immediately upon leaving the Armed Forces.

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

Commutation

AFPS 15 will not automatically pay you a pension lump sum, however, you can create a tax-free lump sum by 'surrendering' a part of your annual pension. This is known as **commutation**. HM Revenue and Customs (HMRC) currently allow up to 25% of your overall pension benefits to be taken as a lump sum. The commutation rate is fixed at 12 to 1; so for each £1 of your pension you give up, you will be 'buying' a lump sum of £12. This decision is made for life therefore choosing to 'give up' part of your pension cannot be reversed. The decision to commute must be made within the 6 months before your pension is due to be paid.

If you qualify for an **EDP**, you will receive a tax-free **EDP** lump sum (see **Chapter 6, Early Departure Payment** for more details). You can choose to 'give up' your **full EDP** lump sum to increase the monthly **EDP** income. This is known as **inverse commutation**. The **EDP** is replaced at State Pension Age by the **deferred pension**. The decision to inversely commute the **EDP** lump sum must be made within the 6 months before it is due to be paid.

Dependants' Benefits

If you die, either in Service or after leaving the Armed Forces, benefits may be paid to your **nominee, spouse, civil partner, eligible partner** and **eligible children**. (See **Chapter 9, Benefits Paid in the Event of your Death** for more details).

Allocation

You can choose to allocate a proportion of your annual pension (but not an ill-health pension) to one or more nominated dependants who must be financially dependent on you in order for them to receive an income for life.

You can only make an allocation within the 6 months immediately prior to your pension first coming into payment. The maximum that may be allocated is 37.5% of your pension, however, not everyone will be able to make an allocation. An allocation cannot be made if it would reduce the benefits that your existing dependants would receive. You will be advised by DBS Veterans UK if this applies to you when you submit your request to allocate.

An allocation will result in a reduction in the amount of pension you receive until you die. When you die, the person who you have chosen to make an allocation to will then be entitled to receive their pension for life. If you die within 2 years of choosing to make an allocation, that pension may be withheld, particularly if it is believed that a false health declaration was made.

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

If you die after reaching age 75, the amount paid under the allocation may be reviewed and adjusted as determined by the **Scheme Manager**.

Ill-Health Benefits

If your Armed Forces career is cut short by illness or injury and you have completed at least 2 years' **qualifying service**, you may receive an ill-health award. The amount is based on a three tier system.

- **Tier 1 awards** provide a tax-free lump sum, or, if you have reached the 20/40 **EDP** Point, you will receive an **EDP**, whichever provides a greater amount. You will also be awarded a **deferred pension** which will come into payment at your State Pension Age.
- **Tier 2 & Tier 3 awards** provide an immediate pension (with the option to generate a tax-free lump sum via **commutation**) based on your length of service, plus an enhancement. (See **Chapter 8, Ill-Health Benefits** for more details).

Ill-health benefits are paid in addition to any benefits you may be eligible for under the **Armed Forces Compensation Scheme (AFCS)**, however, these awards may be reduced to take account of pension benefits received. See **https://www.gov.uk/government/collections/armed-forces-compensation** for more details.

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.



5. Pension forecasts

Online Pension Calculator

It is important that you have a good understanding of your Armed Forces pension benefits. To help you understand what pension and related benefits you might receive and when they are due to be paid, the Online Pension Calculator will produce an online forecast based on your Service career. It will also allow you to profile different career scenarios and see how leaving the Armed Forces at various times could affect your future benefits.

The Online Pension Calculator will provide a forecast which includes both pension benefits earned under **AFPS 15** and pension benefits accrued under other legacy Armed Forces pension schemes.

It is important to note that the information generated by the calculator is for guidance purposes only and does not constitute an entitlement to the benefits stated. The figures produced will not take into account salary increases or indexations.

You can access the calculator at:

www.mod-abc.co.uk

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

Manual Pension Forecasts

If you are able to use the Online Pension Calculator to obtain a benefit forecast then you should do so. If you are not able to use the Calculator, DBS Veterans UK are able to produce written forecasts. All Service personnel are entitled to request one written pension forecast each year at no cost by completing and submitting a form which is available at the following links:

DII: DBS Veterans UK Armed Forces Pension Forms:
http://www.ipublish.dii.r.mil.uk/nlapps/docs/default.asp?fid=1997

Internet: DBS Veterans UK Pension Forms (www):
https://www.gov.uk/government/publications/service-personnel-and-veterans-agency-spva-pensions-forms

Once completed the form should be printed and sent by post to the following address:

Defence Business Services
Veterans UK
Mail Point 480
Kentigern House
65 Brown Street
Glasgow G2 8EX

Additional forecasts can be requested. Each forecast will cost £75 +VAT.

In addition, you are entitled to request one free surviving **spouse/civil partner** or surviving **eligible partner** pension forecast every year.

Benefit Information Statement

The Benefit Information Statement (BIS) is your annual pension and related benefits statement. From 1 August 2015 an annual BIS will be introduced for all serving members of an Armed Forces and Reserve Forces pension scheme on their birthday. It will show what pension and other benefits you have built up in the Armed Forces and Reserve Forces pension schemes to date.

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

The statement is an indicative forecast only and is based on your current substantive rank and pay. It does not take account of acting rank, future promotions, changes to your service or pay increases. It also does not show how benefits may change to reflect inflation, which cannot be predicted.

The statement will be based on the information held on your service record. Any errors or omissions on your service record will affect the figures shown. You are responsible for checking your own service record; if you believe that there is an error, you should contact your Unit Administration Officer (UAO).

The statement will only cover your standard pension, **EDP** and **dependants'** benefits. It only includes benefits from previous periods of military service if they are linked to your current employment in the Armed Forces. Any added pension, transferred-in pensions or pensions subject to a **Pension Sharing Order**, are also not included, and can be covered under a separate statement upon request.

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.



6. Early Departure Payment

The **Early Departure Payment (EDP)** Scheme aims to retain Regular personnel in Service through to at least age 40 and to compensate for the fact that a full career to age 60 is not available to the majority of Regular Service personnel. The **EDP** is a benefit which is entirely separate to any pension you may be entitled to. Reserve service does not qualify towards an **AFPS 15 EDP**.

How to qualify

You will need to serve as a **Regular** for 20 years or more **and** reach at least age 40 to be eligible for an **EDP**. This is known as the 20/40 **EDP** point. If you have had a break in service of more than 5 years, on returning to the Armed Forces you will need to serve for another 20 years or more in order to qualify for an **EDP**.

You will not be eligible if you have reached the Normal Pension Age (age 60); you are in receipt of a lump sum for incapacity for service in the Armed Forces or if you are already in receipt of an **AFPS 15** pension, including an **AFPS 15** ill-health pension.

What you will receive and when

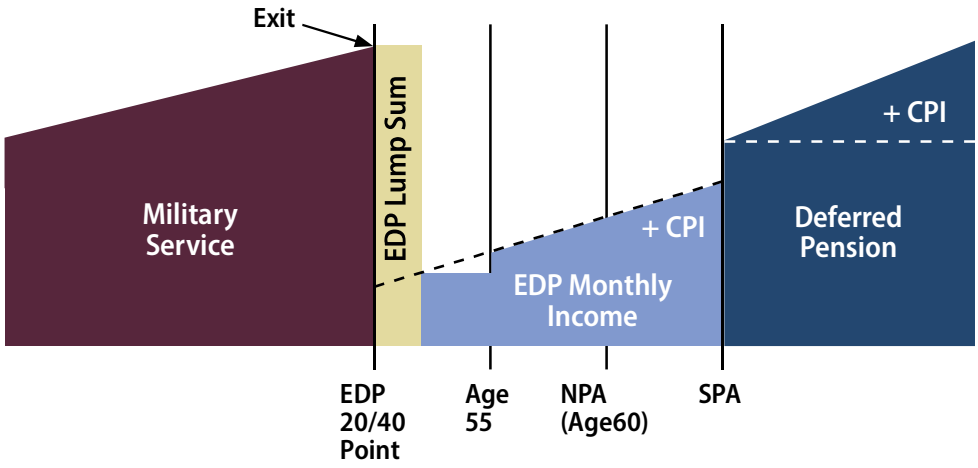
If you leave the Armed Forces on or after the 20/40 **EDP** point but before your pension comes into payment, you will receive a tax-free lump sum equivalent to 2.25 times your **deferred pension** plus a monthly income of 34% of the value of your annual **deferred**

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

pension. For each whole year served beyond the 20/40 **EDP** point, the value of the **EDP** will be increased by 0.85% of your **deferred pension**. From age 55, the EDP income is adjusted to take account of annual increases in the **Consumer Price Index (CPI), CPI** increases will be backdated to the point at which you left the Armed Forces.

At your State Pension Age the **EDP** income stops and is replaced by the **deferred pension**.

The diagram below illustrates the point at which the EDP is paid and then replaced by the Deferred Pension:



Effect on EDP of rejoining the Regular Armed Forces

If you are in receipt of an **AFPS 15 EDP** and you rejoin the Regular Armed Forces within 5 years, you can choose to have your **EDP** treated in one of two ways. Both options are explained in full in **Chapter 14, Re-employment in the Armed Forces**.

Option 1: You can choose to retain your **EDP** lump sum and continue to receive the EDP monthly income; this choice must be made within 1 month of rejoining the Armed Forces. Your **EDP** will remain in payment but will not be recalculated when you leave the Armed Forces at the end of the second period of service. **EDP** payments will stop at the Deferred Pension Age when the pension comes into payment.

Option 2: You can choose to have your **EDP** monthly income stopped immediately on rejoining and repay in full any lump sum already received. Repayment of the lump sum will include interest. At the end of the latter period of service, you will be entitled to a new **EDP** lump sum and monthly income. This will be recalculated to take into account both periods of service, however, if you serve to age 60 your pension will be paid immediately instead.

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

If you are in receipt of an **EDP** and then rejoin the Regular Armed Forces more than 5 years after you originally left, you will retain all of the **EDP** lump sum and the monthly income will continue. Your payments will not be recalculated in respect of any subsequent period of service and will stop when your pension comes into payment at the Deferred Pension Age.

Effect on EDP of joining the Reserve Armed Forces

If you are in receipt of an **AFPS 15 EDP** and you join the Reserve Forces, you will retain all of the **EDP** lump sum and the monthly income will continue. The **EDP** will not be recalculated at the end of your Reserve service and will stop once you are in receipt of your **AFPS 15** pension, or when you have reached the **Deferred Pension Age**.

If you are in receipt of an AFPS 05 EDP you are advised to check the AFPS 05 rules on rejoining. **See Chapter 17, Further Information for details of where to find them.**

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.



7. Resettlement Grant

The **Resettlement Grant** is paid to Regular members of the Armed Forces who leave after 12 or more years service but before qualifying for any other form of immediate pension or **EDP** benefits. It is not linked to your pension entitlement but it is intended to help you adjust to civilian life.

When you leave the Armed Forces you will be entitled to a lump sum payment provided you:

- have served for at least 12 years;
- are not entitled to an **EDP,** an ill-health award or an immediate pension from a legacy pension scheme;
- have not previously received a **Resettlement Grant**;
- are not a member of the Reserve Forces.

Rejoining the Armed Forces

If you rejoin the Regular Armed Forces more than 5 years after leaving, you may not **aggregate** your previous service with the new period of service in order to qualify for a **Resettlement Grant**.

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

If you receive a **Resettlement Grant** and then rejoin the Regular Armed Forces, or Reserve Forces, you are entitled to keep the lump sum. However, if you rejoin as a Regular or a member of the Full Time Reserve Service (FTRS) within 31 days of leaving, you will be required to repay the full amount. If you repay the lump sum having rejoined as a full time Reservist, on leaving the Reserve Forces you will not be entitled to a further **Resettlement Grant**.

If you rejoin the Regular Armed Forces and keep the lump sum, at the end of the second period of service you will not be entitled to a further **Resettlement Grant**. If you are required to repay the lump sum, at the end of the second period of Regular service you will be entitled to a new **Resettlement Grant** providing you have not qualified for an **EDP** or **pension**.

If you rejoin as a Part Time Voluntary Reservist (PTVR) you will not be required to repay the lump sum.

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.



8. Ill-health benefits

If you leave the Armed Forces early because you are assessed as medically unfit for further military service, you may be awarded ill-health benefits to ease the transition into civilian life and to compensate you for the loss of your career. The type of benefits you will receive are dependent upon your individual circumstances and the degree of disability.

For death, injury or illness which occurs as a result of your Service in the Armed Forces, additional compensation may be paid under the **Armed Forces Compensation Scheme (AFCS)**. For injury or death caused by Service before April 2005, compensation may be paid under the **War Pension Scheme (WPS)** or **Armed Forces Attributable Benefits (AFAB)** scheme. For more details, see **https://www.gov.uk/claim-for-injury-received-while-serving**.

You will only be entitled to receive an ill-health award if you have vested in the scheme (completed 2 or more calendar years of **qualifying service** in any Armed Forces Pension Scheme).

There are 3 levels of ill-health award that can be made if you are medically discharged under **AFPS 15**, depending on the severity of your medical condition.

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

Tier 1. A Tier 1 award is made if you are deemed to be unfit for service in the Armed Forces because of physical or mental impairment but your ability to obtain gainful civilian employment is not deemed to be significantly impaired.

Tier 2. A Tier 2 award is made if you are deemed to have suffered a breakdown in health, as a result of which, your capacity for gainful employment is significantly impaired and is expected to remain so until you reach age 60.

Tier 3. A Tier 3 award is made for the most serious conditions and is granted if you are deemed to have suffered a permanent breakdown in health involving incapacity for any gainful full time employment.

Tier 1 Awards

If you are medically discharged because you are deemed to be unfit for further military service, but your ability to obtain gainful employment outside of the Armed Forces is not deemed to be significantly impaired, you will be awarded a tax-free lump sum to help you adjust to your new circumstances.

The award will be calculated on the basis of 1/8th of your **final pensionable earnings** (the best 365 consecutive days in the last 3 years) multiplied by the number of years service in **AFPS 15**, subject to a minimum of 6 months and a maximum of 24 months **final pensionable earnings**. If the calculation produces an award which would be greater than 24 months final pensionable earnings, the award is capped at 24 months. If the Tier 1 calculation produces an award that would be less than 6 months **final pensionable earnings**, it will be rounded up to equal 6 months.

If you transfer into **AFPS 15** from a legacy Armed Forces pension scheme, your ill-health award will be based proportionately on time served within the **AFPS 15** scheme and time served within the legacy scheme. The proportion of time spent in legacy pension schemes will be calculated as per the rules of that scheme, and the proportion of time in **AFPS 15** will be calculated using **AFPS 15** rules.

Early Departure Payment Point

If you are discharged after reaching the **EDP** point, you will receive an **EDP** lump sum and monthly income instead of a Tier 1 lump sum (or whichever provides the greater amount).

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

Examples of Tier 1 Award Calculation:

Example A
An individual joins at age 20 and is medically discharged after 5 years Service. Final pensionable earnings equal £20,000, the Tier 1 award is calculated as follows:

$$\frac{\text{£20,000}}{8} \text{ (FPE) x 5 (Number of years Service) = £12,500}$$
(1/8 of pensionable earnings)

Example B
An individual joins at age 20 and is medically discharged after 2 years Service. Final pensionable earnings equal £30,000, the Tier 1 award is calculated as follows:

$$\frac{\text{£30,000}}{8} \text{ (FPE) x 2 (Number of years Service) = £7,500}$$

As £7,500 is less than the minimum of 6 months pay, the Tier 1 award is increased to **£15,000.**

Example C
An individual joins at age 20 and is medically discharged after 17 years service. Final pensionable earnings equal £40,000, the Tier 1 award is calculated as follows:

$$\frac{\text{£40,000}}{8} \text{ (FPE) x 17 (Number of years Service) = £85,000}$$

As this exceeds the maximum of two years pay, the lump sum award is reduced to **£80,000.**

You will not be able to receive both an **EDP** and a Tier 1 lump sum. If you receive an EDP, the monthly income will cease once you reach State Pension Age and will be replaced by the **deferred pension**.

Discharge after Age 60

If you are medically discharged after reaching age 60, you will receive your pension immediately and will not be paid an AFPS 15 Tier 1 lump sum.

Tier 2 Awards

If you are medically discharged with a condition that is not deemed to leave you permanently incapable of gainful employment, but your employment prospects are

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

significantly impaired (and are expected to remain so until you reach age 60), you will be awarded an enhanced taxable income which will be paid for life.

The award will be made in lieu of an **EDP** and any other form of AFPS 15 pension. There is no automatic lump sum; instead, you may opt to commute up to 25% of your ill-health pension at a rate of 12:1, so for every £1 of pension you give up, you generate £12 of lump sum.

The Tier 2 award is calculated by multiplying your average pension by the number of years **AFPS 15** service plus an enhancement to reflect the loss of your Armed Forces career. Your average pension is calculated by dividing the pension in your CARE 'pension pot' by the number of years **AFPS 15** service. The enhancement is calculated as one third of the years remaining until age 60 (this is the **Normal Pension Age (NPA)** for **AFPS 15**).

Example of a Tier 2 Award Calculation:

An individual joins at age 25 and is medically discharged after 15 years Service. The total CARE pension is £6,000pa, the Tier 2 award is calculated as follows:

Average Pension:

£6000 (CARE pension) = £400
15 (number of years service)

Enhancement:

$$\frac{\textbf{60 (NPA) – 40 (Age)}}{\textbf{3}} = \textbf{6.66}$$

Total Pension:

$$\frac{\textbf{Average pension x (Years Service + Enhancement)}}{}$$

400 x (15 + 6.66) = £8,664pa

Tier 3 Awards

If you are medically discharged because you are deemed to have suffered a breakdown in health which will leave you permanently incapable of any further full-time employment, you will be awarded an enhanced taxable income which will be paid for life.

A Tier 3 award is made in lieu of an **EDP** and any other form of **AFPS 15** pension. There is no automatic lump sum; instead, you may opt to commute up to 25% of your ill-health pension at a rate of 12:1, so for every £1 of pension you give up, you generate £12 of lump sum.

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

The award is calculated by multiplying your average pension by the number of years **AFPS 15** service plus an enhancement. Your average pension is calculated by dividing the pension in your CARE 'pension pot' by the number of years **AFPS 15** service. The enhancement is calculated as one half of the years remaining until age 60 (this is the **NPA** for **AFPS 15**).

A Tier 3 award is subject to a minimum payment based on a guaranteed minimum length of service. This is 25 years, or for those who joined the Armed Forces late and who would never have been able to serve for 25 years, their guaranteed minimum length of service is the time between their age at joining the Armed Forces and **NPA**.

If you are diagnosed with less than 12 months to live, you can request a single lump sum payment equivalent to 5 times your annual pension (this is equivalent to 5 times a Tier 3 pension); all further pension rights are then extinguished. Your **Dependants'** benefits are not affected.

Example of a Tier 3 Award Calculation:

An individual joins at age 30 and is medically discharged after 8 years Service. The total CARE pension is £6,000pa. The Tier 3 award is calculated as follows:

Average Pension x (Years served + Enhancement)

Average Pension:

£6000 (CARE pension) = £750
8 (number of years service)

Enhancement:

60 (NPA) – 38 (age at exit) = 11
2

Total award:

£750 x (8 + 11) = £750 x 19

19 is less than the guaranteed minimum length of service of 25 years so it is rounded up to 25.

£750 x 25 = £18,750

Note:
If the (years served + enhancement) equalled more than 25 years, no rounding up would be required.

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.



9. Benefits paid in the event of your death

In the event of your death, your eligible **dependants'** will receive benefits that may consist of a tax-free lump sum (in some circumstances) and a taxable pension for life. If you have not made a nomination and also have no dependants, the lump sum will be paid to your estate. The type of benefits paid will depend on when you die. The benefits described in this chapter are only available to the eligible **dependants** of members of **AFPS 15**.

If your marriage or civil partnership took place within 6 months of your death, the award of a pension to your surviving spouse or civil partner will not be automatic. The **Scheme Administrator** will examine the circumstances of these cases to ensure that the marriage or civil partnership was not entered into purely for financial gain.

If your surviving spouse or civil partner is more than 12 years younger than you, their pension will be reduced to take account of the fact that the pension can be expected to be paid over a longer period.

Nomination for Lump Sum Death Benefits

A tax-free lump sum is payable in the event of your death and you can decide who should receive it. You may nominate one or more individuals; one incorporated or unincorporated body i.e. a charity or social club; or a combination of one or more individual and one

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

incorporated or unincorporated body to receive your death benefit lump sum only. You cannot nominate someone to receive your pension. Your nomination can specify how payments are to be divided between two or more individuals; or one or more individuals and one incorporated or unincorporated body.

Nominations must be made in writing to DBS Veterans UK by completing a Nomination Form (AFPS Form 2) available from the DBS Veterans UK website using the links provided in **Chapter 17, Further Information**.

If you die without making a valid nomination, your lump sum will normally be paid to your spouse, civil partner, eligible partner or eligible children as detailed above. If there is no such person, the lump sum will be paid to your estate.

Even where a spouse, civil partner or eligible partner exists, a valid nomination will take precedence. It is your responsibility to review your nomination and to ensure that it is up to date and remains valid, especially when there has been a change in personal circumstances i.e. marriage, divorce, dissolution of a civil partnership, separation, change of eligible partner, or becoming a widow(er). You may revoke or alter a nomination at any time by submitting a further Nomination Form to DBS Veterans UK.

Eligible Partner

A cohabiting partner may be eligible to receive a pension providing that it can be demonstrated that a substantial and exclusive relationship existed and that there was no legal reason preventing you from getting married or forming a civil partnership.

Eligible Child

An eligible child is defined as a child who is under 18 years of age and who was financially dependent upon you on the date of your death. Additionally, those under the age of 23 who are in full-time education or vocational training are also eligible, as are children, of any age, who are unable to obtain gainful employment due to a physical or mental impairment.

Death in Service

You must have vested (completed 2 or more calendar years of **qualifying service** in any Armed Forces Pension Scheme) for your dependants to receive any pension, however, a death in service lump sum will be paid whether you have vested or not.

Should you die in service, for any reason, your nominee, spouse, civil partner or eligible partner will receive a tax-free lump sum of 4 times your **final pensionable earnings**. No

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

other lump sum is payable from service completed as a member of a legacy pension scheme. If there is no surviving nominee, spouse, civil partner or eligible partner, all eligible children will share the lump sum. If there is no other eligible person, the lump sum will be paid to your estate.

In addition to the lump sum, your nominee, spouse, civil partner or eligible partner will receive an immediate pension paid for life. The immediate pension paid to a dependant following a death in service is calculated in the same manner as a Tier 3 ill-health pension. The spouse, civil partner or eligible partner then receive 62.5% of this award, while eligible children will share the remaining 37.5%, subject to a maximum of 25% per child. If there is no spouse, civil partner or eligible partner, all eligible children will share 100% of the pension, subject to a maximum of 33.3% per child. A former spouse, from whom you are divorced, or a former civil partner, (if you have legally dissolved the civil partnership) is not eligible to receive a pension.

Death in Deferment

If you leave the Armed Forces having qualified for a **Deferred Pension**, but you die before that pension comes into payment at State Pension Age, your nominee, spouse, civil partner or eligible partner will receive a tax-free lump sum of 3 times your pension. Your spouse, civil partner or eligible partner will also receive an immediate pension equivalent to 62.5% of your pension. Eligible children will share the remaining 37.5%, subject to a maximum of 25% per child. If there is no spouse, civil partner or eligible partner, all eligible children will share 100% of the pension, subject to a maximum of 33.3% per child.

If you have accrued pension rights to any of the legacy pension schemes, your spouse, civil partner or eligible partner will receive a percentage of each pension as shown below (increased in line with the **Consumer Price Index**), which will be paid immediately.

Death in Retirement

If you die whilst in receipt of a pension, your spouse, civil partner or eligible partner will receive 62.5% of that pension. Dependant children will share the remaining 37.5% subject to a maximum of 25% per child. If there is no surviving spouse, civil partner or eligible partner, all eligible children will share 100% of the pension, subject to a maximum of 33% per child.

There will also be a tax-free lump sum equal to 5 times your pension, less the combined total of all pension payments and lump sum that you had already received since retirement. Eligible children will share the 100% of the lump sum if there is no nominee, surviving spouse, civil partner or eligible partner.

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

Allocation

You can choose to allocate a part of your annual pension (but not an ill-health pension) to one or more dependants, provided they are financially dependent on you in order for them to receive an income for life.

You will then receive a reduced pension (even if the person the pension is allocated to dies before you). Upon your death the person to whom you have chosen to make an allocation will then be entitled to receive a pension for life. If you die within 2 years of electing to make an allocation, that pension may be withheld, particularly if it is believed that a false health declaration was made.

If you die after reaching age 75, the amount paid under the allocation may be reviewed and adjusted as determined by the **Scheme Manager**. Further information can be found in **Chapter 4, What Your Pension Scheme Provides**.

Legacy Pension Scheme Benefits

Armed Forces Pension Scheme 1975 (AFPS 75), Non-Regular Permanent Staff Pension Scheme (NRPS) and Full Time Reserve Service Pension Scheme 1997 (FTRSPS 97): Your spouse or civil partner may receive a tax-free lump sum plus an immediate pension equivalent to 50% of your pension. Unmarried eligible partners can be awarded a pension if your death is **attributable** and they qualify for a payment under the **Armed Forces Compensation Scheme**. Eligible children will share the remaining 50%, subject to a maximum of 25% per child. If there is no spouse or civil partner, all eligible children will share 100% of the pension, subject to a maximum of 33.3% per child.

Armed Forces Pension Scheme 2005 (AFPS 05) and Reserve Forces Pension Scheme 2005 (RFPS 05): Your spouse, civil partner or eligible partner may receive a tax-free lump sum plus an immediate pension equivalent to 62.5% of your pension. Eligible children will share the remaining 37.5%, subject to a maximum of 25% per eligible child. If there is no spouse, civil partner or eligible partner, all eligible children will share 100% of the pension, subject to a maximum of 33.3% per eligible child.

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.



10. How divorce/dissolution of a civil partnership can affect your pension

Pension Earmarking and Attachment Orders

If you divorce, your civil partnership is dissolved or you are judicially separated, a Court can order the **Scheme Administrator** to pay all or part of your pension to your former spouse or civil partner as part of a divorce/dissolution or legal settlement. This can be as periodical payments or as one or more lump sums at the point when these benefits become payable. This is known as an **Attachment Order**. If your former spouse/ civil partner remarries or enters a new civil partnership, the pension payments will stop. The Court can also make an order making the lump sum which is payable to your estate, payable to your former spouse or civil partner in the event of your death in service.

In Scotland only: If you divorce, your civil partnership is dissolved or you are judicially separated, a Court can order the **Scheme Administrator** to pay a lump sum to your former spouse or civil partner as part of a divorce / dissolution or legal settlement. This is known as an **Earmarking Order** and will happen at the point when these benefits become payable. As a lump sum is not automatically payable under **AFPS 15** rules, any earmarking or attachment against the lump sum can only be completed if you opt to commute your pension benefits or a Court compels you to commute your benefits to create a lump sum.

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

Pension Sharing on Divorce/ Dissolution

A **Pension Sharing Order (PSO)** is an order made by a Court on divorce or dissolution of a civil partnership, creating pension benefits for a former spouse or civil partner out of the benefits that the member has built up in the scheme. The former spouse or civil partner becomes a member of the scheme in their own right (known as a **Pension Credit Member**) and this is known as a clean break settlement. Payment of the pension is made directly to your former spouse or civil partner at the Deferred Pension Age and is not affected by changes in your circumstances or those of your former spouse or civil partner.

The **PSO** will specify the percentage (or amount for Scottish divorces) to be deducted from your shareable benefits at the time of your divorce. Your former spouse or civil partner receives payment of their part of your pension at their Deferred Pension Age. Alternatively, they can opt to have their pension paid at age 55 but it will be actuarially reduced to account for the early payment.

Because **AFPS 15** is an unfunded public service pension scheme, your former spouse or civil partner cannot transfer their pension credit benefits out of **AFPS 15** into another pension arrangement, nor can they add to them.

Sharing Benefits Accrued in Legacy Armed Forces Pension Schemes

Where a Court order is made on or after 1 April 15, both **AFPS 15** benefits and any benefits earned under other Armed Forces pension schemes that have been accrued up to the point of the Court order, may be taken into consideration and a Court could make an order, sharing either one or both sets of benefits.

Where both sets of benefits are part of the **PSO**, the former spouse or civil partner will receive two separate credits. Pension credits are set up based on the Deferred Pension Age of the scheme. The first credit will be based on the existing preserved

pension age in respect of their share of the legacy pension scheme's accrued rights. The second credit will be payable at the Pension Credit member's State Pension Age in respect of their share of **AFPS 15** benefits.

Note: The above arrangements only apply to pension benefits; **Early Departure Payments** will be unaffected.

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

DBS Veterans UK will only make payments to your former spouse or civil partner when a court order has specifically instructed them to do so. Without such an order, DBS Veterans UK will continue to make payments only to you. If you die before your former spouse or civil partner, unless the benefits are subject to a PSO, they will not receive any payments in respect of your pension after the date of your death.

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.



11. Increasing your pension benefits

Occupational pension schemes such as **AFPS 15** provide pension benefits in addition to those provided by the State pension. Her Majesty's Revenue and Customs (HMRC) allow certain tax concessions to pension schemes such as **Annual Allowance, Lifetime Allowance** and the introduction of Scheme Pays. Full details about all of the concessions can be found on their website: **www.hmrc.gov.uk/pensionschemes**.

The options for increasing your benefits include the following:

Added Pension

As a member of the Scheme you can pay personal contributions in order to purchase **Added Pension** to increase either your retirement benefits and/or dependants' benefits. You can choose to pay either a lump sum or fixed monthly payments over a scheme year. This is a contract between you and the **Scheme Administrator**. You will need to take out a new contract for each scheme year that you intend to purchase **Added Pension** and any **Added Pension** contracts taken out part way through a scheme year will cease at the end of the scheme year and will be shorter than 12 months. A new contract will need to be taken out at the beginning of the next scheme year. Only one **Added Pension** contract can be taken out per scheme year.

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

The amount of **Added Pension** you purchase will increase annually in line with the **Consumer Price Index (CPI)** in each subsequent scheme year until the pension comes into payment. The amount of **Added Pension** a member can purchase throughout their public service career will be subject to Her Majesty's Treasury (HMT) limits. The total amount of **Added Pension** that can be purchased over your public service career will be capped and from 2015 is £6500 but could be subject to change in the future.

You may cancel your **Added Pension** contract at any time but you will only receive a proportion of the amount of **Added Pension** you would have received had you paid the full contributions. If you leave the Armed Forces before you have completed 2 calendar years **qualifying service**, you will receive a refund of your personal contributions, less any relevant tax charges.

Stakeholder Pension

The Stakeholder Pension is a flexible, low cost, private pension introduced by the Government to help people save for their retirement. Stakeholder Pensions are money purchase arrangements under which contributions are invested to provide a fund at retirement. They do not top up benefits under **AFPS 15, AFPS 05, AFPS 75** or **RFPS 05** but are in addition to and separate from those provided by the Armed Forces pension schemes.

When considering whether to take out a Stakeholder Pension, you need to ensure that your total pension provision (from all pension funds – Private Pensions, AFPS, **Added Pension** and Stakeholder Pension) does not exceed the **Annual Allowance (AA)** and **Lifetime Allowance (LTA)** or you may incur a tax charge.

As with other money purchase arrangements, the Stakeholder Pension provided at retirement is not guaranteed as it depends on the amount of money saved, the investment return on these savings, the age at which retirement benefits are drawn and the annuity rates at the time of retirement. Scottish Widows are the preferred provider of Stakeholder Pensions to the Armed Forces. Their contact details are:

Scottish Widows
Direct Sales
69 Morrison Street
Edinburgh
EH3 0BR

Tel : 0845 608 0376
Fax : 0131 655 5300

Email: armedforces@scottishwidows.co.uk
Website: www.scottishwidows.co.uk/armedforces/

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

Further Information and Advice

When considering whether to take out any additional benefits, either **Added Pension** or a stakeholder pension, you can obtain further information from the Defence Intranet and Internet sites and the booklet **'Increasing Your Pension Benefits' – MMP/128'**.

Before making a decision, you are advised to take independent financial advice about the purchase of additional benefits, to obtain a product which is right for you. Information about independent financial advisors accredited by the Services Insurances and Investment Advisory Panel are listed on their website at **http://siiap.org/**. Additionally, the Financial Services Authority (FSA) can advise you on many issues, including how to find a financial advisor, via their website **http://www.fca.org.uk/consumers** or their Consumer Helpline **0800 111 6768**.

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

12. Transferring your benefits

Transferring Benefits into AFPS 15

If you were previously a member of an occupational pension scheme with a former employer before joining the Armed Forces, or if you have a personal pension, you can request to transfer the value of some, or all of those benefits into **AFPS 15**. This does not include benefits which are attributable to a **pension credit** i.e. where a **Pension Sharing Order** has been awarded.

The transfer of the value of the benefits earned in another pension scheme will involve converting the value of those benefits, using the appropriate scheme factors, into an amount to be credited to your **AFPS 15** pension.

A request must be made in writing to DBS Veterans UK and must specify both the anticipated amount of payment and the pension scheme or arrangement from which the transfer value payment is to be made. **Any transfer request must be made within 5 years of leaving the previous employer and must also be made within 12 months of becoming a member of AFPS 15**. You may be required to provide a statement of entitlement from the other pension scheme stating the amount of transfer value. This should be supplied within 2 months of the transfer being made.

If you transfer in service from another occupational pension scheme the service will count towards the 2 year **vesting period** but will not count towards the **qualifying service** for an **Early Departure Payment (EDP)** or for a **Resettlement Grant**.

If you wish to transfer pension benefits from a final salary pension scheme into your Armed Forces pension, due to the different design of the schemes, final salary benefits cannot be transferred into a **CARE** pension. Instead, the final salary benefits will be transferred into **AFPS 05** which is the most recent Armed Forces final salary pension scheme. The transferred in benefits will then be treated in the same way as other accrued rights in accordance with the rules of those schemes.

Effect of Transfer on EDP Qualification

Any transfer into **AFPS 15** from another occupational or personal pension scheme, whilst increasing the value of an **EDP**, will not count towards **EDP qualifying service**. You will still need to complete the required 20 years service in the Armed Forces and reach age 40 to qualify for an **EDP**.

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

Transfers between Public Service Pension Schemes

If you request a transfer payment to be made from another Public Service pension scheme, into your Armed Forces pension scheme, you must request a statement from the previous scheme showing the amount of public service pension earned. This must be provided to the new **Scheme Administrator** within 2 months of the transfer request.

Transferring pension benefits to another Occupational Pension Scheme

If you leave the Armed Forces before your pension is payable (and therefore become a Deferred Member) and take up new employment where a registered occupational pension is available or a personal pension scheme, you can request payment of a transfer value in respect of your accrued benefits under **AFPS 15** and other legacy Armed Forces pension schemes. This does not include benefits which are attributable to a pension credit.

If you wish to apply for a **transfer value payment**, you must apply in writing to DBS Veterans UK for a statement of entitlement. You cannot transfer your benefits once your pension has come into payment.

If you have been provided with a statement of entitlement then you can apply to DBS Veterans UK for a **transfer value payment**. The application must state the pension scheme to which the transfer value should be paid. You are permitted to withdraw an application for a **transfer value payment** by writing to DBS Veterans UK, but an application can not be allowed to be withdrawn if an agreement has already been entered into with the new pension scheme.

Government Legislation introduced on 1 April 2015 does not allow transfers from unfunded defined benefit public service pension schemes to defined contribution schemes, therefore, a transfer of benefits to some pension schemes may not be possible.

Leaving with less than 2 years Service

If you leave the Armed Forces before you have vested in **AFPS 15** i.e. with less than 2 calendar years service, you will not qualify for a **Deferred Pension**. However, you may be able to transfer the value of the pension earned in this time to another pension scheme. You must have completed a minimum of 3 months service and you must apply to DBS Veterans UK within 6 months of leaving the Armed Forces and before your State Pension Age.

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

13. Making the most of your membership

Some of the actions you may wish to take in relation to your pension or related benefits are time limited.

The table below explains what these time limits are; please make sure you do not miss out by exceeding them. Benefits you have accrued in other Armed Forces pension schemes may have slightly different time limits. You should check the relevant scheme booklets for the time limits which apply to other Armed Forces pension schemes.

Action	Time Limit
Making a **transfer** of pension benefits from a pension scheme with a former employer into **AFPS 15.**	You must apply within **5 years** of leaving your former employer and within **12 months** of joining **AFPS 15**.
Making a transfer of pension benefits (in or out of) **AFPS 15**.	For transfers under the non-Public Sector Pension Scheme arrangements, the application must be within **12 months** of joining the new pension scheme and before your pension is due to be paid.
Making a transfer out of **AFPS 15** pension benefits (minimum of 3 months service required) after leaving the Armed Forces with less than 2 years' service.	You must apply within **6 months** of leaving the Armed Forces and before your pension is due to be paid.
Commutation of pension to create lump sum.	You must apply within **6 months** before your pension is due to be paid.
Inverse commutation of your full **EDP** lump sum to increase the monthly **EDP** income up to state pension age.	You must apply within **6 months** before your **EDP** is due to be paid.
Election to retain **EDP** lump sum and continue to receive monthly income on rejoining the Regular Armed Forces within 5 years of receiving an **EDP**.	You must apply within **1 month** of rejoining the Armed Forces.
Election to make an **allocation of your pension** to one or more nominated individuals who are financially dependent on you.	If you decide to allocate a part of your pension you must do so within your final **6 months** of service.
Claim a **deferred pension**.	There is no time limit but you are advised to submit your claim to DBS Veterans UK at least **3 months** before your pension is due for payment at the deferred pension age. There is no requirement to claim your pension if you are already in receipt of an **EDP**. For any pension which is claimed after the date it becomes payable, no back payments will be issued. Instead, a late payment supplement will be added to your pension; this increased pension is then payable from the date it is claimed.
Make a nomination for an individual/ organisation to receive your Death Benefit Lump Sum.	A nomination can be made at any time. You may revoke or alter a nomination at any time by submitting a further Nomination Form to DBS.

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.



14. Re-employment in the Armed Forces

If you leave the Armed Forces you may decide to rejoin, either as a Regular or Reserve. You may be allowed to add your pension benefits, or **qualifying service**, together.

If you leave the Armed Forces with an AFPS 15 pension in payment and are re-employed (as a Regular or Reserve) within 28 days of your last day of paid service, any payments already made to you will be recovered and you will be treated as though you had never left. If you rejoin the Armed Forces after 28 days, you will keep your AFPS 15 pension in payment although legacy pensions may still be subject to abatement.

The pension is not to be confused with the EDP monthly income which will be treated as per the guidance below (Re-employment following Early Departure Payment).

If you rejoin (after 28 days) with an **AFPS 15** pension already in payment, there will be no **abatement** which means that your pension payments will not be reduced if your pension and new salary combined, equal more than your previous salary. You will be treated as an entirely new joiner and previous service will not be counted towards vesting for the new period of service, **Resettlement Gran**t or **EDP**.

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

5 Year Rule

Break of less than 5 years

If your pension has not yet come into payment and the gap between your two periods of service is 5 years or less, any **AFPS 15 deferred pension** will be reactivated and increased in line with the **Average Weekly Earnings (AWE)** Index across the break. If rejoining as a Regular, previous service can also then be counted towards **Resettlement Grant** and **EDP**.

If you rejoin the Armed Forces and have been a member of another public service pension scheme between your 2 periods of military service, providing no single gap in pensionable public service is more than 5 years, you are considered to have maintained continuous service in the Armed Forces and the above paragraph also applies.

Break of more than 5 years

If the gap between the two periods of **AFPS 15** service is more than 5 years, your **AFPS 15** pension will remain deferred and a new pension account will be established i.e. you will be treated as a new joiner. When rejoining after more than 5 years, previous service will not be counted towards **vesting** in **AFPS 15, Resettlement Grant** or **EDP**.

Re-employment with Legacy Pension Scheme Benefits

Pension benefits accrued under legacy pension schemes will remain subject to legacy pension scheme rules on rejoining, and abatement may apply. You are advised to check these rules and the impact it will have on your pension and related benefits if you are considering rejoining the Armed Forces. Links to relevant scheme information can be found in **Chapter 17, Further Information**.

Re-employment following Ill-Health Discharge

Tier 1 Ill-Health Award: If you rejoin the Armed Forces having previously been discharged with a Tier 1 Ill-Health Lump Sum, the lump sum will be re-calculated proportionately based on the length of time you've spent outside of the Armed Forces and you will need to repay the unexpired portion of the lump sum on rejoining.

If, having rejoined the Armed Forces, you are medically discharged with a second lump sum for the same or a different medical condition, only the second period of service will count as qualifying service towards the new award.

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

Tier 2 or 3 Ill-Health Award: If you were previously discharged with a Tier 2 or Tier 3 Ill-Health award, your pension will be made up of two elements:

- the 'base' pension you accrued up to the point of exit;
- the ill-health 'enhancement' based on the number of years between the point you left service and the scheme **NPA**.

If you rejoin the Armed Forces, the 'base' pension will become deferred and payable from State Pension Age. The 'enhancement' element will be lost permanently because, by rejoining the Armed Forces, you no longer meet the Tier 2/3 ill-health criteria. You will begin to accrue pension benefits for the second period of service in accordance with the rules for a new member. You will need to complete the 2 years **qualifying service** to vest in the scheme.

The standard 5-year rejoiner rule (as explained above) does not apply to those in receipt of ill-health pensions because a **Benefits Crystallisation Event (BCE)** has occurred i.e. the pension came into payment and therefore the two periods of service can not be linked (aggregated) and treated as continuous.

Re-employment following payment of the Early Departure Payment

Break of less than 5 years

If you are in receipt of an **AFPS 15 EDP** and you rejoin the Regular Armed Forces within 5 years, you can choose to have your **EDP** treated in one of two ways.

Option 1: You can choose to retain your **EDP** lump sum and continue to receive the monthly income; this must be done within 1 month of rejoining the Armed Forces. Your **EDP** will remain in payment but will not be recalculated when you leave the Armed Forces at the end of the second period of service. **EDP** payments will stop at the Deferred Pension Age when the pension comes into payment.

Option 2: You can choose to have your **EDP** monthly income stopped immediately and repay in full any lump sum already received. Repayment of the lump sum will include interest and at the end of the latter period of service, you will be entitled to a new **EDP** lump sum and monthly income. This will be recalculated to take into account both periods of service unless you serve to age 60, at which point your pension will be paid immediately.

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

Break of more than 5 years

If the gap between the two periods of **AFPS 15** service is more than 5 years, your **AFPS 15 EDP** will be unaffected, you will not be required to repay the lump sum and you will retain the monthly income. You will be treated as a new joiner and your previous service will not be counted towards earning a second **EDP**.

Re-employment following Redundancy

If you are re-employed as a Regular or Full-Time Reserve, having previously received a redundancy compensation payment from the Armed Forces, you may be required to repay all or some of the compensation payment. This will depend upon the length of time between leaving the Service on redundancy and rejoining.

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.



15. Reserve Forces

This chapter applies to the Reserve groups listed below. If you are a Regular who is considering leaving and later rejoining as a Reserve it is recommended that you read this chapter and also **Chapter 14, Re-Employment in the Armed Forces**.

The following Reserve personnel are eligible to be members of AFPS 15 and will be automatically enrolled into the scheme.

- All individuals on paid service within the Part Time Volunteer Reserve (PTVR) (this includes Royal Naval Reserve, Royal Marine Reserve, Army Reserve (Group A only) and Royal Auxiliary Air Force)
- Full Time Reserves (Full Commitment, Home Commitment and Limited Commitment)
- Additional Duties Commitment
- Non-Regular Permanent Staff
- Ex-Regular Reserve

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

Membership

If you are serving in the Reserve Forces, you will be an active member of **AFPS 15** providing you have not opted out of the scheme or have **Transitional Protection** (explained below). Regardless of Transitional Protection, all members of the Part Time Volunteer Reserve (PTVR) will become members of **AFPS 15** on 1 April 2015. Mobilised PTVR who have **Transitional Protection** will remain a member of their existing scheme until the end of their mobilisation; thereafter they will join **AFPS 15**. All other members of the PTVR will join **AFPS 15** on 1 April 2015.

In order to be eligible to receive any **AFPS 15** pension benefits, you will be required to serve for 2 calendar years, starting from your first day of paid service on or after 1 April 2015 (but excluding periods of unauthorised absence, unpaid leave, service detention and imprisonment). Any pensionable service in legacy Armed Forces pension schemes between 1 April 2010 and 31 March 2015 will also count towards the 2 year **vesting period**, providing you had previously vested in those schemes and the gap in service is less than 5 years.

Pension options available to Part Time Volunteer Reserves

Members of the PTVR will be automatically enrolled into AFPS 15, but you can choose to opt out at any time. If you choose to opt out within 3 months of joining the scheme, you will be treated as never having joined.

Option 1: Join AFPS 15. You will be automatically enrolled in the scheme at the start of your engagement (or on 1 April 2015 if you were already a serving member). No contributions are necessary, you will accrue a pension based upon your earnings within the Armed Forces and you can continue to be a member of your civilian employer's occupational pension scheme.

Option 2: Opt out of AFPS 15. You can decide to opt out of **AFPS 15** at any time, but you can only choose to opt back in again once per year, or once per period of mobilisation. During any period of mobilisation, you may opt out and request that MOD makes employer contributions to your existing civilian pension scheme (providing you continue to make your own employee contributions). You may opt out of the scheme by completing AFPS Form 16 and submitting it through your Commanding Officer to DBS Veterans UK (see **Chapter 17, Further Information** for the DBS Veterans UK address). If you choose this option, you will be ineligible for the ill-health and death benefits provided by **AFPS 15**, but you may still be eligible for compensation from the **Armed Forces Compensation Scheme** should you suffer a medical condition which is attributable to your service.

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

You are responsible for your own tax and financial affairs and are advised to seek Independent Financial Advice prior to making any decision to opt out.

Making contributions to a private pension. You can be a member of **AFPS 15** and make your own contributions to a private pension scheme. This type of pension is a private arrangement between you and your chosen pension provider which is entirely separate to the MOD and Armed Forces pension schemes.

Opportunity to Rejoin AFPS 15 after Opting Out

If you opt to leave **AFPS 15** (or opt not to join) you may opt to rejoin/join the scheme by completing AFPS Form 16 and submitting it through your Commanding Officer to DBS Veterans UK once in any 12 month period, or once per period of mobilisation. You will be deemed to have joined the scheme on the date the letter is received by DBS Veterans UK.

Retirement Benefits

Attendance based paid service, (for example Man Training Days and Drill Nights), counts as pensionable pay and will contribute to your pension. Elements of pay which will not contribute to your pension are the same as those which are not pensionable for Regular Service personnel such as Recruitment and Retention Payments (RRP) and allowances. Reserve Training Bounty payments are also non-pensionable.

Reserve service will not qualify towards **Early Departure Payment (EDP)** benefits or a **Resettlement Grant**. For more information, see **Chapter 6, Early Departure Payment** and **Chapter 7, Resettlement Grant**.

Abatement of Legacy Scheme Pension/ AFPS 05 EDP

If you rejoin the Armed Forces and have a legacy pension or **AFPS 05 EDP** in payment then it may be suspended or reduced to ensure that your pension or **EDP** income plus your new salary does not exceed your previous salary (the amount of which will be adjusted to take account of inflation). This is known as **abatement**.

If you rejoin the Armed Forces as a Reserve, **abatement** policy will **not** apply to the pension benefits you earned as a member of **AFPS 15**. However, it is important to note that if you were previously a member of a legacy pension scheme, because you retain accrued rights to the rules of that scheme, **abatement** policy will be applied to the proportion of your pension earned under that scheme.

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

Abatement of AFPS 75 Pension

Your new salary plus your **Immediate Pension** must not exceed your total salary from the end of your previous period of service in the Armed Forces. If it does exceed

this amount, you will be paid your new Armed Forces salary, but your pension payments will be abated so that the total you receive does not exceed your salary at the point that you previously left the Armed Forces.

Abatement of AFPS 05 EDP

If you rejoin the Armed Forces on a Full Time Reserve Service (FTRS) contract, your **AFPS 05 EDP** income will be stopped i.e. abated by 100%. It will restart again once you finally leave the Armed Forces. You may also have to repay your **EDP** lump sum if there has been an insufficient break in service. For example, if your **EDP** lump sum was the equivalent of 12 months of pay, but you take up an FTRS contract within 6 months of leaving Regular service, then you will have to repay a lump sum equal to the balance of 6 months pay and it will not be repaid when you subsequently leave again.

If you rejoin the Armed Forces on a Part Time Volunteer Reserve (PTVR) contract whilst in receipt of an **AFPS 05 EDP**, there will be no requirement to repay the **EDP** lump sum and there will be no abatement to the **EDP** income. The policy regarding abatement of the **AFPS 05 EDP** does not apply to PTVR service.

Treatment of the **AFPS 15 EDP** on rejoining is explained in **Chapter 14, Re-Employment in the Armed Forces**.

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

16. Dispute and complaints resolution

If you are not satisfied with how the Armed Forces pension schemes' rules have been interpreted and applied by the **Scheme Administrator** you can use the Internal Disputes Resolution Procedures (IDRP) to resolve an issue. Disputes can be disagreements concerning fact or law or maladministration of a pension award. You must have reason to believe that the decision was not properly made or implemented.

If you wish to make a complaint you should, in the first instance, write to DBS Veterans UK at the following address:

Pay Allowances Casework & Complaints Cell
DBS
Mail Point 600
Kentigern House
65 Brown Street
Glasgow
G2 8EX

Tel (civ): 0141 224 2605
Tel (mil): 94561 2605

Internal email: **DBS MilPers-MilOps-PACCC-Group**

External email: DBSMilPers-MilOps-PACCC-Group@mod.uk

DBS will aim to acknowledge your complaint within 2 working days of receipt and respond within ten working days where possible.

Internal Dispute Resolution Procedures

IDRP is a formal procedure set up to resolve disagreements between the **Scheme Administrator** and individuals who have an interest in the scheme, such as **members, spouses/ civil partners**, or **dependants**. It provides the opportunity to complain to the **Scheme Administrator** about matters relating to the pension scheme and maximise the opportunity to resolve the disagreement internally.

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

The IDRP process consists of two stages:

- **Stage 1:** You should address your complaint to DBS Veterans UK, Mail Point 610, Kentigern House, 65 Brown Street, Glasgow G2 8EX, stating that you wish to invoke IDRP Stage 1. Your complaint will be considered by an officer at OF4/ Band C1 level, who will take the necessary medical or legal advice as appropriate. If the complaint is straight forward this normally takes up to 2 months, although in more complex cases where further advice is sought, it may take longer than this.
- **Stage 2:** If you are not content with the outcome of your IDRP Stage 1, you can invoke Stage 2. You need to do this within 6 months of the date of your Stage 1 decision letter. You should write to DBS Veterans UK, Mail Point 610, Kentigern House, 65 Brown Street, Glasgow G2 8EX stating that you are invoking IDRP Stage 2. You need to provide a clear statement as to why you disagree with the Stage 1 decision and the outcome you are seeking. Your Stage 2 complaint will normally be considered by an officer at OF5/ Band B2 level who will take the necessary medical or legal advice as appropriate, which will normally be separate from the advice provided at Stage 1. This process will take up to 2 months, although more complex cases can take longer. You will be informed if it is likely that your case will take longer than 2 months. Under the second stage, you have the right of appeal to a higher level against the decision made on the first stage of your complaint.

If your complaint remains unresolved, you may then take it to the Pensions Ombudsman through The Pensions Advisory Service (TPAS).

The Pensions Advisory Service (TPAS)

TPAS is an independent body which is financed in part by the Department of Work and Pensions. You may contact TPAS for advice at any stage during the IDRP but you must have raised your complaint in writing to DBS before contacting TPAS for assistance. A TPAS advisor is available to assist you and your dependants through the process to help resolve any difficulties you have failed to resolve with DBS.

The contact details are:

TPAS
11 Belgrave Road
London
SW1V 1RB

Tel: 0845 6012923

Email: **www.pensionsadvisoryservice.org.uk/online-enquiry**

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

Website: **www.pensionsadvisoryservice.org.uk**

Pensions Ombudsman

The Pensions Ombudsman has the power to investigate any complaints and settle disputes between a pension scheme and a complainant. They will usually only become involved if the IDRP and the TPAS have been unable to address the problem. Complaints must normally go to the Ombudsman within 3 years of whatever event caused the dispute. The Ombudsman cannot investigate a dispute once formal legal proceedings have begun.

The contact details are:

The Office of the Pensions Ombudsman
11 Belgrave Road
London
SW1V 1RB

Tel: 020 7630 2200

Email: **enquiries@pensions-ombudsman.org.uk**

Website: **www.pensions-ombudsman.org.uk**

The Pensions Regulator (TPR)

The Pensions Regulator (TPR) is able to intervene in the running of pension schemes where the management of the scheme has failed to comply with the law.

The contact details are:

The Pensions Regulator
Napier House
Trafalgar place
Brighton
BN1 4DW

Tel: 020 606 3636

Email: **customersupport@thepensionsregulator.gov.uk**

Website: **www.thepensionsregulator.gov.uk**

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.



17. Further information

If you have any queries about the basic principles of AFPS 15, you can obtain further guidance in the first instance from your Unit Administration Office (UAO).

DBS Veterans UK can also answer questions. They are responsible for the assessment, award, payment and maintenance of all Armed Forces pensions. Correspondence in relation to pensions should be clearly headed as such and sent to the following address:

DBS Veterans UK
Joint Personnel Administrative Centre (JPAC)
Veterans UK Pension Division
Mail Point 480
Kentigern House
65 Brown Street
Glasgow, G2 8EX

Website (www): https://www.gov.uk/government/organisations/veterans-uk

Tel (Civ): 0800 085 3600
Tel (Mil): 94560 3600
Tel (from overseas): 00 141 224 3600

Email: DBS-PensionsHelp@dbspv.mod.uk

Fax (Civ): 0141 224 3586
Fax (Mil): 94561 3586

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

UAO and DBS Veterans UK staff are not financially accredited to give specific financial advice to individuals; should you feel this is what you need, you should contact an independent financial adviser. The Services Insurance and Investment Advisory Panel (SIIAP) (**www.siiap.org**) can give specialist independent financial advice to Service personnel.

There is also further information about **AFPS 15** and related benefits as well as information about legacy Armed Forces pension schemes on the Defence Intranet/ Internet:

Defence Intranet:
http://defenceintranet.diif.r.mil.uk/Personnel/Military/Remuneration/Pages/Remuneration.aspx

Internet:
https://www.gov.uk/pensions-and-compensation-for-veterans#armed-forces-pension-scheme-2015

Policy related to Armed Forces Pensions:

- **The Armed Forces Pension Scheme Regulations 2014**
  http://www.legislation.gov.uk/uksi/2014/2336/contents/made
- **The Armed Forces Early Departure Payment Scheme Regulations 2014**
  http://www.legislation.gov.uk/uksi/2014/2328/contents/made
- **JSP 764**
  https://www.gov.uk/government/publications/jsp-764-armed-forces-pension-scheme-2005-afps-05
- **AFPS 05 Your Pension Scheme Explained MMP/124**
  https://www.gov.uk/government/publications/armed-forces-and-reserve-forces-pension-schemes-guidance-booklets
- **AFPS 75 Your Pension Scheme Explained MMP/106**
  https://www.gov.uk/government/publications/armed-forces-and-reserve-forces-pension-schemes-guidance-booklets
- **RFPS05 Your Pension Scheme Explained MMP/146**
  https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/28846/RFPSMMP146version2.pdf
- **AFPS Members Guide to Taxation of Pension Benefits**
  https://www.gov.uk/government/publications/pension-tax-relief-guidance-booklets
- **JSP 905 - Armed Forces Pension Scheme 2015, Accrued Rights and Related Benefits**

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

© Crown Copyright 2015
Content produced by MOD Defence People – Armed Forces Pension Scheme Team
Designed by MOD DDC Content Services (Graphics)
DDC00815 14/15
Published by the Ministry of Defence UK
This document is available at www.gov.uk

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

The Armed Forces Pension Regulations Statutory Instrument Order 2014

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

STATUTORY INSTRUMENTS

2014 No.

PUBLIC SERVICE PENSIONS

The Armed Forces Pension Regulations 2014

Made - - - -	*2014*
Laid before Parliament	*2014*
Coming into force - -	*1st April 2015*

CONTENTS

PART 1
Preliminary

1. Citation and commencement 6
2. Establishment of scheme 6
3. Interpretation 7

PART 2
Governance
CHAPTER 1
Scheme Manager and Scheme Pension Board

4. Scheme manager 13
5. Establishment of pensions board 13
6. Membership of the pensions board 13
7. Terms of appointment to pensions board 14
8. Conflict of interest; pensions board 14

CHAPTER 2
Scheme Advisory Board

9. Establishment of scheme advisory board 14
10. Membership of the scheme advisory board 14
11. Terms of appointment to the scheme advisory board 14
12. Conflict of interest: scheme advisory board 15

PART 3
Scheme membership
CHAPTER 1
Scheme employment

13. Description of persons in scheme employment 15

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

CHAPTER 2
Membership
14. Dual capacity membership 15
15. Payments for benefits to dual capacity members 15
16. Eligibility for active membership 16
17. Deferred membership 16

CHAPTER 3
Membership options
18. Option not to join scheme 16
19. Option to leave the scheme 16
20. Option to join the scheme 17

CHAPTER 4
Pensionable service
21. Pensionable service 17
22. Qualifying service 17
23. Pensionable earnings 18
24. Meaning of "assumed pay" 18

PART 4
Pension accounts
CHAPTER 1
Preliminary
25. Calculation of amount of accrued pension for the purposes of Chapters 4 and 5 19
26. Calculation of "retirement index adjustment" 19

CHAPTER 2
Pension accounts; general
27. Establishment of pension accounts: general 20
28. Closure and adjustment of pension accounts on transfer out 20

CHAPTER 3
Active member's account
29. Establishment of an active member's account 21
30. Receipt of transfer values 21
31. Receipt of club transfer values 21
32. Account to specify amount of pension for a scheme year 21
33. Account to specify opening balance and index adjustment 21

CHAPTER 4
Deferred member's account
34. Establishment of a deferred member's account 22
35. Account to specify provisional amount of deferred pension 22
36. Adjustment of provisional amount of deferred pension on retirement 22
37. Treatment of deferred member's account of return to pensionable service 22

CHAPTER 5
Pensioner member's account
38. Establishment of a pensioner member's account 23
39. Determination of "in-service late payment supplement" 23

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

40. Account to specify amount of retirement pension 23

CHAPTER 6
Pension credit member's account
41. Establishment of a pension credit member's account 24
42. Separate accounts for dual capacity pension credit member 24

PART 5
Retirement benefits
CHAPTER 1
Retired member benefits
43. Retirement on or after reaching normal pension age – active members 25
44. Retirement before reaching normal pension age – deferred members 25
45. Annual rate of pension payable to active member who becomes pensioner member 26
46. Annual rate of pension payable to deferred member who becomes pensioner member 26

CHAPTER 2
Benefits for pension credit and pension debit members
47. Pension credit member's pension 27
48. Annual rate of pension credit member's pension 28
49. Pension credit member's rights 28
50. Reduction in pension debit member's benefits 28

CHAPTER 3
Ill-health benefits
51. Entitlement to ill-health pension: active members with permanent serious ill-heath 28
52. Entitlement to ill-health pension: active members with significant impairment of capacity for gainful employment 29
53. Deferment of earned pension attributable to a transfer payment 29
54. Annual rate of ill-health pension: active members with permanent serious ill-health 29
55. Annual rate of ill-health pension: active members with significant impairment of capacity for gainful employment 30
56. Entitlement to ill-health pension: deferred member with permanent serious ill-health 31
57. Scheme manager's review of ill-health awards 31
58. Member's request for review of ill-health awards 33

CHAPTER 4
Options
59. General option to exchange part of the pension for lump sum 34
60. Option for members in serious ill-health to exchange whole pension for lump sum 35

CHAPTER 5
Allocation
61. Election to allocate pension 35
62. Procedure for allocation election 36
63. Effect of allocation 36
64. Adjustment of allocated benefits for the Finance Act 2004 where member dies over 75 37

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

PART 6

Death benefits

CHAPTER 1

Pensions for adult dependants

65. Surviving spouses' and civil partners' pensions 38
66. Guaranteed minimum pension for surviving spouses and civil partners 38
67. Other adult dependants' pension 39
68. Annual rate of adult dependants' pensions payable on death of pensioner member 39
69. Annual rate of adult dependants' pensions payable on death of deferred member 40
70. Annual rate of adult dependants' pensions payable on death of active member 40
71. Reduction in pensions in case of wide age disparity 41

CHAPTER 2

Pensions for eligible children

72. Surviving children's pensions 41
73. Meaning of "eligible child" 42
74. Annual rate of children's pensions 43
75. Children born after the member's death 44

CHAPTER 3

Lump sum death benefits

76. Meaning of "final pensionable earnings" 44
77. Earnings adjustments in determining final pensionable earnings 45
78. Death of a member: Lump sum benefit 45
79. Lump sum amount payable on death of active member 46
80. Lump sum amount payable on death of deferred member 46
81. Lump sum amount payable on death of pensioner member 46
82. Lump sum amount payable on death of pension credit member 47
83. Members affected by court orders to former spouses and civil partners on death 47
84. Nominations for lump sum death benefits 47

CHAPTER 4

General provisions

85. Pension debit members 48
86. Dependants' pensions and children's pensions: suspension and recovery 49
87. Recovery of lump sum payments made to nominees 49
88. Provisional awards of children's pensions: later adjustments 49
89. Payments under this Part 50
90. Payment of death benefits to dual capacity member 50

PART 7

Contributions to purchase added pension

CHAPTER 1

Contributions

91. Member's option to make periodical contributions to purchase added pension 51
92. Member's option to pay lump sum contributions to purchase pension 52
93. Calculation of options to made periodical contributions 53
94. Periodical contributions: special cases 53
95. Calculation of Added Pension: death in service or medical discharge 53
96. Repayment of contributions 53

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

CHAPTER 2
Secondment
97. Members seconded to NATO or the UN etc 54

PART 8
Transfers
CHAPTER 1
Preliminary
98. Interpretation 54

CHAPTER 2
Transfers out
99. Right to require payment of a transfer value 55
100. Applications for statements of entitlement 55
101. Applications for a transfer value payment 55
102. Calculating amount of the transfer value 56
103. Ways in which a transfer value payment may be used 56
104. Effect of transfers-out 56

CHAPTER 3
Transfers in
105. Interpretation 56
106. Rights to request acceptance of transfer value payment 56
107. Procedure for making a request 57
108. Transfer statement 57
109. Amount of transferred pension 58
110. Club transfer value statement 58
111. Amount of club transfer earned pension 58

CHAPTER 4
Miscellaneous provisions
112. EU and overseas transfers 58

PART 9
Actuarial valuations and employer cost cap
113. Appointment of scheme actuary and actuarial valuations 59
114. Employer cost cap 59

PART 10
Supplementary
CHAPTER 1
Payment of pensions
115. Late payment of retirement index adjustment 60
116. Commutation of small pensions 60

CHAPTER 2
Payment and deduction of tax
117. Scheme administrator for purposes of the Finance Act 2004 61
118. Reduction of benefits where lifetime allowance charge payable 61

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

119. Payment on behalf of members of annual allowance charge 61
120. Reduction of benefits where annual allowance charge paid by scheme manager 61

CHAPTER 3
Forfeiture

121. Forfeiture of benefits 62
122. Events enabling forfeiture 62
123. Procedure, references etc 63

CHAPTER 4
General

124. Pension ceases to be payable 63
125. Re-employment after ill health awards 63
126. Payment of benefits 64
127. False statements etc about ill-health 64
128. Non assignability 64
129. General prohibition on unauthorised payments 64
130. Calculation of periods of membership and service 64
131. Determination of questions 65
132. Information and evidence 65
133. Provision of benefit information statements to members 65

The Secretary of State for Defence makes these Regulations on exercise of the powers conferred by sections 1(1), (2)(a), (3) and (4), 2,3(1),(2),(3)(a) and (c) and (4), 4(1) to (3) and (5), 5(1) to (6) and (8), 7(1), (2)(a) and (3) to (6), 8(1)(a), (2)(a) and (4), 11(1) and (2), 12(1) to (3), (6) and (7), 14, 18(1), (2), (4)(b) and (5) to (9), 25, paragraph (c) of the definition of "employer" in section 37, paragraph 1 of Schedules 1 and 2, Schedule 3, paragraph 1 of Schedules 5 and 6, and paragraphs 1(2)(ii) and 2(2)(ii) of Schedule 7 to the Public Sector Pensions Act 2013(**a**). In accordance with section 21 of that Act, the Secretary of State for Defence has consulted the representatives of such persons as appear to the Secretary of State likely to be affected by these Regulations.

In accordance with section 3(5) of that Act, these Regulations are made with the consent of the Treasury.

PART 1

Preliminary

Citation and commencement

1.—(1) These Regulations may be cited as the Armed Forces Pension Regulations 2014.

(2) They come into force on 1st April 2015.

Establishment of scheme

2. These Regulations establish a scheme for the payment of pensions and other benefits in respect of a person's service in the armed forces.

(**a**) c. xx

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

Interpretation

3.—(1) In these Regulations, unless the context otherwise requires,—

"the Act" means the Public Service Pensions Act 2013;

"EDP 2014" means the Armed forces Early Departure Payment Scheme Regulations 2014(**a**);

"FA 2004" means the Finance Act 2004(**b**);

"PIA 1971" means the Pensions (Increase) Act 1971(**c**);

"PSA" 1993" means the Pension Schemes Act 1993(**d**);

"WRPA 1999" means the Welfare Reform and Pension Act 1999(**e**);

"accrual rate", in relation to a member's pensionable earnings, means 1/47th;

"accrued added pension" means—

(a) accrued added pension (member), or

(b) accrued added pension (member and dependants);

"accrued added pension (member)" has the meaning given in regulation [25] (calculation of amount of accrued pension for purposes of Chapters 4 and 5);

"accrued added pension (member and dependants)" has the meaning given in regulation [25] (calculation of amount of accrued pension for purposes of Chapters 4 and 5);

"accrued club transfer earned pension" has the meaning given in regulation [25] (calculation of amount of accrued pension for purposes of Chapters 4 and 5);

"accrued earned pension" has the meaning given in regulation [25] (calculation of amount of accrued pension for the purposes of Chapters 4 and 5);

"active member" has the meaning given in section 124(1) of the Pensions Act 1995 and refers to membership of this scheme(**f**);

"active member's account" has the meaning given in regulation [29] (establishment of an active member's account);

"actuarial" means determined by the scheme manager after consultation with the scheme actuary;

"added pension (member and dependants)", in relation to a scheme year, means an amount calculated in accordance with regulation [32] (account to specify amount of pension for a scheme year);

"added pension" means—

(a) added pension (member and dependants); and

(b) added pension (member);

"added pension (member)", in relation to a scheme year, means an amount calculated in accordance with regulation [32] (account to specify amount of pension for a scheme year);

"additional paternity leave" means leave which, in the opinion of the Secretary of State, corresponds to additional paternity leave with the meaning given in regulation 2(1) of the Additional Paternity Leave Regulations 2010(**g**);

"allocation amount" in relation to a pension means the amount of the pension allocated as a result of the exercise of an allocation election;

"allocation election" means an election under regulation [61] (election to allocate pension);

(**a**) xx
(**b**) 2004 c. 12.
(**c**) 1971 c. 56.
(**d**) 1993 c. 48.
(**e**) 1999 c. 30.
(**f**) 1995 c. 26.
(**g**) S.I. 2010/1055

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

"amount of credited pension" has the meaning given in regulation [41] (establishment of a pension credit member's account);

"assumed pay" has the meaning given in regulation [24] (meaning of assumed pay);

"beginning date" means the date of which the pension is treated as beginning for the purpose of section 8(2) or 8(2A) of the PIA 1971;

"cash transfer sum" has the meaning given in section 101AB of the PSA 1993;

"club scheme" means a registered occupational pension scheme (other than a connected scheme) that has agreed to make and receive club transfer value payments under the club transfer arrangements;

"club transfer" means a transfer to or from this scheme under the club transfer arrangements;

"club transfer arrangements" means arrangements approved by the scheme manager as providing reciprocal arrangements between this scheme, any connected scheme and other registered occupational pension schemes for making and receiving club transfer value payments;

"club transfer earned pension" means pension attributable to receipt of a club transfer value payment;

"club transfer value payment" means payment of a club transfer value;

"club transfer value", in relation to an amount of accrued earned pension under this scheme or under another club scheme, means an amount calculated by the scheme manager—

(a) in accordance with the club transfer arrangements; and

(b) by reference to the guidance and tables provided by the Government Actuary for this purpose that are in use on the date used for the calculation;

"connected scheme" means another statutory pension scheme that is connected with this scheme within the meaning of section 4(6) of the Act;

"commanding officer" is to be read in accordance with section 360 of the Armed Forces Act 2006(**a**);

"commutation amount" in relation to a pension means the amount of the pension exchanged for a lump sum as a result of the exercise of the option under regulation [59] (general option to exchange part of pension for lump sum) to commute an amount of pension to a lump sum;

"continuous period of pensionable service" has the meaning given in regulation [21] ("pensionable service");

"deferred added pension" means—

(a) deferred added pension (member), or

(b) deferred added pension (member and dependants);

"deferred added pension (member)" means an amount calculated in accordance with regulation [33] (account to specify provisional amount of deferred pension);

"deferred added pension (member and dependants)" means an amount calculated in accordance with regulation [35] (account to specify provisional amount of deferred pension);

"deferred club transfer earned pension" means an amount calculated in accordance with regulation [35] (amount to specify provisional amount of deferred pension);

"deferred earned pension" means an amount calculated in accordance with regulation [35] (account to specify provisional amount of deferred pension);

"deferred member" has the meaning given in section 124(1) of the Pensions Act 1995(**b**) and refers to membership of this scheme.

"deferred member's account" has the meaning given in regulation [34] (establishment of a deferred member's account);

(**a**) 2006 c.52.
(**b**) 1995 c. 26.

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

"deferred pension age", in relation to this scheme is determined in accordance with section 1- of the Act and is in the case of a pension credit member means the higher of their state pension age and 65;

"dual capacity member" means a member who falls within regulation [14] (dual capacity membership);

"early payment reductions" means the actuarial reduction that is applied when calculating the annual rate of pension payable to a member of this scheme who has not reached their normal pension age and applies to receive their pension before their deferred pension age;

"earned pension" means the amount of earned pension calculated in accordance with regulation [32] (account to specify amount of pension for a scheme year) by applying the accrual rate to the member's pensionable earnings for that year;

"earnings adjustments in determining final pensionable earnings" has the meaning given in regulation [77] (earnings adjustments in determining final pensionable earnings;

"eligible child" has the meaning given in regulation [3] (meaning of 'eligible child');

"employment" includes an office or appointment, and related expressions are to be read accordingly;

"final pensionable earnings" has the meaning given in regulation [76] (meaning of 'final pensionable earnings');

"full protection" in relation to a person, means a person who remains an active member of a connected scheme by virtue of provisions being made under section 18(5) of the Act];

"guarantee date" has the meaning given in regulation [98] (Interpretation);

"guaranteed minimum" means the guaranteed minimum as defined in sections 14 and 17 of the PSA 1993 (minimum pension for earners, widows and widowers)—

(a) as increased in accordance with the requirements of section 109 of that Act (annual increase of minimum pensions); and

(b) if a reduction has been made under section 15A of that Act (reduction of guaranteed minimum in consequence of pension debit), as reduced in accordance with that section;

"ill-health pension" means an ill health pension payable under regulation [51, 52 or 56] (entitlement to ill-health pension: active member with permanent serious health, entitlement to ill-health pension: active member with significant impairment of capacity for gainful employment and entitlement to ill-health pension: deferred member with permanent serious ill-health);

"index adjustment", in relation to an opening balance, means—

(a) for any scheme year (other than the opening balance of club transfer earned pension) the percentage increase of decrease for prices or earnings (as the scheme manager, after consulting the scheme actuary, may determine to be applicable for any description of pension specified in a Treasury order under section 9(2) of the Act in relation to the previous scheme year; and

(b) in relation to the opening balance of club transfer earned pension for nay scheme year, means the adjustment that would apply to the opening balance of that amount of earned pension under the sending scheme for the previous scheme year;

"in-service late payment supplement" has the meaning given in regulation [39] (determination of in-service late payment supplement);

"last active scheme year" means the scheme year in which an active member ceases to be in pensionable service;

"last day of pensionable service", in relation to a member, means the last day of the service in respect of which the member's pensionable earnings are payable;

"late payment supplement" means an additional amount of pension that the scheme manager determines to be appropriate, after consulting the scheme actuary, because—

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

(a) an active member leaves service at normal pension age or thereafter but delays receipt of their pension; or

(b) a deferred member or a pension credit member delay receipt of their pension beyond their deferred pension age;

"leaving year" has the meaning given in regulation [26] (calculation of 'retirement index adjustment");

"member", in relation to this scheme, means an active member, deferred member, a fixed protection member, pensioner member or pension credit member;

"normal pension age", in relation to this scheme, is determined in accordance with section 10 of the Act and in the case of pension credit member means the higher of their state pension age and 65;

"occupational pension scheme" has the meaning given in section 1 of the PSA 1993;

"opening balance", in relation to a description of pension for a scheme year, has the meaning given in regulation [33] (account to specify opening balance and index adjustment);

"ordinary adoption leave" means leave which, in the opinion of the Secretary of State, corresponds to ordinary adoption leave within the meaning given in regulation 2(1) of the Paternity and Adoption Leave Regulations 2002(**a**);

"ordinary maternity leave" means leave which, in the opinion of the Secretary of State, corresponds to ordinary maternity leave within the meaning of the Maternity and Parental Leave etc. Regulations 1999(**b**);

"ordinary paternity leave" means leave which, in the opinion of the Secretary of State, corresponds to paternity leave within the meaning given in regulation 2(1) of the Paternity and Adoption Leave Regulations 2002;

"pay period" means as period in respect of which a member's pensionable earnings are payable;

"pension credit" has the meaning given in section 124(1) of the Pensions Act 1995;

"pension credit member", in relation to this scheme, means a person who has rights under this scheme which are attributable, directly or indirectly, to a pension credit under a pension sharing order following dissolution of marriage;

"pension credit member's account" has the meaning given in regulation [41] (establishment of a pension credit member's account);

"pension credit member's pension" means a pension payable under regulation [47] ("pension credit member's pension")

"pension credit rights" has the meaning given in section 124(1) of the Pension Act 1995;

"pension debit" means a debit under section 29(1)(a) of the WRPA 1999;

"pension debit member" means a person who is a member of this scheme whose benefits or future benefits under this scheme have been reduced under section 31 of the WRPA 1999;

"pensionable earnings" has the meaning given in regulation [23] (pensionable earnings);

"pensionable public service" means pensionable service under—

(a) another public service scheme, or

(b) a new public body pension scheme;

"public service scheme" means a scheme under section 1 of the Act;

"pensionable service", in relation to this scheme, has the meaning given in regulation [21] (pensionable service);

"pensioner member" has the meaning given in section 124(1) of the Pensions Act 1995 and refers to membership of this scheme;

(**a**) S.I. 2002/2788.
(**b**) S.I. 1999/3312.

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

"pension member's account" has the meaning given in regulation [38] (establishment of a pensioner member's account);

"pension sharing order" means any provision or order specified in section 28 of the WRPA 1999;

"pensions board" has the meaning given in regulation [5] (establishment of pensions board);

"period of earlier service" means a previous continuous period of pensionable service under this scheme;

"person's first day", in relation to any scheme employment, has the meaning given in regulation 16(3) (eligibility for active membership);

"personal pension scheme" means a personal pension scheme within the meaning of section 1 of the PSA 1993 which [is registered under Chapter 2 of Part 4 of the FA 2004 (registration of pension schemes);

"provisional amount", in relation to a description of deferred pension, has the meaning given in regulation [35] (account to specify provisional amount of deferred pension);

"public service scheme" means a scheme under section 1 of the Act;

"qualifying scheme" has the meaning given by regulation [22] (qualifying service);

"regular forces" has the same meaning as in the Armed Forces Act 2006(**a**) (see section 374 of that Act);

"relevant last day" has the meaning given in regulation [26] (calculation of retirement index adjustment);

"reserve forces" has the same meaning as in the Reserve Forces Act 1996(**b**) (see section 1(2) of that Act);

"retirement added pension (member)" means an amount calculated in accordance with regulation [40] (account to specify amount of retirement pension);

"retirement added pension (member and dependants)" means an amount calculated in accordance with regulation [40] (account to specify amount of retirement pension);

"retirement added pension" means—

(a) retirement added pension (member), and

(b) retirement added pension (member and dependants);

"retirement benefits" means retirement benefits payable under Part [5] (Retirement Benefits);

"retirement club transfer earned pension" means an amount calculated in accordance with regulation [40] (account to specify amount of retirement pension);

"retirement index adjustment", in relation to an amount of accrued pension, has the meaning given in regulation [26] (calculation of 'retirement index adjustment');

"retirement pension" means—

(a) a retirement earned pension; and

(b) a retirement added pension;

"this scheme" means the scheme established by these Regulations;

"scheme actuary" has the meaning given in regulation [113] (appointment of scheme actuary and actuarial valuations);

"scheme administrator" except under regulation [117] (scheme administrator for the purpose of the FA 2004), in relation to a member or a function, means the person responsible for the day to day administration of the scheme in relation to the member or in respect of the function;

"Scheme Advisory Board" has the meaning given in regulation [9] (establishment of scheme advisory board);

(**a**) 2006 c.52.
(**b**) 1996 c.14.

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

"scheme employment" has the meaning given in regulation [13] (description of persons in scheme employment);

"scheme manager" has the meaning given in regulation [4] (scheme manager);

"scheme medical adviser" means the medical adviser appointed by the scheme manager for the time being to provide a consulting service on medical matters relevant to this scheme;

"scheme year" means a period of one year beginning with 1st April and ending 31st March;

"service detention" has the same meaning as in the Armed Forces Act 2006 (see section 374 of that Act);

"sending scheme" means a club scheme with pays a club transfer value;

"statutory maternity pay" means statutory maternity pay with the meaning of the Social Security Contributions and Benefits Act 1992;

"transfer payment" means a transfer value payment of a club transfer value payment;

"transfer value" has the meaning given in Part 8 (transfers);

"transfer value payment" has the meaning given in regulation [98] (interpretation);]

"transferred pension" means pension attributable to receipt of a transfer value payment calculated in accordance with regulation [32] (account to specify amount of pension for a scheme year);

"transition member" means a person—

(a) who is a member of a connected scheme by virtue of pensionable service under the connected scheme before 1st April 2015; and

(b) who is also a member of this scheme by virtue of pensionable service under this scheme;

"Treasury directions" has the meaning given in regulation [113] (appointment of scheme actuary and actuarial valuation);

"weekly rate", in relation to a guaranteed minimum pension, has the same meaning as in regulation 55(1) of the Occupational Pension Schemes (Contracting-out) Regulations 1996(**a**).

(2) In these Regulations—

"each description of deferred pension" means—

(a) deferred earned pension,

(b) deferred club transfer earned pension,

(c) deferred added pension (member and dependants);

(d) deferred added pension (member);

"each description of pension" means—

(a) an earned pension,

(b) a club transfer earned pension,

(c) an added pension (member and dependants),

(d) an added pension (member),

(e) a transferred pension;

"relevant accrued pension" means—

(a) for an earned pension or transferred pension, the accrued earned pension,

(b) for a club transfer earned pension, the accrued club transfer earned pension,

(c) for an added pension (member and dependants), the accrued added pension (member and dependants), and

(d) for an added pension (member), the accrued added pension (member);

(**a**) S.I. 1996/1172

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

"relevant deferred pension" means—

(a) for an earned pension or transferred pension, the deferred earned pension,

(b) for a club transfer earned pension, the deferred club transfer earned pension,

(c) for an added pension (member and dependants), the deferred added pension (member and dependants), and

(d) for an added pension (member), the deferred added pension (member);

"relevant retirement pension" means—

(a) for an earned pension or transferred pension, the retirement earned pension,

(b) for a club transfer earned pension, the retirement club transfer earned pension;

(c) for an added pension (member and dependants), the retirement added pension (member and dependants),

(d) for an added pension (member), the retirement added pension (member).

PART 2

Governance

CHAPTER 1

Scheme Manager and Scheme Pension Board

Scheme manager

4.—(1) The Secretary of State is the scheme manager for this scheme.

(2) The scheme manager is responsible for managing this scheme and any connected scheme.

(3) The scheme manager may delegate any of its functions under these Regulations, including the power to delegate.

(4) The Secretary of State, as the responsible authority, may delegate any functions under these Regulations including this power to delegate.

Establishment of pensions board

5.—(1) A pensions board ("the pensions board") is established.

(2) The pensions board is responsible for assisting the scheme manager in relation to securing compliance with—

(a) these Regulations;

(b) any other legislation relating to the governance and administration of this scheme and any connected scheme; and

(c) requirements imposed by the Pensions Regulator in relation to this scheme or any connected scheme.

(3) The pensions board may determine its own proceedings, subject to the approval of the scheme manager.

Membership of the pensions board

6.—(1) The pensions board is to consist of the following who are entitled to vote in its proceedings ("voting members")—

(a) a chair appointed by the scheme manager; and

(b) at least 6 and no more than 20 persons appointed by the chair with the agreement of the scheme manager.

(2) The voting members must include—

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

(a) a departmental finance director or similar representative; and

(b) equal numbers of members representing the employer and scheme members.

(3) The chair may appoint up to 4 persons who are not to be entitled to vote in its proceedings.

(4) The appointment of a person to the pensions board is subject to regulation [8] (conflict of interest: pensions board).

(5) In this regulation, "scheme members" mean members of this scheme or a connected scheme.

Terms of appointment to pensions board

7. A member of the pensions board is to hold and vacate office in accordance with the terms of appointment as determined by the scheme manger.

Conflict of interest; pensions board

8.—(1) The scheme manager must be satisfied that any person to be appointed as a member of the pensions board does not have a conflict of interest.

(2) The scheme manager must be satisfied from time to time that none of the members of the pensions board has a conflict of interest.

(3) If the scheme manager determines that a member of the pensions board has a conflict of interest, the scheme manager must terminate the appointment of the member.

(4) A member of the pensions board or a person proposed to be appointed as such a member must provide the scheme manager with such information as the scheme manager reasonably requires for the purposes of paragraph (1) or (2).

CHAPTER 2

Scheme Advisory Board

Establishment of scheme advisory board

9.—(1) A scheme advisory board ("the scheme advisory board") is established.

(2) The scheme advisory board is responsible for advising, at the Secretary of State's request, the Secretary of State in relation to the desirability of changes to this scheme.

(3) The scheme advisory board may determine its own proceedings, subject to the approval of the Secretary of State.

Membership of the scheme advisory board

10.—(1) The scheme advisory board is to consist of the following—

(a) a chair appointed by the Secretary of State; and

(b) at least 6 and no more than 20 persons appointed by the chair with the agreement of the Secretary of State.

(2) The appointment of a person to the scheme advisory board is subject to regulation [12] (conflict of interest: scheme advisory board).

(3) The members of the scheme advisory board may be the same as the members of the scheme pension board.

Terms of appointment to the scheme advisory board

11. A member of the scheme advisory board must hold and vacate office in accordance with the terms of appointment as determined by the Secretary of State.

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

Conflict of interest: scheme advisory board

12.—(1) The Secretary of State must be satisfied that any person to be appointed as a member of the scheme advisory board does not have a conflict of interest.

(2) The Secretary of State must be satisfied from time to time that none of the members of the scheme advisory board has a conflict of interest.

(3) If the Secretary of State determines that a member of the scheme advisory board has a conflict of interest, the Secretary of State must terminate the appointment of the member.

(4) A member of the scheme advisory board or a person proposed to be appointed as such a member must provide the Secretary of State with such information as the Secretary of State reasonably requires for the purposes of paragraph (1) or (2).

PART 3

Scheme membership

CHAPTER 1

Scheme employment

Description of persons in scheme employment

13.—(1) For the purpose of these Regulations, a person who is in service as specified in paragraph (2), is in scheme employment.

(2) The service referred to in paragraph (1) is as a part of the—

(a) regular forces;

(b) reserve forces;

(c) non-regular permanent staff.

CHAPTER 2

Membership

Dual capacity membership

14.—(1) For the purpose of these Regulations, a person is a dual capacity member if the person is a member on more than one of the following capacities—

(a) an active member;

(b) a deferred member;

(c) a pensioner member;

(d) a pension credit member.

(2) In determining whether a person who is an active member is also a pensioner member, the fact that the person is an active member, and the person's rights in that capacity, are to be disregarded.

Payments for benefits to dual capacity members

15.—(1) This paragraph applies if the member is a dual capacity member.

(2) The general rule is that—

(a) benefits are payable to the member under this scheme as if the member were 2 or more members (so that 2 or more pensions or lump sums are payable in respect of the one member); and

(b) the amounts payable are determined accordingly.

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

(3) If a person who is a pension credit member is entitled to 2 or more pension credits—

(a) benefits are payable to the person under this scheme as if the person were 2 or more persons, each being entitled to one of the pension credits (so that 2 or more pensions or lump sums are payable to the one pension credit member); and

(b) the amounts of those benefits are determined accordingly.

Eligibility for active membership

16.—(1) A person is eligible to be an active member of this scheme if the person is in scheme employment under regulation [13] (descriptions of persons in scheme employment) on or after 1st April 2015 and the terms of the person's employment do not exclude the person from being an active member of this scheme.

This is subject to paragraph (2).

(2) A person is not eligible to be an active member of this scheme in relation to any scheme employment while the person—

(a) is a member with full protection in a connected scheme in relation to that employment; or

(b) the person is a member of another pension scheme in relation to that employment and the employer pays contributions to that scheme in respect of a member.

(3) A person who is so eligible becomes an active member of this scheme on the person's first day of service on or after 1st April 2015 in scheme employment ("the person's first day") unless an option to the contrary is exercised.

Deferred membership

17. A person who, on ceasing to be in pensionable service under this scheme, has not reached normal pension age and does not become a pensioner member in respect of that service, becomes a deferred member in respect of that service if—

(a) the person has at least 2 years' qualifying service; or

(b) a transfer value payment otherwise than from another occupational pension scheme has been accepted in relation to the person under Part 8 (Transfers).

CHAPTER 3

Membership options

Option not to join scheme

18.—(1) A person may, before the end of the period of 3 months beginning with the person's first day (or such longer period, if any, as the scheme manager considers appropriate), opt not to belong to this scheme.

(2) The option is to be exercised by notice in writing to the person's commanding officer in such form as the scheme manager requires.

(3) The option has effect from the person's first day.

Option to leave the scheme

19.—(1) A person, who is an active member of this scheme, may opt to cease to be such a member.

(2) The option may only be exercised by notice in writing to the person's commanding officer in such form as the scheme manager requires.

(3) For the purposes of this regulation, the option is treated as having been exercised on the date on which it is received by the commanding officer.

(4) A member who exercised the option ceases to be an active member at the beginning of—

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

(a) the first pay period beginning on or after the date on which the option is exercised; or

(b) if the scheme manager considers that period inappropriate, such other pay period as the scheme manager considers appropriate.

Option to join the scheme

20.—(1) A person, who is eligible to be an active member of this scheme but is not in pensionable service under this scheme, may opt at any time to become an active member, subject to the following provisions of this regulation.

(2) Unless the scheme manager agrees, a person may only exercise the option under paragraph (1) once during any period of 12 months.

(3) The option may only be exercised by notice in writing to the person's commanding officer in such form as the scheme manager requires.

(4) For the purposes of this regulation, the option is treated as having been exercised on the date on which it is received by the person's commanding officer.

(5) A person who exercises the option becomes an active member in the date on which the option is exercised or at such other time as the scheme manager considers appropriate.

CHAPTER 4

Pensionable service

Pensionable service

21.—(1) A member is in pensionable service under this scheme in any period in respect of which the scheme member is—

(a) employed in scheme employment; and

(b) receiving pensionable earnings or assumed pay.

(2) For the purpose of Part [4] (Pensions Accounts), a member is treated as being in a continuous period of pensionable service under this scheme if—

(a) there is no gap in pensionable service; or

(b) any gap in pensionable service does not exceed 5 years.

Qualifying service

22.—(1) In these Regulations, a period of qualifying service, is the aggregate of the following periods—

(a) any period on or after 1st April 2015, where the individual is eligible for active membership under regulation [16] (eligibility for active membership); and

(b) for a transition member with continuity of service, the person's continuous period of pensionable service under a connected scheme on or before 31st March 2015.

(2) In paragraph (1)—

(a) a transition member has continuity of service unless the person has a gap in pensionable service exceeding 5 years which—

(i) begins on or before 31st March 2015; and

(ii) ends on the day the person becomes an active member of this scheme;

(b) a period of pensionable public service does not constitute a gap in service.

This is subject to paragraph (4)

(3) The following are not qualifying service—

(a) any pensionable service in respect of which a person's rights under this scheme are extinguished;

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

(b) any pensionable service by a person under any connected scheme in respect of which the person's rights under that scheme are extinguished;

(c) any period of service during which a person opts not to join this Scheme;

(d) any service from the point when an active member opts out from this Scheme until any future point when the member opts back in;

(e) any period of unauthorised absence from scheme employment;

(f) any period of unpaid leave in respect of which the person is not treated as receiving assumed pay;

(g) any period of service detention; and

(h) any period of imprisonment.

(4) Where an individual ceases to be eligible for active membership under regulation [16] (eligibility for active membership) for a period of more than 5 years and subsequently rejoins, qualifying service re-starts from the first day of new service in scheme employment.

(5) In determining the period of which an individual ceases to be eligible under paragraph (4) any period where the member was in pensionable public service is to be disregarded.

Pensionable earnings

23.—(1) For the purpose of calculating a member's pension or other benefits, the member's pensionable earnings are—

(a) basic pay in the service by virtue of which the person is a member for a person of his rank and seniority; and

(b) an other amount if, and to the extent that, the Secretary of State has determined that it is to be treated as pensionable earnings.

This is subject to paragraph (3).

(2) Accordingly, subject to paragraph (1)(b), "pensionable earnings" does not include—

(a) any allowances,

(b) any additional amounts payable in respect of particular qualifications or duties, the location of service or the conditions in which service is temporarily performed, or

(c) without prejudice to paragraphs (a) and (b), any additional amounts payable to medical or dental officers as such.

(3) "Pensionable earnings" does not include any description of payments that the Secretary of State has determined is not to be treated as pensionable earnings, unless it is expressly provided to the member on the basis that it is pensionable.

Meaning of "assumed pay"

24.—(1) For any period in which the circumstances specified in paragraph (2) apply to an active member of this scheme, a member is treated as receiving pay ("assumed pay") equal to the pensionable earnings that the member would have received if those circumstances had not applied, with such increase, if any, as the scheme manager considers appropriate.

(2) The circumstances are that the member—

(a) is on secondment to a different employer under an arrangement providing for the member to continue to be an active member of this scheme in respect of the member's service although the member is paid for it by that employer;

(b) is on ordinary adoption leave, ordinary maternity leave, ordinary paternity leave or on paid additional paternity leave;

(c) is receiving statutory maternity pay; or

(d) is on unpaid leave for a period which the scheme manager has agreed can count for the purpose of this paragraph.

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

PART 4

Pension accounts

CHAPTER 1

Preliminary

Calculation of amount of accrued pension for the purposes of Chapters 4 and 5

25.—(1) For the purposes of Chapters 4 and 5, the amount of accrued pension is calculated in accordance with this regulation.

(2) The amount of accrued earned pension is the sum of the following amounts specified in the active member's account as at the end of the last day of pensionable service—

(a) the opening balance of earned pension for the last active scheme and the index adjustment for that opening balance;

(b) the amount of earned pension for the last active scheme year;

(c) the opening balance of transferred pension for the last active scheme year and the index adjustment for that opening balance; and

(d) the amount of transferred pension for the last active scheme year.

(3) The amount of the accrued added pension (member) is the sum of the following amounts specified in the active member's account as at the end of the last day of pensionable service—

(a) the opening balance of the accrued added pension (member) for the last active scheme year and the index adjustment for that opening balance; and

(b) the amount of accrued added pension (member) for the last active scheme year.

(4) The amount of the accrued pension (member and dependants) is the sum of the following amounts specified in the active member's account as at the end of the last day of pensionable service—

(a) the opening balance of accrued added pension (member and dependants) for the last active scheme year and the index adjustment for that opening balance; and

(b) the amount of accrued added pension (member and dependants) for the last active scheme year.

(5) The amount of the club transfer accrued earned pension is the total of the following amounts specified in the active member's account as at the end of the last day of pensionable service—

(a) for each sending scheme, the sum of the opening balance of the club transfer earned pension for the last active scheme year and the index adjustment for that opening balance; and

(b) for each sending scheme, the amount of club transfer earned pension for the last active scheme year.

Calculation of "retirement index adjustment"

26.—(1) For the purpose of this Part, the retirement index adjustment for an amount of accrued pension is an amount calculated as follows:

Step 1

Multiply (A÷B) by the percentage increase

where—

A is the number of complete months in the period between the beginning of the leaving year and the end of the relevant last day; and

B is 12.

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

The resulting percentage is the retirement index percentage.

Step 2

Apply the retirement index percentage to the amount of accrued pension.

The resulting amount is the retirement index adjustment.

(2) In this regulation—

"complete month" includes an incomplete month that consists of at least 16 days;

"the leaving year" means the scheme year in which the relevant last day falls;

"percentage increase" means—

(a) for this scheme an increase (or decrease) in prices or earnings (as the scheme manger may determine to be applicable to a description of pension) specified in the Treasury order for that year; and

(b) for another public service scheme, the increase or decrease that applies under that scheme to the revaluation of earned pension in that year as published by the Treasury;

"the relevant last day" means the last day of pensionable service;

"the Treasury order" means an order under section 9(2) of the Act.

CHAPTER 2

Pension accounts; general

Establishment of pension accounts: general

27.—(1) The scheme manager must establish and maintain on or more pension accounts for each member of this scheme in accordance with this Part.

(2) A pension account—

(a) may be kept in any form the scheme manager considers appropriate; and

(b) must contain such matters as are required by these Regulations.

(3) References in these Regulations to any amount specified in a pension account are references to the amount that is required by these Regulations to be so specified and not, if different, the amount actually so specified.

Closure and adjustment of pension accounts on transfer out

28.—(1) Except as otherwise provided in this regulation, all pension accounts relating to a member must be closed if a transfer value payment is made or a cash transfer sum is paid out in respect of a member's accrued rights under this scheme.

(2) Nothing paragraph (1) requires the closure of an account that includes amounts to which the transfer value payment or cash transfer sum does not relate or is not attributable.

(3) An account that is not closed because of paragraph (2) must be adjusted in such manner as the scheme manager considers appropriate to reflect the extinguishing of rights under this scheme.

(4) Paragraph (1) does not apply to a pension credit member's account if the transfer value payment is made in respect of a member who is both—

(a) a pension credit member; and

(b) an active member, deferred member or pensioner member.

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

CHAPTER 3

Active member's account

Establishment of an active member's account

29. A pension account must be established for each active member ("the active member's account") from the person's first day.

Receipt of transfer values

30.—(1) This regulation applies if a transfer value is received from another pension scheme (other than a connected scheme) in relation to an active member of this scheme.

(2) On receipt of the transfer value payment, the active member's account must be credited with the amount of transferred pension calculated under regulation [109](amount of transferred pension).

Receipt of club transfer values

31.—(1) This regulation applies if a club transfer value is received from another club scheme in relation to an active member of this scheme.

(2) On receipt of the transfer value payment, the active member's account must be credited with an amount of club transfer earned pension calculated under regulation [109](amount of transferred pension).

Account to specify amount of pension for a scheme year

32.—(1) This regulation applies to every scheme year in which an active member's account open.

(2) The active member's account must specify, in relation to each description of pension, the amount of that pension for the scheme year.

(3) The amount of earned pension for a scheme year is $1/47^{th}$ of the member's pensionable earnings for that year.

(4) The amount of transferred pension for a scheme year is the amount which the member is entitled to count under regulation [109] (amount of transferred pension).

(5) The amount of the club transfer earned pension for a scheme year is the amount which member is entitled to count under regulation [111] (amount of club transfer earned pension).

(6) The added pension (member) for a scheme year is the sum of the amounts a member is entitled to count under Chapter 1 of Part 7 (Contributions) after exercising an option under regulation [88(1)(a)] (member's option to make periodical contributions to added pension).

(7) The added pension (member's and dependants) for a scheme year is the sum of the amounts a member is entitled to count under Chapter [1] of Part [7] (Contributions) after exercising an option under regulation [88(1)(b)] (member's option to make periodical contributions to added pension).

Account to specify opening balance and index adjustment

33.—(1) This regulation applied to every scheme year in which an active member's account is open.

(2) The active member's account must specify, for each description of pension, the opening balance for the scheme year and the index adjustment for the opening balance.

(3) In these Regulations, "opening balance" in relation to a description of pension—

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

(a) for the scheme year immediately following the scheme year in which the active member's account is established, means the amount of that pension for the previous scheme year as at the end of the previous scheme year; and

(b) for any subsequent scheme year, means the sum of the following amounts—

(i) the opening balance of that pension for the previous scheme year and the index adjustment for that opening balance; and

(ii) the amount of that pension for the previous scheme year as at the end of the previous scheme year.

CHAPTER 4

Deferred member's account

Establishment of a deferred member's account

34. When an active member ceases to be in pensionable service and becomes a deferred member in relation to rights accrued in that service—

(a) the active member's account for that service must be closed; and

(b) a pension account for the deferred member must be established ("the deferred member's account").

Account to specify provisional amount of deferred pension

35.—(1) The deferred member's account must specify, for each description of pension, the provisional amount of the relevant deferred pension.

(2) The provisional amount of deferred earned pension is the sum of the amount of accrued earned pension and the retirement index adjustment for that amount.

(3) The provisional amount of the deferred club transfer earned pension is the sum of the amount of accrued club transfer earned pension and the retirement index adjustment for that amount.

(4) The provisional amount of deferred added pension (member) is the sum of the amount of accrued pension (member) and the retirement index adjustment for that amount.

(5) The provisional amount of deferred added pension (members and dependants) is the sum of the amount of accrued added pension (members and dependants) and the retirement index adjustment for that amount.

(6) The retirement index adjustment is not to be applied to an amount of accrued pension if a transfer value payment is made or a cash transfer sum is paid out in respect of the member's right to that accrued pension before the end of the last active scheme year.

Adjustment of provisional amount of deferred pension on retirement

36. When a deferred member becomes entitled under regulation [44] (retirement before reaching normal pension age) to the payment of a retirement pension, the deferred member's account must specify for the provisional amount of each description of deferred pension—

(a) the early payment reduction (if any);

(b) the late payment supplement (if any);

(c) the commutation amount (if any); and

(d) the allocation amount (if any).

Treatment of deferred member's account of return to pensionable service

37.—(1) When a deferred member re-enters pensionable service not later than 5 years after the date on which a period of earlier service ceased—

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

(a) the deferred member's account must be closed and it must be treated as if it were never established;

(b) the active member's account must be re-established; and

(c) entries must be made in the active member's account as if, during the period in which the deferred member's account was open, the member—

(i) was in pensionable service; but

(ii) received no pensionable earnings.

(2) When a deferred member re-enters pensionable service more that 5 years after the date on which a period of earlier service ceased—

(a) the deferred member's account must remain open; and

(b) an active member's account must be established from the first day for the new period of pensionable service.

CHAPTER 5

Pensioner member's account

Establishment of a pensioner member's account

38.—(1) When an active member becomes entitled to the immediate payment of a retirement pension under regulation [43] (retirement on or after reaching normal pension age – active members) or an ill-health pension under regulation [51] or [52] (entitlement to ill-health pension: active member with permanent serious ill-health and entitlement to ill-health pension: active member with significant impairment of capacity for gainful employment)—

(a) the active member's account must be closed; and

(b) a pension account for the pensioner member must be established ("the pensioner member's account").

(2) When a deferred member becomes entitled to the payment of a retirement pension under regulation [44] (retirement before reaching normal pension age – deferred pension) or an ill-health pension under regulation [56] (entitlement to ill-health pension: deferred member with permanent serious ill-health)—

(a) the deferred member's account must be closed; and

(b) a pension account for the pensioner member must be established (the pension member's account).

Determination of "in-service late payment supplement"

39.—(1) This regulation applies for any period an active member remains in service subsequent to the scheme year in which the member reaches normal pension age.

(2) The scheme manager, having regard to the guidance from the scheme actuary, must determine the in-service late payment supplement for each amount of accrued pension, specified in the pensioner member's account.

(3) In these Regulations, "in-service late payment supplement" means an additional amount of pension determined by reference to the period in service after an active member has reached normal pension age.

Account to specify amount of retirement pension

40.—(1) The pensioner member's account must specify, for each description of pension, the amount of the relevant retirement pension.

(2) The retirement earned pension is the sum of the amount of accrued earned pension and the retirement index adjustment for that amount.

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

(3) The retirement club transfer earned pension is the sum of the amount of accrued club transfer pension and the retirement index adjustment for that amount.

(4) The retirement added pension (member) is the sum of the amount of accrued added pension (member) and the retirement index adjustment for that amount.

(5) The retirement added pension (member and dependants) is the sum of the amount of accrued added pension (member and dependants) and the retirement index adjustment for that amount.

(6) The pension member's account must specify for each amount of retirement pension—

(a) the early payment reduction (if any) specified in that account in relation to the relevant accrued pension;

(b) the in-service late payment supplement (if any);

(c) the late payment supplement (if any);

(d) the commutation amount (if any); and

(e) the allocation amount (if any).

(7) When a pensioner member re-enters pensionable service—

(a) the pensioner member's account must remain open; and

(b) an active member's account must be established for the new period of service.

CHAPTER 6

Pension credit member's account

Establishment of a pension credit member's account

41.—(1) A pension account must be established for each pension credit member ("the pension credit member's account").

(2) When a pension credit member becomes entitled to the payment of a pension under regulation [47] ("pension credit member's pensions"), the pension credit member's account must specify the amount of credited pension, and for that amount—

(a) the early payment reduction (if any); and

(b) the commutation amount (if any).

(3) In this regulation, "amount of credited pension" means an amount such that the value of the pension credit member's right under this scheme (as calculated in accordance with regulations made under paragraph 5(b) of Schedule 5 to the WRPA 1999) equals the member's pension credit under section 29(1)(b) of that Act.

Separate accounts for dual capacity pension credit member

42.—(1) If a pension credit member is also an active member, a deferred member or a pensioner member, the pension credit member's account is in addition to the other account or accounts to be established under this Part in respect of the member in the other capacity.

(2) If a pension credit member has rights under this scheme which are attributable, directly or indirectly, to pension credit derived from the rights of more than one pension debit member of this scheme, a separate account if to be established under this regulation in respect of the pension credit attributable to the rights of each such pension debit member.

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

PART 5

Retirement benefits

CHAPTER 1

Retired member benefits

Retirement on or after reaching normal pension age – active members

43.—(1) A member is entitled to the immediate payment for life of a retirement earned pension under this scheme if—

(a) the member ceases to be in pensionable service under this scheme at or after reaching normal pension age; and

(b) the member has not made a claim for a pension under regulation [44] (retirement before reaching normal pension age – deferred members) in respect of that service.

(2) But a member is not so entitled unless—

(a) the member has claimed payment of the pension; and

(b) (i) the member has at least 2 years' qualifying service; or

(ii) a transfer value payment otherwise than from another occupational pension scheme has been accepted in relation to the member under Part [8] (Transfers).

(3) A member, who is entitled to a retirement earned pension under this regulation, is entitled to immediate payment for life of a retirement added pension, if the retirement account specifies an amount of retirement added pension.

(4) The claim for payment of a pension under this regulation must be made by notice in writing to the scheme administrator in such form as the scheme manager requires.

(5) In the event that the member delays making a claim under this regulation after reaching the normal pension age the in-service late payment supplement (as applicable) will apply to the account of the member.

Retirement before reaching normal pension age – deferred members

44.—(1) A member, who is not entitled to immediate payment of a pension under regulation [43] (retirement on or after reaching normal pension age – active members), is entitled to the immediate payment for life of a retirement earned pension under this scheme if the member—

(a) has reached the age of 55;

(b) has ceased to be in pensionable service under the scheme; and

(c) has claimed payment of pension.

(2) But a member is not so entitled unless—

(a) the member has at least 2 years' qualifying service; or

(b) a transfer value payment otherwise than from another occupational pension scheme has been accepted in relation to the member under Part [8] (Transfers).

(3) A member, who is entitled to a retirement earned pension under this regulation, is entitled to immediate payment for life of a retirement added pension, if the deferred member's account specifies a provisional amount of deferred added pension.

(4) The claim for payment of a pension under this regulation must be made by notice in writing to the scheme administrator in such form as the scheme manager requires.

(5) The early payment reduction is to apply to the pension amount of the member in the event that the pension is to come into payment before the member's deferred pension age.

(6) The late payment supplement is to apply to the pension amount of the member in the event that the pension is to come into payment after the member's deferred pension age.

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

Annual rate of pension payable to active member who becomes pensioner member

45.—(1) This regulation applies when a deferred member becomes entitled under regulation [43] (retirement on or after reaching normal pension age) to the immediate payment of a retirement earned pension.

(2) The annual rate of the retirement earned pension payable to the retired member is determined by—

(a) taking the amount of retirement earned pension specified in the retirement account;

(b) adding the in-service late payment supplement (if any) specified in that account in relation to that amount;

(c) adding the late payment supplement (if any) specified in that account in relation to that amount;

(d) subtracting the commutation amount (if any) specified in that account in relation to that amount; and

(e) subtracting the allocation amount (if any) specified in that account in relation to that amount.

(3) If a retirement added pension (member and dependants) is payable to the member, the annual rate of that pension is determined by—

(a) taking the amount of retirement added pension (member and dependants) specified in the retirement account;

(b) adding the late payment supplement (if any) specified in that account in relation to that amount;

(c) subtracting the commutation amount (if any) specified in that account in relation to that amount; and

(d) subtracting the allocation amount (if any) specified in that account in relation to that amount.

(4) If a retirement added pension (member) is payable to the member, the annual rate of that pension is determined by—

(a) taking the amount of retirement added pension (member) specified in the retirement account;

(b) adding the late payment supplement (if any) specified in that account in relation to that amount; and

(c) subtracting the commutation amount (if any) specified in that account in relation to that amount.

Annual rate of pension payable to deferred member who becomes pensioner member

46.—(1) This regulation applies when a deferred member becomes entitled under regulation [44] (retirement before reaching normal pension age – deferred member) to the immediate payment of a retirement pension.

(2) The annual rate of the retirement earned pension payable to the member is determined by—

(a) taking the provisional amount of the member's deferred earned pension specified in the deferred member's account;

(b) adding the late payment supplement(if any) specified in that account in relation to that amount;

(c) subtracting the early payment reduction (if any) specified in that account in relation to that amount;

(d) subtracting the commutation amount (if any) specified in that account in relation to that amount; and

(e) subtracting the allocation amount (if any) specified in that account in relation to that amount

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

(3) If a retirement added pension (member and dependants) is payable to the member, the annual rate of this pension is determined by—

(a) taking the provisional amount of the member's deferred added pension (member and dependants) specified in the deferred member's account;

(b) adding the late payment supplement (if any) specified in that account in relation to that amount;

(c) subtracting the early payment reduction (if any) specified in that account in relation to that amount;

(d) subtracting the commutation amount (if any) specified in that account in relation to that amount; and

(e) subtracting the allocation amount (if any) specified in that account in relation to that amount.

(4) If a retirement added pension (member) is payable to the member, the annual rate of that pension is determined by—

(a) taking the provisional amount of the member's deferred added pension (member) specified in the deferred member's account;

(b) adding the late payment supplement (if any) specified in that account in relation to that amount;

(c) subtracting the early payment reduction (if any) specified in that account in relation to that amount;

(d) subtracting the commutation amount (if any) specified in that account in relation to that amount.

CHAPTER 2

Benefits for pension credit and pension debit members

Pension credit member's pension

47.—(1) A pension credit member is entitled to the immediate payment for life of a pension credit member's pension under this scheme—

(a) (i) when a pension credit member reaches deferred pension age; or

(ii) if it is later, when the pension sharing order under which the member is entitled to the pension credit takes effect; and

(b) the pension credit member has claimed payment of the pension.

(2) The claim for payment of a pension must be made by notice in writing to the scheme administrator in such form as the scheme manager requires.

(3) A pension credit member who has reached 55, but has not reached deferred pension age, may claim early payment of the pension credit member's pension by written notice to the scheme administrator.

(4) The notice must—

(a) be in such form as the scheme manager requires; and

(b) specify the date on which the pension is to become payable ("payable date").

(5) A pension credit member who claims early payment of a pension credit member's pension is entitled to the immediate payment for life of that pension on that payable date.

(6) The early payment reduction is to apply to the pension account of a pension credit member in the even that the pension comes into payment before the member's deferred pension age.

(7) The late payment supplement is to apply to the pension account of a pension credit member in the event that the pension comes into payment after the member's deferred pension age.

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

Annual rate of pension credit member's pension

48. The annual rate of the pension credit member's pension is determined by—

(a) taking the amount of credited pension specified in the pension credit member's account;

(b) adding the late payment supplement (if any) specified in that account in relation to that amount;

(c) subtracting the early payment reduction (if any) specified in that account in relation to that amount; and

(d) subtracting the commutation amount (if any) specified in that account in relation to that amount.

Pension credit member's rights

49.—(1) If regulation 7(5) of the Pension Sharing (Pension Credit Benefit) Regulations 2000(**a**) (early or deferred retirement) applies, the scheme manager must be reasonably satisfied that the requirements of that regulation have been met.

(2) Benefits that are attributable to a pension credit are not to be aggregated with any other benefits to which the pension credit member is entitled under this scheme.

Reduction in pension debit member's benefits

50. The benefits to which a pension debit member is entitled under this Scheme are subject to the reduction to be made under section 31 of the WRPA 1999.

CHAPTER 3

Ill-health benefits

Entitlement to ill-health pension: active members with permanent serious ill-heath

51.—(1) An active member who has not reached normal pension age is entitled to immediate payment of an ill-health pension if—

(a) in the opinion of the scheme manager, the member has suffered a permanent breakdown in health involving incapacity for any gainful full time employment;

(b) the scheme manager has received evidence from a registered medical practitioner that the member is, and will continue to be, incapable of carrying on their occupation because of physical or mental impairment;

(c) the member has at least 2 years' qualifying service or a transfer value payment otherwise than from another occupational pension scheme has been accepted in relation to the member under Part [8] (Transfers); and

(d) the scheme manager has agreed to the member becoming so entitled.

(2) For the purpose of these Regulations, a member's breakdown in health is "permanent" if the scheme manager is of the opinion that the breakdown will continue until the member reaches normal pension age.

(3) A member entitled to immediate payment of an ill-health pension is entitled to an added pension of any description if the retirement account specifies an accrued added pension of that description.

(4) The annual rate of an ill-health pension and any added pension payable under this regulation is calculated in accordance with regulation [54] (annual rate of ill-health pension: active members with permanent serious ill-health).

(**a**) S.I. 2000/1054

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

Entitlement to ill-health pension: active members with significant impairment of capacity for gainful employment

52.—(1) An active member who has not reached normal pension age is entitled to the immediate payment of an ill-health pension if—

(a) in the opinion of the scheme manager—

(i) the member has suffered a breakdown in health, as a result of which, their capacity for any gainful employment is significantly impaired; and

(ii) the breakdown will continue until the member reaches normal pension age;

(b) the scheme manager has received evidence from a registered medical practitioner that the member is, and will continue to be, incapable of carrying on their occupation because of physical or mental impairment;

(c) the member has at least 2 years' qualifying service or a transfer value payment otherwise than from another occupational pension scheme has been accepted in relation to the member under Part [8] Transfers; and

(d) the scheme manager has agreed to the member becoming so entitled.

(2) A member entitled to immediate payment of an ill-health pension is entitled to an added pension of any description if the retirement account specifies an accrued added pension of that description.

(3) The annual rate of an ill-health pension and any added pension payable under this regulation is to be calculated in accordance with regulation [55] (annual rate of ill-health) pension: active members with significant impairment of capacity for gainful employment).

Deferment of earned pension attributable to a transfer payment

53.—(1) In respect of any amount of accrued earned pension specified in the active member's account as at the end of the last day of pensionable service which is attributable to a transfer value payment or cash transfer sum ("transfer payment") accepted in relation to the member under Part [8] (Transfers) in the 24 months before the relevant day and the scheme manager so directs, these Regulations apply as if the member had become a deferred member in respect of the rights that accrued in that service by virtue of that transfer payment.

(2) Accordingly—

(a) for the purpose of calculating the provisional amount of deferred added earned pension under regulation [35] (account to specify provisional amount of deferred pension), the amount of accrued earned pension is only the amount attributable to that transferred payment; and

(b) for the purpose of calculating the amount of retirement earned pension under regulation [40] (account to specify amount of retirement pension), the amount of accrued earned pension is—

(i) the amount specified in the active member's account as at the end of the last day of pensionable service, less

(ii) the amount attributable to that transfer payment.

(3) In paragraph (1), "the relevant day" means the day on which the scheme manager provided their opinion, mentioned in either regulation [51] (entitlement to ill-health pension: active member with permanent serious ill-health) or regulation [52] (entitlement to ill-health pension: active members with significant impairment of capacity for gainful employment), by virtue of which the member is entitled to the ill-health pension.

Annual rate of ill-health pension: active members with permanent serious ill-health

54.—(1) The annual rate of an ill-health pension payable under Regulation [51] (entitlement to ill-health pension: active member with permanent serious ill-health) is calculated in accordance

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

with regulation [45] (annual rate of pension payable to active member who becomes pensioner member), in the same way as the annual rate of retirement earned pension is calculated, but—

(a) the references to the member's retirement earned pension are taken to be references to the enhancement value of the earnings-related part of that pension; and

(b) the early payment reduction is not subtracted.

(2) In this regulation—

"the earnings-related part", in relation to the member's retirement earned pension, means the proportion of that pension not attributable to a transferred pension;

"the enhancement value" means multiplying A by B where—

(a) A is the member's retirement earned pension divided by the sum of—

(i) for all years up to the last active scheme year, the number of scheme years (or parts of scheme years) for which amounts of earned pension were specified in the active member's account; and

(ii) in the last active scheme year, the number of calendar days (expressed as a proportion of a year), where the member was eligible for active membership, and

(b) B is the greater of—

(i) the number of years (or parts of years) up to a maximum of 25 years which would have remained, if the active member had continued in scheme employment up to normal pension age; or

(ii) X plus N, where

(aa) X is the sum of—

(i) for all years up to the last active year, the number of scheme years (or parts of scheme years) for which amounts of earned pension were specified in the active member's account; and

(ii) in the last active scheme year, the number of calendar days (expressed as a proportion of a year), where the member was eligible for active membership, and

(bb) N is half of the number of years (or parts of years) from the last day of pensionable service until normal pension age (both X and N to be expressed as a number of years).

(3) The annual rate of any added pension payable under regulation [51] (entitlement to ill-health pension: active members with permanent serious ill-health) is calculated in accordance with regulation [45] (annual rate of pension payable to active member who becomes pensioner member) in the same way as the annual rate of retirement added pension is calculated, but any early payment reduction is not subtracted.

Annual rate of ill-health pension: active members with significant impairment of capacity for gainful employment

55.—(1) The annual rate of an ill-health pension payable under regulation [52] (entitlement to ill-health pension: active members with significant impairment of capacity for gainful employment) is calculated in accordance with regulation [45] (annual rate of pension payable to active member who becomes pensioner member), in the same way as the annual rate of retirement earned pension is calculated, but—

(a) the references to the member's retirement earned pension are taken to be references to the enhancement value of the earnings-related part of that pension; and

(b) the early payment reduction is not subtracted.

(2) In this regulation—

"the earnings-related part", in relation to the member's retirement earned pension, means the proportion of that pension not attributable to a transferred pension;

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

"the enhancement value" means multiplying A by B, where—

(a) A is the member's retirement earned pension divided by the sum of—

(i) for all years up to the last active scheme year, the number of scheme years (or parts of scheme years) for which amounts of earned pension were specified in the active member's account; and

(ii) in the last active scheme year, the number of calendar days (expressed as a proportion of a year), where the member was eligible for active membership, and

(b) B is X plus N, where—

(i) X is sum of—

(aa) for all years up to the last active scheme year, the number of scheme years (or parts of scheme years) for which amounts of earned pension were specified in the active member's account; and

(bb) in the last active scheme year, the number of calendar days (expressed as a proportion of a year), where the member was eligible for active membership; and

(ii) N is one-third of the number of years (or part of years) from the last day of pensionable service until normal pension age (both X and N to be expressed as a number of years).

(3) The annual rate of any added pension payable under regulation [52] (entitlement to ill-health pension: active members with significant impairment of capacity for gainful employment) is calculated in accordance with regulation [45] (annual rate of pension payable to active member who becomes pensioner member) in the same way as the annual rate of retirement added pension is calculated, but any early payment reduction is not subtracted.

Entitlement to ill-health pension: deferred member with permanent serious ill-health

56.—(1) A deferred member, who has not reached deferred pension age, is entitled to immediate payment of an ill-health pension if—

(a) the member makes a claim to the scheme administrator for immediate payment of the pension;

(b) the member has at least 2 years' qualifying service or a transfer value payment otherwise than from another occupation pension scheme has been accepted in relation to the member under Part [8] (Transfers);

(c) in the opinion of the scheme manager, after consulting the scheme medical adviser, the member has suffered a permanent breakdown in health involving incapacity for any gainful full-time employment; and

(d) the scheme manager has agreed to the member becoming so entitled.

(2) For the purpose of these Regulations, a member's breakdown in health is "permanent" if the scheme manager is of the opinion that the breakdown will continue until the member reaches deferred pension age.

(3) A member entitled to immediate payment of an ill-health pension is entitled to an added pension of any description if the retirement account specifies and accrued pension of that description.

(4) The annual rate of an ill-health pension and any added pension payable under this regulation is calculated in accordance with regulation [46] (annual rate of pension payable to deferred member who becomes a pensioner member) but without subtracting the early payment reduction.

Scheme manager's review of ill-health awards

57.—(1) This regulation applies if—

(a) a member is entitled to a pension under regulation [51, 52 or 56] (entitlement to ill-health pension: active member with permanent serious ill-health; entitlement to ill-health

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

pension: active members with significant impairment of capacity for gainful employment; or entitlement to ill-health pension: deferred member with permanent serious ill-health); and

(b) it appears to the scheme manager, after consulting the scheme medical adviser, that there is evidence that they would not be of the same opinion as to the member's condition if they reconsidered the question as the opinion by virtue of which the entitlement arose.

(2) The scheme manager may review the member's condition under this rule.

(3) No review is to be made under paragraph (2) after—

(a) the member, in receipt of a pension under regulation [51 or 52] (entitlement to ill health pension: active members with permanent serious ill-health; or entitlement to ill-health pension: active members with significant impairment of capacity for gainful employment) has reached normal pension age; or

(b) the member, in receipt of a pension under regulation [56] (entitlement to ill-health pension deferred member with permanent serious ill-health) has reached deferred pension age.

(4) If on any such review, in the case of a member who is entitled to a pension under regulation [49] (entitlement to ill-health pension: active members with permanent serious ill-health), the scheme manager is of the opinion that—

(a) The member has not suffered such a breakdown as is mentioned in regulation [51] (entitlement to ill-health pension: active members with permanent serious ill-health), but

(b) The member meets the condition in regulation [52] (entitlement to ill-health pension: active members with significant impairment of capacity for gainful employment),

the scheme manager may determine that the member is to cease to be entitled to a pension under regulation [51] (entitlement to ill-health pension: active members with permanent serious ill-health) and to become entitled to a pension under regulation [52] (entitlement to ill-health pension: active members with significant impairment of capacity for gainful employment) at the end of the period of 3 months beginning with the date on which that determination is made.

(5) If on any such review, in the case of a member who is entitled to a pension under regulation [52] (entitlement to ill-health pension: active members with significant impairment of capacity for gainful employment), the scheme manager is of the opinion that the member has not suffered such a breakdown as is mentioned in regulation [52] (entitlement to ill-health pension: active members with significant impairment of capacity for gainful employment), the scheme manage may determine that the member if to cease to be entitle to a pension under regulation [52] (entitlement to ill-health pension: active members with significant impairment of capacity for gainful employment) at the end of the period of 3 months beginning with the date on which that determination is made.

(6) If on any such review, in the case of a member who is entitled to a pension under regulation [56] (entitlement to ill-health pension deferred member with permanent serious ill-health), the scheme manager is of the opinion that the member has not suffered such a breakdown as is mentioned in regulation [56] (entitlement to ill-health pension: deferred member with permanent serious ill-health), the scheme manager may determine that the member is to cease to be entitled to a pension under regulation [56] (entitlement to ill-health pension: deferred member with permanent serious ill-health) at the end of the period of 3 months beginning with the date on which that determination is made.

(7) If on any such review, the scheme manager proposes a change of pension payments, the scheme manager must—

(a) notify the member in writing that the scheme manager proposes to make such a change;

(b) include the reason for the scheme manger's decision; and

(c) give the member information about rights under—

(i) the arrangements established by the scheme manager for the resolution of disputes relating to this scheme that are in force at the time the notification is given; and

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

(ii) Part 10 of the PSA 1993 (investigations: the Pensions Ombudsman).

Member's request for review of ill-health awards

58.—(1) This regulation applies if a member—

(a) is entitled to a pension under regulation [52] (entitlement to ill-health pension: active members with significant impairment of capacity for gainful employment); or

(b) has received a lump sum under regulation [19] of the Armed Forces Early Departure Payments Scheme Regulations [2014] (lump sum awards: incapacity for armed forces service)("EDP regulation [19]").

(2) The member may request a review of the member's condition under this regulation—

(a) at any time before the fifth anniversary of the day on which the member became entitled to the pension; or

(b) after that time if, in the opinion of the scheme manager, the circumstances are exceptional.

(3) The request must be made by notice in writing to the scheme administrator in such form as the scheme manager requires, including reasons for the review.

(4) If a member requests a review of their condition under this regulation, the scheme manager must—

(a) review the question whether the member has suffered a permanent breakdown in health involving incapacity for any gainful employment in relation to regulation [51] (entitlement to ill-health pension: active members with permanent serious ill-health), and

(b) if the scheme manager is of the opinion that the member has suffered such a breakdown, determine whether—

(i) the member had suffered such a breakdown at the time when her became entitled to the pension under regulation [52] (entitlement to ill-health pension: active members with significant impairment of capacity for gainful employment); or

(ii) the condition, by virtue of which the member became so entitled, has deteriorated so that the member suffered such a breakdown later.

(5) If on any review under paragraph (4), the scheme manager is of the opinion that the member—

(a) has suffered such a breakdown as is mentioned in paragraph (4)(a), and

(b) had done so at the time when the member became entitled to the pension under regulation [52] (entitlement to ill-health pension: active members with significant impairment of capacity for gainful employment),

then the member's entitlement under regulation [52] (entitlement to ill-health pension: active members with significant impairment of capacity for gainful employment) ceases and regulation [51] (entitlement to ill-health pension: active member with permanent serious ill-health) applies as if the conditions mentioned in that regulation were met at the time the member ceased to be in service by virtue of which the member was eligible to be an active member of this scheme, and accordingly the member immediately becomes entitled to payment of such an amount as is specified in paragraph (6).

(6) The amount referred to in paragraph (5) is such an amount as represents the difference between the pension payment that have been made to the member under regulation [52] (entitlement to ill-health pension: active members with significant impairment of capacity for gainful employment) and those to which the member was actually entitled under regulation [51] (entitlement to ill-health pension: active member with permanent serious ill-health).

(7) If on any review under paragraph (4), the scheme manager is of the opinion that—

(a) the member has suffered such a breakdown as is mentioned in paragraph (4)(a), but

(b) the condition by virtue of which the member became entitled to the pension under regulation [52] (entitlement to ill-health pension: active members with significant

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

impairment of capacity for gainful employment) has deteriorated so that the member suffered such a breakdown later,

then the member's entitlement to a pension under regulation [52] (entitlement to ill-health pension: active members with significant impairment of capacity for gainful employment) ceases and the member is entitled to a pension calculated under regulation [51] (entitlement to ill-health pension: active member with permanent serious ill-health) from the date on which the review was requested.

(8) If a member within paragraph (1)(b) requests a review of the member's condition under this rule, the Secretary of State must—

(a) review the question whether the member has suffered a breakdown in health as a result of which the member's capacity for gainful employment is significantly impaired; and

(b) if, he is of the opinion that the member has suffered such a breakdown, determine whether—

(i) the member had suffered such a breakdown at the time when the member became entitled to payment of the lump sum under regulation [19], or

(ii) the condition by virtue of which the member became so entitled has deteriorated so that he suffered such a breakdown later.

(9) If—

(a) on any review under paragraph (8), the Secretary of State is of the opinion that the member—

(i) has suffered such a breakdown as is mentioned in paragraph (8)(a), and

(ii) had done so at the time when the member became entitled to payment of the lump sum under EDP regulation [19], and

(b) the conditions in regulation [52(1)(b) and (c) are met then regulation [52] applies from the time when the ill-health condition (as defined in paragraph 1 of Schedule 28 of the Finance Act 2004) is first met, and accordingly the member is entitled to a pension under that regulation payable from that time and the scheme manager may set off against such entitlement the amount of the lump sum paid under EDP regulation 19.

(10) If—

(a) on any review under paragraph (8), the Secretary of State is of the opinion that—

(i) the member has suffered such a breakdown as is mentioned in paragraph (8)(a), but

(ii) the condition by virtue of which he became entitled to payment of the lump sum under EDP regulation [19] has deteriorated so that he suffered such a breakdown later, and

(b) the conditions in regulation [52(1)(b) and (c) are met, then regulation [52] applies from the date when the ill-health condition (as defined in paragraph 1 of Schedule 28 of the Finance Act 2004) is first met, and accordingly the member is entitled to a pension under that regulation payable from that date.

CHAPTER 4

Options

General option to exchange part of the pension for lump sum

59.—(1) A member may opt to exchange part of a pension to which the member would otherwise be entitled for a lump sum.

(2) If a member so opts, for every £1 by which the amount of the member's annual rate of pension is reduced, the member is to be paid a lump sum of £12.

(3) A member may not exchange pension for lump sum under this regulation to the extent that it would result in a scheme chargeable payment for the purpose of Part 4 of the FA 2004 (see section 241 of that Act).

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

(4) This regulation does not apply to a pension derived from pension credit rights if the pension debit member from whose rights the pension is derived has exercised the option before the date on which the pension sharing order takes effect,

(5) The option under this regulation must be exercised by notice in writing to the scheme administrator in such form as the scheme manager requires no earlier than six months before the first pension payment and no later than one month before the first pension payment is made.

(6) An option exercised under paragraph (1) must apply to added pension and earned pension to which a member is entitled in equal proportions.

Option for members in serious ill-health to exchange whole pension for lump sum

60.—(1) An active member, deferred member or pension credit member may opt to exchange the whole of the member's pensions under this Part for a lump sum if the scheme manager—

(a) is satisfied that the member is expected to live for less than 12 months, and

(b) has received evidence from a registered medical practitioner that this is the case.

(2) The option must be exercised before the pension becomes payable.

(3) A member who exercises the option is to be paid as soon as is reasonably practicable.

(4) Where an active member exercises the option, the amount of the lump sum is equal to the total annual amount of an ill-health pension under regulation [51] (entitlement to ill-health pension: active member with permanent serious ill health), multiplied by 5.

(5) Where a deferred member exercises the option, the amount of the lump sum is equal to the total amount of ill health pension under regulation [56] (entitlement to ill health pension: deferred member with permanent serious ill health), multiplied by 5.

(6) Where a pension credit member exercises the option, the amount of the lump sum is equivalent, in the opinion of the scheme manager, having regard to guidance from the scheme actuary, to the value of their pension credit rights.

(7) In paragraph (4) and (5), "annual amount" in relation to a pension means the sum of the following amounts—

(a) the amount of the annual rate of the pension to which the member would be entitled under this Part apart from the option; and

(b) the amount of any increase in the annual rate of pension payable under the PIA 1971, calculated—

(i) as at the time payment would otherwise first be due; but

(ii) disregarding any service that the member might have accrued if the member had continued in service until that time.

(8) The option under this regulation is to be exercised by notice in writing to the scheme administrator in such form as the scheme manager requires.

CHAPTER 5

Allocation

Election to allocate pension

61.—(1) An active member or deferred member may elect to allocate a part of the amount of the annual rate of any of the member's pensions under this scheme to another person.

(2) But no election may be made in respect of an ill-health pension payable under regulations [51, 52 or 56] (entitlement to ill-health pension: active members with permanent serious ill-health; entitlement to ill-health pension: active members with significant impairment of capacity for gainful employment; or entitlement to ill-health pension deferred member with permanent serious ill-health) or an added pension (member).

(3) The member may not elect to allocate more than the permitted percentage of the member's annual pension under this scheme.

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

(4) In paragraph (3) "the permitted percentage" means 37.5%, or such lower percentage as appears to the scheme manager, after consultation with the scheme actuary, to be capable of being allocated under this rule without risking that a part of the pension to which any person becomes entitled on the death of the member after age 75 does not qualify as a dependants' scheme pension for the purposed of section 167 of the Finance Act 2004 (the pension death benefit rules) (see paragraphs 16 to 16B of Schedule 28 to that Act).

(5) If a member wishes to allocate pension to more that one person—

(a) a separate election must be made in respect of each of them, and

(b) the limit under paragraph (4) applies to the total amount allocated.

(6) If—

(a) an election does not comply with paragraph (4), or

(b) taken together the member's elections do not so comply,

the scheme administrator may treat the election or, as the case may be, each of the elections, as then allocating such smaller amount as would result in the election, or the elections taken together so complying.

Procedure for allocation election

62.—(1) An allocation election must be made not earlier than six months before the pension becoming payable or any other date advised to the member by the scheme administrator ("the closing date").

(2) A member may at any time before the closing date—

(a) revoke an election; or

(b) amend an election by altering the amount allocated by it.

(3) An election and any revocation or amendment of an election must be made in writing in such form as the scheme manager requires and be lodged with the scheme administrator.

(4) Subject to paragraphs (5) and (7), an election takes effect on the closing date.

(5) An election has not effect if—

(a) the member dies before the closing date; or

(b) the person in whose favour it is made ("the beneficiary") dies before that date; or

(c) the scheme manager is not satisfied that at the time the election is made the beneficiary is the member's spouse or civil partner or a person who in the opinion of the scheme manager meets one of the conditions specified in paragraph (6).

(6) The conditions are—

(a) that the person is financially wholly or mainly dependent on the member; or

(b) that the member and the person are financially independent.

(7) An election has no effect unless—

(a) before the closing date, the member has—

(i) made a declaration about the member's state of health in such form as the scheme manager may request; and

(ii) if requested by the scheme manager, provided evidence relating to the member's health in accordance with that request; and

(b) the scheme manager is satisfied that at the date on which the member makes the declaration the member is in good health.

Effect of allocation

63.—(1) If an allocation election for the allocation of a member's pension to another person ("the beneficiary") has taken effect—

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

(a) the member's pension is reduced accordingly (even if the beneficiary predeceases the member), and

(b) if the beneficiary survives the member, on the member's death the beneficiary becomes entitled to the payment of a pension for life of such amount as the scheme manager may determine, after consultation with the scheme actuary, having regard to—

(i) the amount of the allocation to the beneficiary, and

(ii) the beneficiary's and member's age and gender.

(2) But the scheme manager may withhold payment from the beneficiary if—

(a) (i) the member dies before the expiry of the period of 2 years beginning with the date on which the election takes effect, and

(ii) the scheme manager is satisfied that the member made a false declaration about the member's state of health in connection with making the election, or

(b) the scheme manager is of the opinion that—

(i) the member made the election under duress, or

(ii) the member was mentally impaired at the time when he made the election and would not have made the election apart from the impairment.

(3) An allocation election is disregarded for the purpose of this regulation if it would result in a pension being paid under this regulation to a beneficiary who is neither—

(a) the member's spouse or civil partner on—

(i) the date on which the member becomes entitled to the pension; or

(ii) when the member dies; nor

(b) a dependant of the member for the purposes of paragraph 15(2) or (3) of Schedule 28 to the FA 2004 when the member dies.

(4) If the scheme manager proposes to withhold payment under paragraph (3), the scheme manager must notify the person in writing that the scheme manager proposes to do so and include the reason for the scheme manager's decision.

(5) Such a notification must give the person information about rights under—

(a) the arrangements established by the scheme manager for the resolution of disputes relating to this scheme that are in force at the time the notification is given, and

(b) Part 10 of the Pension Schemes Act 1993 (Investigations: the Pensions Ombudsman), in respect of any decision made under paragraph (3)).

Adjustment of allocated benefits for the Finance Act 2004 where member dies over 75

64.—(1) This regulation applies if—

(a) a member dies after reaching the age of 75, and

(b) but for this regulation, any part of a pension to which a person otherwise becomes entitled under this Chapter on the member's death would not qualify as a dependants' scheme pension for the purposes of section 167 of the FA 2004 (the pension death benefit rules) (see paragraphs 16 to 16C of Schedule 28 to that Act).

(2) The benefit payable to the person may be adjusted in such manner as is determined by the scheme manager.

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

PART 6

Death benefits

CHAPTER 1

Pensions for adult dependants

Surviving spouses' and civil partners' pensions

65.—(1) If an active member, deferred member or pensioner member dies leaving a surviving spouse or civil partner, the surviving spouse or civil partner—

(a) is entitled to a dependant's earned pension that is payable for life; and

(b) depending on the deceased member's circumstances, may be entitled to one or more other pensions payable under this scheme.

(2) Paragraph (1) does not apply if the member is an active member who would not have qualified for a pension under regulation [43] (retirement on or after reaching normal pension age – active members) by virtue of regulation 43(2)(a) or regulation [44] (retirement before reaching normal pension age – deferred members) by virtue of regulation 44(1)(b) or (c), if the member's service had ceased on death otherwise than by reason of death.

(3) A person entitled to a dependant's earned pension under this regulation is entitled to a dependant's added pension if the member was entitled to immediate payment of a retirement added pension (member and dependants) as at the date of the member's death or would have become entitled to such a pension had the member not died.

(4) The scheme manager may withhold the pension or pensions—

(a) where the pension or pensions would be payable to a surviving spouse, if the member and the surviving spouse married less than 6 months before the member's death.

(b) where the pension or pensions would be payable to a surviving civil partner, if the civil partnership was formed less than 6 months before the member's death.

(5) The annual rate of the pension or pensions payable under this regulation is calculated under regulation [68], [69 and 70] (annual rate of adult dependants' pensions payable on death) by reference to the deceased member's own pension rights.

Guaranteed minimum pension for surviving spouses and civil partners

66.—(1) If a person who is the surviving spouse or civil partner of a deceased active, deferred or pensioner member has a guaranteed minimum under section 17 PSA 1993 in relation to benefits in respect of the deceased member under this scheme—

(a) nothing in these regulations permits or requires anything that would cause requirements made by or under that Act in relation to such a person and such a person's rights under a scheme not to be met in the case of the person;

(b) nothing in these regulations prevents anything from being done which is necessary or expedient for the purposes of meeting such requirements in the case of the person; and

(c) paragraph (2) is without prejudice to the generality of this paragraph.

(2) If apart from this regulation—

(a) no pension would be payable to the surviving spouse or civil partner under this Part; or

(b) the weekly rate of the pensions payable would be less than the guaranteed minimum;

a pension the weekly rate of which is equal to the guaranteed minimum is payable to the surviving spouse or civil partner for life or, as the case may be, pensions aggregate weekly rate of which is equal to the guaranteed minimum are so payable.

(3) Paragraph (2) does not apply to a pension that is forfeited as a result of a conviction of an offence referred to in regulation 122 (1)(a) or (b) (events enabling forfeiture).

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

Other adult dependants' pension

67.—(1) If an active member, deferred member or pensioner member dies leaving a surviving adult dependant, and no benefit is payable under regulation [65] (surviving spouses' and civil partners' pension), the scheme manager may award the surviving adult dependant—

(a) a dependant's earned pension that is payable for life; and

(b) depending on the deceased member's circumstances, one or more other pensions that are payable under this scheme.

(2) Paragraph (1) does not apply if the member is an active member who would not have qualified for a pension under regulation [43] (retirement on or after reaching normal pension age – active members), by virtue of regulation 43(2)(a), or [44] (retirement before reaching normal pension age – deferred members), by virtue of regulation 44(1)(b) or (c), if the member's service had ceased on death otherwise than by reason of death.

(3) A person entitled to a dependant's earned pension under this regulation is entitled to a dependant's added pension if the member was entitled to immediate payment of a retirement added pension (member and dependants) as at the date of the member's death or would have become entitled to such a pension had the member not died.

(4) A person is a surviving adult dependant in relation to a member for the purposes of this regulation if the person satisfied the scheme manager as at the date of the member's death—

(a) the person and the member were cohabitating as partners in an exclusive and substantial relationship;

(b) the person and the member were not prevented from marrying or entering a civil partnership; and

(c) either the person was financially dependant on the member or the person and the member were financially interdependent.

(5) The annual rate of the pension or pensions payable under this regulation is to be calculated under regulation [68], [69 and 70] (annual rate of adult dependants' pensions payable on death) by reference to the deceased member's own pension rights.

Annual rate of adult dependants' pensions payable on death of pensioner member

68.—(1) This regulation deals with the annual rate of the pensions payable under regulation [65] or [67] (surviving spouses' and civil partners' pensions and other adult dependants' pensions) on the death of a pensioner member.

(2) The annual rate of the dependant's earned pension is determined by taking an amount equal to 62.5% of the annual rate of the member's retirement earned pension at the point of the member's death after—

(a) subtracting the commutation amount (if any) specified in the account in relation to that amount;

(b) subtracting the Pension Sharing Order amount (if any) specified in the account in relation to that amount; and

(c) disregarding—

(i) the early payment reduction (if any) specified in the account in relation to that amount;

(ii) the in service late payment supplement (if any) specified in the account in relation to that amount;

(iii) the late payment supplement (if any) specified in the account in relation to the amount; and

(iv) the allocation amount (if any) specified in the account in relation to that amount.

(3) The annual rate of the dependant's added pension is found by taking an amount equal to 62.5% of the annual rate of the member's retirement added pension (members and dependants) at the point of the member's death after—

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

(a) subtracting the commutation amount (if any) specified in the account in relation to that amount;

(b) subtracting the Pension Sharing Order amount (if any) specified in the account in relation to that amount; and

(c) disregarding—

(i) the early payment reduction (if any) specified in the account in relation to that amount;

(ii) the in service late payment supplement (if any) specified in the account in relation to that amount;

(iii) the late payment supplement (if any) specified in the account in relation to that amount; and

(iv) the allocation amount (if any) specified in the account in relation to that amount.

Annual rate of adult dependants' pensions payable on death of deferred member

69.—(1) This regulation deals with the annual rate of the pensions payable under regulation [65] or [67] (surviving spouses' and civil partners' pension and other adult dependants' pensions) on the death of a deferred member.

(2) The annual rate of the dependant's earned pension is an amount equal to 62.5% of the provisional amount of the member's deferred earned pension specified in the deferred member's account at the point of the member's death after subtracting the Pension Sharing Order amount (if any) specified in the account in relation to that amount.

(3) The annual rate of the dependant's added pension is an amount equal to 62.5% of the provisional amount of the member's deferred added pension (member and dependants) specified in the deferred member's account at the point of the member's death after subtracting the Pension Sharing Order amount (if any) specified in the account in relation to that amount.

Annual rate of adult dependants' pensions payable on death of active member

70.—(1) This regulation deals with the annual rate of pension payable under regulation [65] or [67] (surviving spouses' and civil partners' pensions and other adult dependants' pensions) on the death of an active member, providing—

(a) the member has at least 2 years' qualifying service; or

(b) a transfer value payment otherwise than from another occupational pension scheme has been accepted in relation to the member under Part [8] (Transfers).

(2) The annual rate of the dependant's earned pension is determined by—

(a) (subject to paragraph (b)) taking an amount equal to 62.5% of the annual rate of the member's retirement earned pension at the point of the member's death as if they left with an ill-health pension under regulation [51] (entitlement to ill-health pension: active members with permanent serious ill-health), or

(b) for active members serving beyond normal pension age, by taking an amount equal to 62.5% of the annual rate of the member's retirement earned pension at the point of the member's death, in each case under paragraph (a) and this paragraph (b) after—

(i) subtracting the Pension Sharing Order amount relating to that pension (if any) specified in the member's pension account; and

(ii) disregarding—

(aa) the early payment reduction (if any) specified in that account in relation to that amount;

(bb) the in service lat payment supplement (if any) specified in that account in relation to that amount; and

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

(cc) the late payment supplement (if any) specified in that account in relation to that amount.

(3) The annual rate of the dependant's added pension is determined by taking an amount equal to 62.5% of the annual rate of the member's retirement added pension at the point of the member's death after—

(a) subtracting the Pension Sharing Order amount relating to that pension (if any) specified in the member's pension account; and

(b) disregarding—

(i) the early payment reduction (if any) specified in that account in relation to that amount;

(ii) the in service late payment supplement (if any) specified in that account in relation to that amount; and

(iii) the late payment supplement (if any) specified in that account in relation to that amount.

Reduction in pensions in case of wide age disparity

71.—(1) If on the death of a member a pension is payable under regulation [65] or [67] (surviving spouses' and civil partners' pensions and other adult dependants' pensions) to a person ("the beneficiary") who is more than 12 years younger than the member, the annual rate of the pension calculated under this Chapter is reduced by the appropriate amount.

(2) The appropriate amount is the lower of—

(a) 50% of the amount of the annual rate of the pension so calculated; or

(b) 2.5 x (N – 12)% of the annual rate of the pension,

where N is the number of whole years by which the beneficiary is younger than the member.

(3) This regulation does not apply in respect of a member—

(a) to whom rule K.8 or L.7 of the Armed Forces Pension Scheme Order 2005(**a**) ("2005 scheme") would apply had the member not transferred from the 2005 scheme to this scheme; or

(b) who on 31st March, 2015 is a member of a scheme listed in paragraphs 25, 26 or 27 of Schedule 5 of the Act.

CHAPTER 2

Pensions for eligible children

Surviving children's pensions

72.—(1) If an active member, deferred member or pensioner member dies leaving a surviving eligible child, the eligible child—

(a) is entitled to a child's earned pension; and

(b) depending in the decreased member's circumstances, may be entitled to one or more other pensions under this scheme.

(2) If the child ceases to be an eligible child after the date of the member's death, the pension ceases to be payable unless and until the child becomes an eligible child again, but, if the child does not cease to be an eligible child, the pension is payable for life.

(3) This regulation is subject to regulation [75] (children born after the member's death) and regulation [88] (provisional awards of children's pensions: late adjustments).

(4) A child's earned pension is payable under this regulation if—

(**a**) S.I. 2005/438

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

(a) the member was entitled to immediate payment of a retirement earned pension as at the date of the member's death; or

(b) the member would have become entitled to a retirement earned pension had the member not died.

(5) If a child's earned pension is payable under this regulation, a child's added pension is payable under this regulation if the member was entitled to immediate payment of an added pension (member and dependants) as at the date of the member's death or would have become entitled to such a pension had the member not died.

(6) The annual rate of the pension or pensions payable under this regulation is calculated under regulation [74] (annual rate of children's pensions) by reference to the deceased member's own pension rights.

Meaning of "eligible child"

73.—(1) In these Regulations, "eligible child", in relation to a deceased member, means—

(a) a natural or adopted child of the member who meets any of conditions A to C; or

(b) any other child of young person who—

(i) meets any of those conditions; and

(ii) was financially dependent on the member as at the date of the member's death.

(2) Condition A is that the person is aged under 18.

(3) Condition B is that the person is in full-time education or vocational training and has not reached the age of 23.

(4) Condition C is that the person is unable to engage in gainful employment because of physical or mental impairment and either—

(a) the person has not reached the age of 23; or

(b) that impairment is, in the opinion of the scheme medical adviser, likely to be permanent and the person is dependent on the member as at the date of the member's death because of physical or mental impairment.

(5) A person who is aged under 19 on the date on which the person ceases to be in full-time education is treated as being in such education until the first of the following dates after the person ceases to be in that education—

(a) the second Monday in January;

(b) the second Monday after Easter Monday;

(c) the second Monday in September;

(d) the date on which the person becomes engaged full-time in gainful employment;

(e) the person's 19th birthday.

(6) A person who, as at the date of the member's death, is aged under 23 and is taking a break from full-time education or vocational training for a period not exceeding 15 months is assumed to be continuing in such education or training during the break for the purpose of determining—

(a) whether the person is an eligible child at that date (but not at any later date); and

(b) the number of eligible children in respect of whom pension are payable under regulation [72] ("surviving children's pensions") immediately after that date.

(7) A person who is prevented from continuing in full-time education or vocational training on account of ill-health is treated for the purposes of condition B and paragraph (6) as continuing to be in such education or training until the person is no longer so prevented.

(8) Paragraph (7) does not apply at any time when the person's health is such that it is reasonable to assume that they will not be capable of undertaking any further education or training.

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

(9) Nothing in paragraph (6) requires a pension to be paid in respect of the person during the break in the person's education or training.

Annual rate of children's pensions

74.—(1) This regulation deals with the annual rate of the pensions payable under regulation [72] ("surviving children's pensions") on the death of a member by reference to the deceased member's own pension rights.

(2) The annual rate of the child's earned pension is determined by—

(a) where an adult dependant's earned pension is payable under regulation [65] or [67] (surviving spouses' and civil partners' pensions and other adult dependants' pensions) after taking the actions under paragraph (3)—

(i) for one eligible child only, an amount equal to 25% of the annual rate of the member's earned pension at the point of the member's death;

(ii) for two or more eligible children, an equal share of 37.5% of the annual rate of the member's earned pension at the point of the member's death.

(b) where an adult dependant's earned pension is not payable under regulation [65] or [67] (surviving spouses' and civil partners' pensions and other adult dependants' pensions) or no longer payable under regulation [65] or [67] after taking the actions under paragraph (3)—

(i) for one eligible child only, an amount equal to 1/3rd of the annual rate of the member's earned pension at the point of the member's death;

(ii) for two or more eligible children, an equal share of 100% of the annual rate of the member's earned pension at the point of the member's death, but limited to 1/3rd per child.

(3) The actions under this paragraph are—

(a) subtracting the commutation amount (if any) specified in the deceased member's pension account in relation to the earned pension;

(b) disregarding—

(i) the early payment reduction (if any) specified in that account in relation to the earned pension;

(ii) the in service late payment supplement (if any) specified in that account in relation to that amount;

(iii) the late payment supplement (if any) specified in that account in relation to that amount;

(iv) the Pension Sharing Order amount (if any) specified in that account in relation to the earned pension; and

(v) the allocation amount (if any) specified in that account in relation to the earned pension.

(4) The annual rate of the child's added pension is determined by—

(a) where an adult dependant's added pension is payable under regulation [65] or [67] (surviving spouses' and civil partners' pensions and other adult dependants' pensions) after taking the actions under paragraph (5)—

(i) for one eligible child only, an amount equal to 25% of the annual rate of the member's added pension at the point of the member's death;

(ii) for two or more eligible children, an equal share of 37.55 of the annual rate of the member's added pension at the point of the member's death; or

(b) where an adult dependant's added pension is not payable under regulation [65] or [67] (surviving spouses' and civil partners' pensions and other adult dependants' pensions) or no longer payable under regulation [65] or [67] after taking the actions under paragraph (5)—

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

(i) for one eligible child only, an amount equal to 1/3rd of the annual rate of the member's added pension at the point of the member's death;

(ii) for two or more eligible children, an equal share of 100% of the annual rate of the member's added pension at the point of the member's death, but limited to 1/3rd per child.

(5) The actions under this paragraph (5) are—

(a) subtracting the commutation amount (if any) relative to the deceased member's added pension specified in the member's pension account;

(b) disregarding—

(i) the early payment reduction (if any) specified in that account in relation to the added pension;

(ii) the in service late payment supplement (if any) specified in that account in relation to that amount;

(iii) the late payment supplement (if any) specified in that account in relation to that amount;

(iv) the Pension Sharing Order amount (if any) specified in that account in relation to the added pension; and

(v) the allocation amount (if any) specified in that account in relation to added pension.

Children born after the member's death

75.—(1) For the purposes of regulation [74] (annual rate of children's pensions), a member is only treated as leaving a child who is born after the member's death if the child is born before the first anniversary of the date of the member's death.

(2) No pension is payable under that regulation in respect of any period before the child's birth.

(3) But in determining the number of pensions payable immediately after the date of the member's death for the purposes of regulation [74] (annual rate of children's pensions), a pension in respect of a child born after the member's death is treated as so payable.

CHAPTER 3

Lump sum death benefits

Meaning of "final pensionable earnings"

76.—(1) In this Chapter, "final pensionable earnings", in relation to a member, means the greatest amount that is the member's total pensionable earnings, under regulation [23] (pensionable earnings), for 365 consecutive days falling within the period of 3 years ending with the last day of service.

(2) If the person was required to be in service as a member of the armed forces during any period of 365 consecutive days falling within the period of 3 years mentioned in paragraph (1) but was not in such service for a period of 365 consecutive days, that the paragraph applies as if it referred to the person's annualised pensionable earnings in the period of service ending with the last day of service.

(3) The person's annualised pensionable earnings in the period of service are the amount given by the formula—

PE x (365 ÷ N)

where—

PE is the person's pensionable earnings for the period, and

N is the number of days in the period for which pensionable earnings were received.

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

If the period of the final pensionable earnings includes the day 29 February, for "365" substitute "366".

(4) If at any time during the period of 3 years mentioned in paragraph (1) or the period mentioned in paragraph (2), the member is treated under regulation [24] (meaning of 'assumed pay') as receiving assumed pay, or would be if they were a member of this scheme throughout that period, for the purposes of this regulation, their pensionable earnings for each day during that period when they are so treated include the assumed pay for that day.

Earnings adjustments in determining final pensionable earnings

77.—(1) For the purpose of determining which is the greatest amount mentioned in regulation [76] (meaning of 'final pensionable earnings'), the amount of pensionable earnings, as determined in accordance with regulation [76] for that part of the period of 365 days that falls 365 days or more before the last day of service is adjusted for inflation.

(2) Any adjustment made for the purpose of determining final pensionable earnings shall be disregarded for all other purposes of this scheme.

(3) The reference in paragraph (1) to adjusting for inflation the amount of pensionable earning for part of the period is a reference to increasing it by the same amount as that by which an annual pension of an amount equal to those earnings would have been increased under the PIA 1971 on the day following the last day of service if the pension—

(a) were eligible to be so increased, and

(b) had come into payment on the day following the last day of that period.

Death of a member: Lump sum benefit

78.—(1) On the death of a member, the scheme manager may pay a lump sum to—

(a) the person or persons nominated by the member in accordance with regulation [84] (nominations for lump sum death benefits);

(b) if there is no person within sub-paragraph (a), to any person who is entitled to a pension under regulation [65] or [67] (surviving spouses' and civil partners' pensions and other adult dependants' pensions) in respect of the member;

(c) if there is no person within sub-paragraphs (a) or (b), to any person who, but for the application of regulation [65] or [67] (surviving spouses' and civil partners' pensions and other adult dependants' pensions) would be so entitled or to whom a pension may be awarded; or

(d) if there is no person within sub-paragraph (a), (b) or (c), to the member's personal representatives.

(2) If the scheme manager decides to pay all or part of the lump sum in accordance with a nomination then—

(a) the payment is to be made to them in such proportions as the member has specified in the nomination; or

(b) if no proportions are so specified, in such proportions as the scheme manager considers appropriate.

(3) This regulation does not apply if—

(a) the member is—

(i) a pension member, who is not also a deferred member or an active member; or

(ii) a pension credit member who dies after any benefits attributable to a pension credit have become payable and who is not also an active member, a deferred member or a pensioner member; and

(b) the death takes place—

(i) more than 5 years after the member' pension becomes payable; or

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

(ii) after the member's pension has been commuted under regulation [116] (commutation of small pensions) or [60] (option for members in serious ill-health to exchange whole pension for lump sum).

Lump sum amount payable on death of active member

79.—(1) In the case of a deceased active member, the amount of the lump sum payable under regulation [78] (death of a member; lump sum benefit) is equal to the member's final pensionable earnings, multiplied by four. This is subject to paragraph (2).

(2) If the member was both an active member and a deferred member, and the aggregate of the amount payable under regulation [80] (lump sum amount payable on death of deferred member) and any amount payable by way of a lump sum on the death of the member as a deferred member of a connected scheme is greater than the amount payable under paragraph (1), the amount payable under regulation [80] (lump sum amount payable on death of deferred member) is payable instead of the amount specified in paragraph (1).

(3) For the purpose of this regulation, any amounts paid or payable to or in respect of the member in the capacity of a pension credit member are disregarded.

Lump sum amount payable on death of deferred member

80.—(1) In the case of a deceased deferred member, the amount of the lump sum payable under regulation [78] (death of a member: lump sum benefit) is equal to the annual rate of the member's provisional annual pension, multiplied by 3.

(2) The annual pension is the annual rate specified in the deferred member's account at the point of the deferred member's death but subtracting the Pension Sharing Order amount (if any) and added pension (member) (is any).

(3) If the member was both a deferred member and an active member, and the amount payable under regulation [79] (lump sum amount payable on death of active member) is greater than the aggregate of the amount payable under paragraph (1) and any amount payable by way of lump sum on death of the member as a deferred member of any connected scheme, the amount payable under regulation [79] is payable instead if the amount specified in paragraph (1).

(4) If the member was both a deferred member and a pensioner member, and the amount payable under regulation [81] (lump sum amount payable on death of pensioner member) is greater than the amount payable under paragraph (1), the amount payable under regulation [81] is payable instead of the amount specified in paragraph (1).

(5) For the purpose of this regulation any amounts paid or payable to or in respect of the member in the capacity of a pension credit member are disregarded.

Lump sum amount payable on death of pensioner member

81.—(1) In the case of a pension member, who dies within 5 years of receipt of their pension, the amount of the lump sum payable under regulation [78] (death of a member: lump sum benefit) is equal to—

(a) the member's annual pension, multiplied by 5, less

(b) the total amount of any pension payments made to the member as such under this scheme.

(2) The reference in paragraph (1)(a) to the member's annual pension is to the sum of the following amounts—

(a) the amount of the annual rate of each pension as at the beginning date for that pension, but subtracting the commutation amount (if any); and

(b) the amount of increase (if any) in the annual rate of each such pension under the PIA 1971 payable as at the date of the member's death.

(3) If the member was both a pensioner member and an active member, and the amount payable under regulation [79] ("lump sum amount payable on death of active member") is greater than the

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

amount payable under paragraph (1), the amount payable under regulation [80] is payable instead of the amount specified in paragraph (1).

(4) If the member was both a pensioner member and a deferred member, and the amount payable under regulation [80] (lump sum amount payable on death of deferred member) is greater than the amount payable under paragraph under (1), the amount payable under regulation [80] is payable instead of the amount specified in paragraph (1).

(5) For the purpose of this regulation any amounts paid or payable to or in respect of the member in the capacity of a pension credit member are disregarded.

Lump sum amount payable on death of pension credit member

82.—(1) In the case of a pension credit member who dies before any benefits derived from their pension credit have become payable, the amount of the lump sum payable under regulation [78] (death of a member: lump sum benefit) is calculated by multiplying by 3 the amount of the annual pension that would have been payable to the member under regulation [48] (annual rate of pension credit member's pension) if that pension had become payable to the member on the date of the member's death.

(2) The reference in paragraph (1) to the member's annual pension is to the sum of the following amounts—

(a) the amount of the annual rate of pension as at the beginning date for that pension, without subtracting the early payment reduction amount (if any); and

(b) the amount of increase (if any) in the annual rate of each such pension under the PIA 1971 payable as at the date of the member's death.

(3) In the case of a pension credit member who dies after the pension credit member's pension under regulation [48] (annual rate of pension credit member's pension) becomes payable, the amount of the lump sum payable under regulation [78] (death of a member: lump sum benefit) is equal to—

(a) the amount of the pension that would have been payable to the pension credit member during so much of the period of five years beginning with the date on which the pension became payable as falls after the date of death, but subtracting the commutation amount (if any), less

(b) the total amount of any pension payments made to the member as such under this scheme.

(4) In this regulation "amount of pension" means the sum of—

(a) the amount of the annual rate of the pension as at the beginning date for that pension; and

(b) the amount of increase (if any) in that annual rate of pension under the PIA 1971, payable as at the date of the member' death.

Members affected by court orders to former spouses and civil partners on death

83.—(1) This regulation applies if, on a member's death, the scheme manager is required under a court order to pay any part of any amount payable under regulation [78] (death of a member: lump sum benefit) to the member's former spouse or civil partner.

(2) The amount payable under that regulation is first determined as if no such order had been made, and then this Part applies as if the amount payable under that regulation were reduced by the amount payable under the court order.

Nominations for lump sum death benefits

84.—(1) For the purposes of regulation [78] (death of a member: lump sum benefit), a member may nominate—

(a) one or more individuals;

(b) one incorporated or unincorporated body; or

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

(c) one or more individuals and one incorporated or unincorporated body.

(2) A nomination may specify how payments are to be apportioned between—

(a) two or more individuals; or

(b) one or more individuals and one incorporated or unincorporated body.

(3) A nomination must be made by signed notice in writing to the scheme administrator in such form as the scheme manager may require or is willing to accept.

(4) A member may revoke or alter a nomination by a further signed notice in writing to the scheme administrator in such form as the scheme manager may require or is willing to accept.

(5) The nomination of a person is invalid—

(a) if—

(i) the person nominated is an individual who was the spouse, civil partner or other adult dependant of the member at the date the nomination was made and is not the spouse, civil partner or other adult dependant of the member immediately before the member's death; and

(ii) the member did not confirm the nomination by notice in writing to the scheme administrator after the marriage, civil partnership or adult dependency ended; or

(b) if the person nominated is an individual who predeceases the member.

(6) If a person nominated is convicted of the offence of murder of the member, the person's nomination is to be treated as invalid from the member's death.

(7) If a person nominated is convicted of manslaughter or any other offence (apart from murder) of which the unlawful killing or wounding of the member is an element, the scheme manager may determine that the nomination is to be treated as invalid from the member's death.

(8) A nomination made by a member in respect of a connected scheme which is valid on or after 31st March 2015 will be treated as valid under this scheme.

CHAPTER 4

General provisions

Pension debit members

85.—(1) This regulation applies where the deceased member was a pension debit member.

(2) If the member was an active member—

(a) the pensions payable under regulation [65] (surviving spouses' and civil partners' pensions) or regulation [67] (other adult dependants' pensions) are to be calculated by reference to the amount of the pension to which the member would have been entitled after any reduction under section 31 of the WRPA 1999 ("section 31");

(b) the amount payable under regulation [72] (surviving children's pensions) by virtue of regulation [74] (annual rate of children' pensions)—

(i) is first calculated as if the member were nor a pension debit member; and

(ii) is then subject to any reduction required under section 31 of the WRPA 1999 ("section 31"), and

(c) the lump sum payable under regulation [78] (death of a member: lump sum benefit) is to be calculated under regulation [79] (lump sum amount payable on death or active member).

(3) If the member was a deferred member—

(a) the amount of the pension payable under regulation [65] (surviving spouses' and civil partners' pensions) or regulation [67] (other adult dependants' pensions) is to be calculated by reference to the amount of the pension to which the member would have been entitled after any reduction under section 31; and

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

(b) the amount payable under regulation [72] (surviving children's pensions) by virtue of regulation [74] (annual rate of children's pensions)—

(i) is first calculated as if the member were not a pension debit member; and

(ii) is then subject to any reduction required under section 31.

(c) the lump sum payable under regulation [78] (death of a member lump sum benefit) is to be calculated under regulation [80] (lump sum amount payable on death of deferred member).

(4) If the member was a pensioner member—

(a) the amount of the pension payable under regulation [65] (surviving spouses' and civil partners' pension) or regulation [67] (other dependants' pension) is to be calculated by reference to the amount of the pension to which the member was entitled (after the reduction under section 31);

(b) the amount payable under regulation [72] (surviving children's pensions) by virtue of regulation [74] (annual rate of children's pensions)—

(i) is first calculated as if the member were not a pension debit member; and

(ii) is then subject to any reduction required under section 31, and

(c) the lump sum payable under regulation [78] (death of a member lump sum benefit) is to be calculated under regulation [81] (lump sum amount payable on death of pensioner member).

Dependants' pensions and children's pensions: suspension and recovery

86.—(1) This regulation applies if—

(a) on a member's death a pension has been awarded and paid under this Part; and

(b) it later appears to the scheme manager that the member or the person to whim the pension has been paid made a false declaration to deliberately suppressed a material fact in connection with the award.

(2) The scheme manager may—

(a) cease paying the pension; and

(b) recover any payment made under the award.

(3) Paragraph (2) does not affect the scheme manger's right to recover a payment or overpayment in any case where the scheme manager considers it appropriate to do so.

Recovery of lump sum payments made to nominees

87.—(1) The scheme manager may recover a lump sum death benefit paid under regulation [78] (death of a member: lump sum benefit) if—

(a) the payment is made to a person because of the person's nomination under regulation [84] (nomination for lump sum benefits); and

(b) the person's nomination is subsequently found to be invalid under that regulation.

(2) Paragraph (1) does not affect the scheme manager's right to recover a payment or overpayment in any case where the scheme manager considers it appropriate to do so.

Provisional awards of children's pensions: later adjustments

88.—(1) This regulation applies where after the death of an active member, deferred member or pensioner member—

(a) a pension is paid in respect of one or more persons under this Part on the basis that they were eligible children as at the date of the member's death and that there were then no other eligible children: and

(b) subsequently it appears—

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

(i) that a person in respect of whom such a pension has been paid was not then an eligible child;

(ii) that a further person was then an eligible child; or

(iii) that a child who was born after the member's death is an eligible child.

(2) The scheme manager may make such adjustments in the amount of the pensions payable in respect of the children in question as are required in view of the facts as they subsequently appear.

(3) Paragraph (2) does not affect the scheme manager's right to recover a payment or overpayment in any case where the scheme manager considers it appropriate to do so.

Payments under this Part

89.—(1) Except where specified otherwise in this Part, a pension under this Part is payable form the day after the date of the member's death.

(2) Payments of a lump sum payable under this Part must be made before the expiry of the period of 2 years beginning with the earlier of—

(a) the day on which the scheme manager first knew of the member's death; and

(b) the day on which the scheme manager could reasonably be expected to have know of the member's death.

(3) The annual amount of pension paid to a person under this Part shall be increased by such amount as the scheme manager, after consulting with the scheme actuary, may determine, if—

(a) the scheme manager has determined that a lump sum should be paid to the person under this Part, but the lump sum is not paid within 2 years of the date of the death; or

(b) the scheme manager has determined that, but for paragraph (1), a lump sum would have been paid to the person.

(4) Unless the scheme manager directs otherwise, a pension payable under this Part in respect of an eligible child aged under 18 must be paid—

(a) if the child is in the care of the member's surviving spouse or civil partner or a person who is the member's surviving adult dependant for the purposes of regulation [64] (other adult dependants' pensions), to the surviving spouse or civil partner or the adult dependant; and

(b) in any other case, to the child's guardian.

Payment of death benefits to dual capacity member

90.—(1) This paragraph applies if the deceased member was a dual capacity member of this scheme.

(2) The general rule is that—

(a) benefits are payable in respect of the member under this Part as if 2 of more members of the kinds in question had died (so that 2 or more pensions or lump sums are payable in respect of the one deceased member); and

(b) the amounts payable are determined accordingly.

(3) But that general rule is subject to—

(a) regulation [79] and regulation [80] (lump sum amount payable on death of active member and lump sum amount payable on death of deferred member); and

(b) regulation [81] and regulation]82] (lump sum amount payable on death of pension member and lump sum amount payable in death of pensioner credit member).

(4) If a person who is a pension credit member is entitled to 2 or more pension credits—

(a) benefits are payable in respect of the person under this scheme as if the person were 2 or more persons, each being entitled to one of the pension credits (so that 2 or more pensions or lump sums are payable in respect of the one pension credit member); and

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

(b) the amounts of those benefits are determined accordingly.

PART 7

Contributions to purchase added pension

CHAPTER 1

Contributions

Member's option to make periodical contributions to purchase added pension

91.—(1) An active member may opt to make periodical contributions during the contribution option period to increase—

(a) the benefits payable to the member under Part 5 (retirement benefits), or

(b) the benefits payable under Part 5 and Part 6 (death benefits).

(2) The option must be exercised by notice in writing to the scheme administrator in such form and subject to such conditions as the scheme manager requires.

(3) A member may exercise the option more than once but the option may only be exercised once in any scheme year. This is subject to paragraph (9) and regulation [94] (periodical contributions: special cases).

(4) If a member exercises an option under paragraph (1), the contributions are payable by deduction from the member's earnings for the first pay period of the scheme year beginning on or after the date that the scheme administrator considers appropriate that begins on or after the date of on which the scheme administrator receives the member's application to exercise the option ("the receipts date") and for all subsequent pay periods beginning during the contribution option period. This is subject to regulation [93] (cancellation of options to make periodical payments) and regulation [94] (periodical contributions: special cases).

(5) If a member exercises an option under paragraph (1)—

(a) the contributions payable are to be fixed sums,

(b) in the case of an option under paragraph (1)(a), the amount that the member is entitled to count as added pension (member) for a scheme year in which those contributions are paid is such amount as is indicated as appropriate for the amount of those contributions in tables issued by the scheme manager after consultation with the scheme actuary, and

(c) in the case of an option under paragraph (1)(b), the amount that the member is entitled to count as added pension (member and dependants) for the scheme year in which those contributions are paid is such amount as is indicted as appropriate for the amount of those contributions in tables issued by the scheme manager, after consultation with the scheme actuary.

This is subject to paragraph (6).

(6) The total pension amounts included in the member's pension account regulation [29] (establishment of active member's account) as a result of contributions made under this regulation, taken together with—

(a) any pension amounts so included as a result of contributions made under regulation [91] (member's option to pay lump sum contributions to purchase pension), and

(b) any pension amounts included in any other pension account established at any time under regulation [29] (establishment of active member's account) in respect of the member as a result of—

(i) contributions made under this regulation;

(ii) contributions made under regulation [91] (member's option to pay lump sum contributions to purchase pension);

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

may not exceed such amount as the scheme manager, after the consent of the Treasury has been obtained, may for the time being determine.

(7) A member may not make contributions under this regulation of less that such amount as the scheme manager may for the time being determine.

(8) In these regulations "the contribution option period", in relation to an option under this regulation means—

(a) a scheme year, or

(b) such shorter period as may be specified in the notice relating to the option.

(9) A member may not exercise the option under paragraph (1) and the option under regulation [92(1)] (member's option to pay lump sum contributions to purchase pension) in the same scheme year.

Member's option to pay lump sum contributions to purchase pension

92.—(1) An active member may opt to make a single lump sum contribution to increase—

(a) the benefits payable to the member under Part 5 (retirement benefits), or

(b) the benefits payable under Part 5 and Part 6 (death benefits).

(2) A member may not make a contribution under this regulation of less that such amount as the scheme manager may for the time being determine.

(3) The option must be exercised by notice in writing to the scheme administrator in such form as subject to such conditions as the scheme manager requires.

(4) A member may exercise the option under paragraph (1) more than once, but it may only be exercised once in any scheme year. This is subject to regulation [91(9)].

(5) If a member exercises an option under paragraph (1), the contribution is payable immediately by the member to the scheme administrator by deduction from the member's earnings or otherwise.

(6) If a member exercises an option under paragraph (1)(a), the amount that the member is entitled to count as member's added pension for the relevant scheme year is such amount as is indicated as appropriate for the amount of the contribution in tables issued by the scheme manager, after consultation with the scheme actuary.

(7) If a member exercises an option under paragraph (1)(b) or to pay a lump sum under regulation [94(c)] (periodical contributions: special cases), the amount that the member is entitled to count as added pension (member and dependants) for the relevant scheme year is such amount as is indicated as appropriate for the amount of the contribution in tables issued by the scheme manager, after consultation with the scheme actuary. This is subject to paragraph (8).

(8) The total pension amounts included in the member's pension account under regulation [29] (establishment of active member's account) as a result of contributions made under this regulation take together with—

(a) any pension amounts so included as a result of contributions made under regulation [91] (member's option to pay periodical contributions to purchase pension), and

(b) any pension amounts included in any other pension account established at any time under regulation [29] (establishment of active member's account) in respect of the member as a result of—

(i) contributions made under this regulation; and

(ii) contributions made under regulation [91] (member's option to make periodical contributions to purchase added pension);

may not exceed such amount as the scheme manager, having obtained the consent of the Treasury, may for the time being determine.

(9) In this regulation—

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

"the relevant day" means the day on which the payment is received by the scheme administrator; and

"the relevant scheme year" means the scheme year in which the relevant day falls.

Calculation of options to made periodical contributions

93.—(1) A member may cancel an option under regulation [91] (member's option to make periodical contributions to purchase added pension) by giving the scheme administrator notice in writing in such form as the scheme manager requires.

(2) If a member cancels such an option, the periodical contributions cease to be payable in respect of the member's pensionable earnings for all pay periods falling in the current scheme year after the pay period in which the scheme administrator receives the notice.

(3) If it appears to the scheme administrator that the requirement in regulation [91(6) will not be met if the member continues to make periodical contributions under regulation [91], the scheme administrator may cancel the option under regulation [91(1)] by giving the member notice in writing.

(4) If the scheme administrator cancels such an option, the periodical contributions cease to be payable in respect of the member's pensionable earnings for all pay periods falling after the date specified in the notice.

Periodical contributions: special cases

94. If a member who has exercised an option under regulation [91(1)] (member's option to make periodical contributions to purchase added pension) has a period of absence from work or the member's pay for any pay period is insufficient to meet the periodical contributions for a contribution option period, the member may—

(a) cease to pay the periodical contributions payable under the option, or

(b) pay the same amounts of contributions as would be payable if the member were receiving pensionable earnings at the full-rate; or

(c) opt by giving the scheme administrator notice in writing in such form as the scheme manager may require, to pay the contributions for the contribution option period within the scheme year after the absence has ended or when the member's pay has again become sufficient, by such instalments as the member may agree with the scheme manager or by lump sum.

Calculation of Added Pension: death in service or medical discharge

95. Where a member who is making periodical contributions in respect of added pension (member and dependants) dies in service or is discharged with an ill health award there may be credited to the relevant account of the member by the Secretary of State such amounts as would have been credited by the member for that scheme year but only for the death or discharge.

Repayment of contributions

96.—(1) The contributions made by a member under this Part are not repayable in any circumstances except if—

(a) paragraph (2) applies, or

(b) Chapter 5 of Part 4 of the Pension Schemes Act 1993 (early leavers: cash transfer sums and contribution refunds) applies, the member has elected under that part for a contribution refund and the payment is made in accordance with that Chapter.

(2) This paragraph applies if —

(a) a person who is not a pensioner member ceases to be in pensionable service, and

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

(b) the person is not entitled to a pension under regulation [43] or [44] because of the provisions of regulations [43(2) or 44(2)].

(3) If paragraph (1)(b) applies, the person is entitled to be paid the amount to which the person is entitled under Chapter 5 of Part 4 of the Pension Schemes Act 1993, less an amount equal to the income tax payable under section 205 of the FA 2004 (short service refund lump sum charge) as a result of the repayment.

(4) If paragraph (2) applies, the person is entitled to be paid an amount equal to the sum of the contributions made by the person under this Part, less the sum of the amounts mentioned in paragraph (3).

(5) If a repayment is made under this regulation, the member's rights under this Part are extinguished.

CHAPTER 2

Secondment

Members seconded to NATO or the UN etc

97.—(1) This regulation applies if an active member is seconded during any period—

(a) to the United Nations or the North Atlantic Treaty Organisation, or

(b) under arrangements with any other organisation or person under which persons who are in service as a result of which they are eligible to belong to the scheme are seconded into other service.

(2) If at the end of that period the member resumes service in the armed forces in which he is an active member of the scheme, the member may opt to make a single lump sum contribution to the scheme so as to preserve the earned pension benefits to which the member would have been entitled but only for the secondment.

(3) The option is to be exercised by notice in writing to the scheme administrator in such form as the scheme manager requires.

(4) If a member exercises the option under paragraph (2) and pays to the scheme administrator a contribution equal to the aggregate amount of—

(a) any contributions returned to the member by the pension arrangement to which the member belonged in respect of his service during the secondment, and

(b) any lump sum paid to the member on leaving the organisation or to the person to whom he was seconded as a severance payment,

the member is entitled to count the amount as being equal to their earned pension benefits to which the member would have been entitled but only for the secondment.

(5) If the aggregate amount mentioned in paragraph (4) is less than the amount determined by the scheme manager after consultation with the scheme actuary to be the amount required to be paid in order to preserve the earned pension benefits under paragraph (2), the Secretary of State must make a contribution to the Scheme equal to the difference.

PART 8

Transfers

CHAPTER 1

Preliminary

Interpretation

98.—(1) In this Part—

"guarantee date" has the meaning given in section 93A(2) of the PSA 1993;

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

"statement of entitlement" has the meaning given in section 93A(1) of the PSA 1993;

"transfer value" means an amount equal to—

(a) the guaranteed cash equivalent as defined in section 94(1A) of the PSA 1993 calculated in accordance with regulations made under section 97 of that Act, or

(b) a sum representing the aggregate of the amount in paragraph (a) and such other amount as may be payable by virtue of regulation [99] (right to require payment of a transfer value); and

"transfer value payment" means—

(a) in Chapter 2, payment of a transfer value in respect of a member's right to accrued benefits under this scheme; and

(b) in Chapter 3, payment of a transfer value in respect of a member's accrued rights under a pension scheme mentioned in regulation [106] (rights to request acceptance of transfer value payment).

(2) This Part applies in the case of a transfer to which the public sector transfer arrangements apply as it applies in other cases, except to the extent that—

(a) any provision in this Part provides otherwise, or

(b) the arrangements themselves made different provision.

CHAPTER 2

Transfers out

Right to require payment of a transfer value

99.—(1) This Chapter applies to a member to whom Chapter 4 of Part 4 of the PSA 1993 (transfer values) applies.

(2) This Chapter—

(a) supplements the rights conferred by or under that Chapter; and

(b) is without prejudice to that Chapter.

(3) Accordingly, the member is entitled to require payment of a transfer value in respect of the member's right to accrued benefits under this scheme.

(4) Paragraph (3) does not apply to benefits that are attributable (directly or indirectly) to a pension credit.

(5) Paragraph (3) does not apply if the deferred is entitled under Regulation [96] (repayment of contributions) to repayment of the contributions the member has paid during the period of service ending with the member's ceasing to be an active member or acquires a right to a contribution refund under Chapter 5 of Part 4 of the PSA 1993.

Applications for statements of entitlement

100.—(1) A member who requires a transfer value payment must apply to the scheme Administrator under section 93A(1) of the PSA 1993 for a statement of entitlement.

(2) The application must be in writing.

(3) The member may withdraw the application by notice in writing at any time before the statement is provided.

(4) The member may not make more than 2 applications in any period of 12 months.

Applications for a transfer value payment

101.—(1) A member who has been provided with a statement of entitlement may apply to the scheme administrator under section 95 of the PSA 1993 for a transfer value payment.

(2) The application must—

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

(a) specify the pension scheme or other pension arrangement to which the transfer value should be paid; and

(b) meet such other conditions as the scheme manager may require.

(3) The member may withdraw the application by notice in writing to the scheme administrator in accordance with section 100(1) of the PSA 1993.

(4) Under section 100(2) of that Act, a withdrawal is of no effect if an agreement for the use of the whole or part of the cash equivalent has already been entered into with a third party.

Calculating amount of the transfer value

102.—(1) If a transfer value payment is made later than 6 months after the guarantee date, the amount of the transfer value must be increased in accordance with regulations made under section 97 of the PSA 1993.

(2) If a transfer value is less than the minimum transfer value, the amount of the transfer value must be increased so that it is equal to the amount of the minimum transfer value.

(3) For the purpose of paragraph (2), "the minimum transfer value" is the sum of the following amounts—

(a) the amount of the member's contributions under Part 7 (contributions to purchase added pension); and

(b) the amount of any transfer value payments and cash transfer sums accepted in relation to the member under this Part.

Ways in which a transfer value payment may be used

103.—(1) A member may only require the scheme manager to use a transfer value payment in a way specified in section 95(2) of the PSA 1993.

(2) The whole of the transfer value must be applied subject to paragraph (4).

(3) A transfer value payment may only be made to—

(a) a registered pension scheme; or

(b) a pension arrangement that is a qualifying recognised overseas pension scheme for the purposes of Part 4 of the FA 2004 (see section 169(2) of that Act).

(4) If section 96(2) of the PSA 1993 applies, there may be excluded from the transfer value payment the benefits attributable to—

(a) the member's accrued rights to a guaranteed minimum pension, or

(b) the member's accrued rights attributable to service in contracted-out employment on or after 6 April 1997.

Effect of transfers-out

104. If a transfer value payment is made under this Chapter in respect of a member's accrued rights under this scheme, those rights are extinguished.

CHAPTER 3

Transfers in

Interpretation

105. In this Chapter, "transfer date" means the day on which the transfer value payment is received by the scheme manager.

Rights to request acceptance of transfer value payment

106.—(1) This Chapter applies to an active member who has accrued rights under—

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

(a) another occupational pension scheme that—

(i) is a registered pension scheme, and

(ii) is not a connected scheme; or

(b) a personal pension scheme.

(2) The member may request that the scheme manager accept payment of a transfer value in respect of some or all of those accrued rights.

(3) In this regulation, "accrued rights" does not include rights that are attributable (directly or indirectly) to a pension credit.

Procedure for making a request

107.—(1) A request under regulation 103(2) ("a request")—

(a) must be in writing;

(b) must specify—

(i) the pension scheme or arrangement from which the transfer value payment is requested to be made; and

(ii) the anticipated amount of the payment; and

(c) must meet such other conditions as the scheme manager may require.

(2) A request must be made during the period of 12 months beginning with the day on which the member becomes an active member of this scheme.

(3) The scheme manager may direct that a transfer payment request is to be treated as having been made earlier than it was if the scheme manager considers it reasonable to do so in the circumstances.

(4) On receiving a transfer payment request, the scheme manager may accept the transfer payment if any conditions required by the scheme manager are met.

(5) The scheme manager may not accept a transfer value payment if—

(a) it would be applied in whole or in part in respect of—

(i) the member's entitlement to a guaranteed minimum pension; or

(ii) the entitlement of the member's spouse to a guaranteed minimum pension; and

(b) it is less than the amount required for that purpose, as calculated in accordance with guidance and tables determined by the scheme manager for the purposes of this paragraph, after consultation with the scheme actuary.

Transfer statement

108.—(1) This regulation applies in relation to—

(a) a request for a transfer payment to be accepted from another pension scheme that is not a club scheme; and

(b) a request for a transfer payment in respect of added pension to be accepted from another club scheme.

(2) The scheme manager may require that, before making a transfer payment request, a member must ask the scheme manager to provide a statement of the amount of transferred pension that the member will be entitled to count under regulation [109] (amount of transferred pension) if the transfer date falls within the period of 2 months beginning with the date of that statement.

(3) The amount specified in the transfer statement must be an amount calculated by the scheme manager in accordance with actuarial guidance and tables by reference to—

(a) factors relating to the member's circumstances as at the end of that 2 month period; and

(b) any other factors as at the date of the statement that the scheme manager, having consulted the scheme actuary, considers should apply.

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

Amount of transferred pension

109.—(1) This regulation applies in relation to—

(a) Any transfer payment received in relation to a member from another pension scheme that is not a club scheme; and

(b) Any transfer payment in respect of added pension received in relation to a member from another club scheme.

(2) For the scheme year in which the transfer date falls, the amount of transferred pension a member is entitled to count in respect of the transfer payment is—

(a) the amount specified in the transfer statement; or

(b) if such a statement is not provided, an amount calculated by the scheme manager in accordance with actuarial guidance and tables by reference to any factors as at the transfer date that the scheme manager, after consultation with the scheme actuary, considers should apply.

Club transfer value statement

110.—(1) This regulation applies in relation to a request for a club transfer value payment to be accepted from another club scheme.

(2) The scheme manager may require that, before making the transfer payment request, the member must ask the scheme manager to provide a statement of the amount of club transfer earned pension that the member will be entitled to count under regulation [111] (amount of club transfer earned pension) if the transfer date falls within the period of 2 months beginning with the date of that statement.

(3) The amount of club transfer earned pension specified in the statement must be calculated by the scheme manager in accordance with actuarial guidance and tables by reference to—

(a) factors relating to the member's circumstances as at the end of that 2 month period; and

(b) any other factors as at the date of the statement that the scheme manager, after consultation with the scheme actuary, considers should apply.

(4) The statement must specify the basis on which an amount of accrued earned pension is revalued under the sending scheme while a member is in pensionable service under that scheme.

Amount of club transfer earned pension

111.—(1) This regulation applies in relation to a club transfer value payment received from another club scheme.

(2) For the scheme year in which the transfer date falls, the amount of club transfer earned pension the member is entitled to count in respect of a club transfer value payment is—

(a) the amount specified in the club transfer value statement; or

(b) if such a statement is not provided, an amount calculated by the scheme manager in accordance with actuarial guidance and tables by reference to any factors as at the transfer date that the scheme manager, in accordance with the guidance of the scheme actuary, considers should apply.

CHAPTER 4

Miscellaneous provisions

EU and overseas transfers

112.—(1) This regulation applies in the case of a member whose transfer is subject to transfer arrangements concluded with—

(a) the Communities Pension Scheme of the Institutions of the European Communities; or

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

(b) any other scheme for the provision of retirement benefits established outside the United Kingdom.

(2) The scheme applies in relation to the member with such modifications as the scheme manager considers necessary to comply with—

(a) the terms of those arrangements;

(b) any applicable provision contained in or made under any enactment; and

(c) the requirements to be met by a registered pension scheme.

PART 9

Actuarial valuations and employer cost cap

Appointment of scheme actuary and actuarial valuations

113.—(1) The Secretary of State must appoint an actuary (the "scheme actuary") to provide a consulting service on actuarial matters relevant to this scheme or a connected scheme.

(2) The scheme actuary is responsible for—

(a) carrying out valuations of the scheme and any connected scheme; and

(b) preparing a report on such a valuation.

(3) Before appointing an actuary as scheme actuary the Secretary of State must be satisfied that the actuary is appropriately qualified to carry out valuations of this scheme and any connected scheme in accordance with Treasury directions under section 11 of the Act (the "Treasury directions").

(4) The scheme administrator is responsible for providing the scheme actuary with any data that the scheme actuary requires, in accordance with Treasury directions, in order to carry out a valuation and prepare a report on the valuation.

(5) A valuation of the scheme and any connected scheme and the preparation of a report on the valuation must be carried out in accordance with the Treasury directions.

(6) Valuations of the scheme must be carried out within a time-frame which enables requirements in the Treasury directions regarding dates which are applicable to the valuation to be met.

Employer cost cap

114.—(1) The employer cost cap for this scheme is [ ]% of pensionable earnings of members of this scheme.

(2) Where the cost of this scheme, calculated following a valuation in accordance with Treasury directions under section 11 of the Act, is more than [2] percentage points above or below the employer cost cap for this scheme the Secretary of State must consult such persons (or those appearing to the Secretary of State to represent such persons) as appear to the Secretary of State likely to be affected by any steps that will be taken, with a view to the Secretary of State determining the steps required to achieve the target cost for this scheme specified in the Public Service Pensions (Employer Cost Cap) Regulations 2014) ([1]).

(3) Following such consultation, the Secretary of State must determine that an adjustment to this scheme must be made so that the target cost for it is achieved.

(4) In calculating whether the cost of this scheme is more than [2] percentage points above or below the employer cost cap for this scheme any changes to the following must be disregarded, so far as it is compatible with Treasury directions under sections 11 and 12 of the Act to do so—

(a) changes to scheme administration costs;

(b) changes to financial assumptions such as a change in discount rate;

(c) changes in actuarial methodology of the valuation; and

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

(d) any overpayment of employer contributions.

PART 10

Supplementary

CHAPTER 1

Payment of pensions

Late payment of retirement index adjustment

115. Nothing in these Regulations requires any part of a pension attributable to a retirement index adjustment that is payable in respect of the last active scheme year to be paid before the end of that year.

Commutation of small pensions

116.—(1) This regulation applies if—

(a) a person's entitlement to a pension under this scheme does not exceed the small pensions commutation maximum;

(b) a dual capacity member's total pension entitlement under this scheme does not exceed the small pensions commutation maximum; or

(c) the total pension entitlement under this scheme of a surviving adult dependant or an eligible child of a dual capacity member does not exceed the small pensions commutation maximum.

(2) The scheme manager may pay the person a lump sum of such an amount as the scheme manager after consultation with the scheme actuary advises represents the capital value of the pension if—

(a) the person consents to receipt of a lump sum in respect of the pension; and

(b) the commutation requirements are met.

(3) The payment of a lump sum under this regulation in respect of a pension discharges all liabilities under these Regulations in respect of that pension.

(4) In this regulation—

"the small pensions commutation maximum" means the amount that is permitted to be commuted, having regard to all the commutation requirements that apply in the circumstances in question; and

"the commutation requirements" means requirements permitting the commutation of small pensions that are imposed by—

(a) regulation 2 of the Occupational Pension Schemes (Assignment, Forfeiture, Bankruptcy etc) Regulations 1997(**a**);

(b) paragraph 7 of Schedule 29 to the FA 2004 (which defines trivial commutation lump sums for the purposes of Part 4 of that Act) and, in relation to a pension payable under Part 6 (death benefits), by paragraph 20 of that Schedule (which defines trivial commutation lump sum death benefit for the purposes of that Part); or.

(c) regulation 3 of the Pension Sharing (Pension Credit Benefit) Regulations 2000(**b**).

(**a**) S.I. 1997/785
(**b**) S.I. 2000/1054

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

CHAPTER 2

Payment and deduction of tax

Scheme administrator for purposes of the Finance Act 2004

117.—(1) The scheme manager is appointed to be responsible for all functions that are functions conferred or imposed on a scheme administrator by or under Part 4 of the FA 2004.

(2) In this regulation 'scheme administrator' has the meaning given in Part 4 of the Finance Act 2004.

Reduction of benefits where lifetime allowance charge payable

118.—(1) This regulation applies if—

(a) an event that is a benefit crystallisation event listed in the table in section 216(1) of the FA 2004 ("the table") occurs in relation to a member;

(b) the member and scheme manager are jointly and severally liable in relation to that event.

(2) If this regulation applies—

(a) the scheme manager must pay the lifetime allowance charge payable on the event;

(b) if the event is benefit crystallisation event 8 in the table (transfer to qualifying recognised overseas pension scheme), the amount or value of the sums or assets transferred must be reduced; and

(c) in the case of any other event in that table, the amount or value of the benefits payable to or in respect of the member must be reduced.

(3) The amount or value of the reduction must be such that in the opinion of the scheme manager, having consulted the scheme actuary, fully reflects the amount of the lifetime allowance charge so paid and is consistent with normal actuarial practice.

Payment on behalf of members of annual allowance charge

119.—(1) The scheme manager must provide a member with information about the payment of an annual allowance charge under section 227 of FA 2004 if the member's total pension input amount for that tax year exceeds the amount of the annual allowance for that tax year.

(2) The member may request the scheme manager to pay the charge in respect of this scheme on the member's behalf.

(3) Such a request must be made by notice in writing in such form and subject to such conditions as the scheme manager requires.

Reduction of benefits where annual allowance charge paid by scheme manager

120.—(1) If the scheme manager pays the annual allowance charge on a member's behalf, the amount or value of the benefits payable to or in respect of the member must be reduced as appropriate.

(2) The amount or value of the reduction of benefits must be such that in the opinion of the scheme manager, having consulted with the scheme actuary, it fully reflects the amount of the charge so paid and is consistent with normal actuarial practice.

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

CHAPTER 3

Forfeiture

Forfeiture of benefits

121.—(1) The Secretary of State may withhold benefits payable under this scheme in respect of a member to whom paragraph (2) of regulation [128] (information and evidence) applies to such extent as the Secretary of State considers appropriate.

This is subject to paragraphs (3) to (4)

(2) The Secretary of State may withhold pension benefits payable under Part 5 to a person to whom paragraph (2) of regulation [119] (events enabling forfeiture) applies to such extent as the Secretary of State considers appropriate; and if the whole of a person's benefits are so withheld that Part applies as if that person had predeceased the member.

This is subject to paragraph (4)

(3) If the member has a guaranteed minimum under section 14 of the Pension Schemes Act 1993 in relation to service by reference to which he is entitled to benefits under the Scheme, paragraph (1) only applies to so much of the member's pension as exceeds that guaranteed minimum, unless regulation [119] (1)(a) (conviction of treason or Official Secrets Acts offences) applies.

(4) If the case of a pension payable to the surviving spouse of a member, paragraph (1) and (2) are subject to regulation [66] (guaranteed minimum pensions for surviving spouses and civil partners)].

(5) Where regulation [119] (1)(c) (monetary obligations) applies—

(a) If the amount of the obligation is in dispute, paragraph (1) only applies if the obligation has become enforceable—

(i) under an order of a competent court, or

(ii) in consequence of an award of an arbitrator or, in Scotland, an arbiter to be appointed (failing agreement by the parties) by the sheriff,

(b) only benefits to which the member alone is entitled may be withheld, and

(c) the benefits withheld must not exceed the amount of the monetary obligation or, if less, the value of the person's entitlement or the accrued right in question (as determined under section 93(2) of the Pensions Act 1995).

(6) This regulation is without prejudice to—

(a) section 2 of the Forfeiture Act 1870 (under which forfeiture is required in cases of treason, subject to whole or partial restoration under section 70(2) of the Criminal Justice Act 1948), or

(b) so far as it has effect in relation to benefits under the scheme, section 24 of the Chelsea and Kilmainham Hospitals Act 1826.

Events enabling forfeiture

122.—(1) This paragraph applies to a member, who is an active member, a deferred member or a pensioner member, if the member—

(a) is convicted of treason or of one or more offences under the Official Secrets Acts 1911 to 1989 for which the member has been sentenced on the same occasion—

(i) to a term of imprisonment of at least 10 years, or

(ii) to two or more consecutive terms amounting in the aggregate to at least 10 years,

(b) is convicted of an offence in connection with the service that qualifies the member to belong to the scheme which the Secretary of State considers to have been gravely injurious to the defence, security or other interests of the State, or

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

(c) has after becoming a member of the scheme incurred a monetary obligation to the Crown which—

(i) arises out of a criminal, negligent or fraudulent act or omission by the member, and

(ii) arises out of or in connection with his service in the armed forces.

(2) This paragraph applies to a person who is convicted of the murder or manslaughter of the member or any other offence which involves the unlawful killing of the member.

(3) In paragraph (2) "unlawful killing" includes unlawfully aiding, abetting, counselling or procuring the death.

Procedure, references etc

123.—(1) If the Secretary of State proposes to withhold a person's benefits under regulation [118] (forfeiture of benefits) he must notify the person in writing that he proposes to do so.

(2) Such a notification must give the person information about rights under—

(a) the arrangements established by the Secretary of State for the resolution of disputes relating to the scheme that are in force at the time the notification is given, and

(b) Part 10 of the Pension Schemes Act 1993 (investigations: the Pensions Ombudsman), in respect of any decision made under regulation [121] (forfeiture of benefits).

(3) If the Secretary of State withholds benefits under regulation [121] (forfeiture of benefits) in a case where regulations [119](1)(c) (monetary obligation) applies, the member must be given a certificate showing any amount withheld and the effect of its being withheld on his benefits under the scheme.

(4) The Secretary of State—

(a) may refer the question whether benefits of a person to whom regulation [121](2) (conviction of member) applies should be withheld to the Social Security Commissioner, and

(b) must refer that question if the person to whom that rule applies or an eligible child of the member requests him to do so.

CHAPTER 4

General

Pension ceases to be payable

124.—(1) A pension ceases to be payable to a member who re-enters pensionable service within 28 days after the last day of the service in respect of which the pension was payable ("earlier service").

(2) If paragraph (1) applies in relation to a member, the scheme manager must—

(a) cease to pay the pension; and

(b) recover any payment made.

(3) The member becomes a deferred member in respect of the earlier service.

(4) The scheme manager must close the pension member's account and establish a deferred member's account in respect of the earlier service.

(5) The scheme manager must credit to the deferred member's account as the provisional amount for each description of deferred pension the amount specified in the pension member's account.

Re-employment after ill health awards

125.—(1) This regulation applies where—

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

(a) an ill health pension has been awarded to a member in respect of a continuous period of pensionable service ("earlier service"), and

(b) subsequently, the member re-enters pensionable service ("current service").

(2) The ill health pension ceases to be payable on the first day of the current service.

(3) The member becomes a deferred member in respect of the earlier service.

(4) The scheme manager must close the pension member's account and establish a deferred member's account in respect of the earlier service.

(5) The scheme manager must credit to the deferred member's account as the provisional amount for each description of deferred pension the amount specified in the pension member's account less an amount attributable to the enhancement value under Chapter 3 of Part 5.

Payment of benefits

126. Pensions payable under the Scheme are payable by monthly instalments in arrears.

False statements etc about ill-health

127.—(1) This regulation applies where—

(a) a pension under Chapter [3] of Part 5 (Ill Health Benefits) has been awarded to a member, and

(b) subsequently it appears to the scheme manager that the member made a false declaration about the member's health or deliberately suppressed a material fact that was relevant to the award.

(2) The scheme manager may—

(a) cease paying the pension,

(b) withhold the whole or part of the pension, or

(c) recover any payment made under the award.

Non assignability

128.—(1) Every benefit to which a person is entitled under this scheme is payable to or for his benefit.

(2) No such benefit is assignable or chargeable with the member's or any other person's debts.

(3) This regulation is without prejudice to anything that has effect by virtue of any enactment or may be done under or for the purposes of the Chelsea and Kilmainham Hospitals Act 1826.

General prohibition on unauthorised payments

129. Nothing in these Regulations requires or authorises the making of any payment, which, if made, would be an unauthorised payment for the purposes of Part 4 of the FA 2004 (see section 160(5) of that Act).

Calculation of periods of membership and service

130.—(1) For the purposes of this scheme, periods of membership and service are to be expressed in the first instance in whole years, and days, and the initial aggregation of periods that require to be aggregated is done in the first instance by reference to periods so expressed.

This is subject to paragraph (3).

(2) If, when all periods of membership or service that are required to be aggregated have been aggregated, there is any excess part day over the number of whole days, that excess is rounded up to a full day.

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

This is subject to paragraph (3).

(3) If membership or service is referred to in these Regulations as membership or service in years—

(a) the days referred to in paragraph (1); and

(b) the full days referred to in paragraph (2)

are converted into years by dividing the number of days in excess of the period of whole years by 365 or 366 in the case of a leap year, and rounding the result to 4 decimal places.

(4) If a period of membership or service is less than one year, this regulation applies as if the words "whole years, and" were omitted from paragraph (1) and the words "in excess of the period of whole years" were omitted from paragraph (3).

Determination of questions

131. Except as otherwise provided by these Regulations, any question arising under this scheme is to be determined by the scheme manager, whose decision on it is final.

Information and evidence

132.—(1) The scheme manager may require any person who is receiving a pension under this scheme to provide evidence to establish—

(a) the person's identity; and

(b) the person's continuing entitlement to payment of any amount.

(2) If such evidence is not provided, the scheme manager may withhold the whole or any part of any benefits payable under this scheme in respect of the person.

Provision of benefit information statements to members

133. The scheme manager must provide an annual benefit information statement to each active member of this scheme in accordance with section 14 of the Act (information about benefits).

Signatory text

Name
Parliamentary Under Secretary of State
Ministry of Defence

Date

EXPLANATORY NOTE

(This note is not part of the Order)

These Regulations establish a career average revalued earnings scheme for the payment of pensions and other benefits in respect of a person's service in the armed forces.

Part 2 contains governance provisions including establishment of the Scheme Management Board and delegation of the scheme manager's functions.

Part 3 provides for scheme membership. It provides for the key concepts of scheme employment, active membership period, pensionable earnings and qualifying service. It contains eligibility and auto-enrolment provisions.

Part 4 provides for members' pension accounts.

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

Chapter 1 explains how the amount of accrued pension is calculated.

Chapter 3 provides for the establishment of the active member's account. This Chapter shows how the proportion of pensionable earnings accrued as pension is revalued each year until the member leaves pensionable service.

Chapter 4 provides for the establishment of the deferred member's account and explains how the provisional amount of deferred pension is calculated.

Chapter 5 provides for the establishment of a pension member's account .

Chapter 6 provides for the establishment of a pension credit member's account.

Part 5 provides for a member's entitlement to payment of retirement benefits. It also provides for the assignment of benefits.

Part 6 provides for death benefits. It provides for the recovery and suspension of benefits in certain cases.

Part 7 provides for the payment of contributions to purchase added pension by members.

Part 8 provides for payment and receipt of transfer values.

Part 9 provides for actuarial valuations and employer cost cap.

Part 10 contains supplementary provisions on payment of pensions, payment and deduction of tax and miscellaneous provisions including the determination of questions.

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

The Armed Forces Early Departure Payments Scheme Regulations Statutory Instrument 2014

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

S T A T U T O R Y I N S T R U M E N T S

2014 No.

PENSIONS

The Armed Forces Early Departure Payments Scheme Regulations 2014

Made - - - -	***
Laid before Parliament	***
Coming into force - -	*1st April 2015*

CONTENTS

Preliminary

1. Citation and commencement 2

The Armed Forces Early Departure Payments Scheme

2. Establishment of the Armed Forces Early Departure Payments Scheme 2
3. Governance 2

Interpretation etc.

4. General interpretation 2
5. Meaning of "final pensionable earnings" 3
6. Earnings adjustments in determining final pensionable earnings 4
7. Meaning of "qualifying service" 5

Early departure payments

8. Eligibility for early departure payments 5
9. Entitlement to early departure payments 5
10. Amount of early departure payments 6
11. Option to convert the entire lump sum payment into additional monthly payments 6
12. Increases for inflation 6
13. Effect of rejoining the regular forces within 5 years 7
14. Effect of joining the reserve forces 8
15. Effect of emergencies 8

Resettlement grants

16. Entitlement to a resettlement grant 8
17. Amount of resettlement grant 9
18. Effect of resettlement grant on rejoining the regular forces or joining the reserve forces 9

Lump sums on incapacity

19. Lump sum awards: incapacity for armed forces service 9
20. Amount of lump sum on incapacity for armed forces service 10
21. Effect of payment of an early departure payment, relating to previous service, on payment of lump sum on incapacity for armed forces service 10

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

22. Effect of re-joining the armed forces having received a lump sum award for incapacity for armed forces service. 11

The Secretary of State for Defence, in exercise of the powers conferred by section 1(1) of the Public Service Pensions Act 2013(**a**), makes the following Regulations.

In accordance with section 21 of that Act the Secretary of State for Defence has consulted representatives of such parties as appear to the Secretary os State for Defence likely to be affected by these Regulations.

In accordance with section 3(5) of that Act, these Regulations are made with the consent of the Treasury:

Preliminary

Citation and commencement

1.—(1) These Regulations may be cited as the Armed Forces Early Departure Payments Scheme Regulations 2014.

(2) These Regulations come into force on 1st April 2015.

The Armed Forces Early Departure Payments Scheme

Establishment of the Armed Forces Early Departure Payments Scheme

2.—(1) These Regulations provide for a scheme to be known as the "the Armed Forces Early Departure Payments Scheme 2014".

(2) The Scheme provides for—

(a) entitlement to a lump sum payment and periodical payments when membership of the Regular Forces ceases and certain conditions as to age and service as a member of the Regular Forces are met (see regulations [8] to [15]), and

(b) entitlement to a lump sum payment, where those conditions are not met but at the time membership of the Regular Forces ceases the member—

(i) meets certain conditions as to length of service as a member of the Regular Forces (see regulations [16] to [18], or

(ii) is unfit for service as a member of the Armed Forces (see regulations [19] to [23]).

Governance

3. The provisions of regulations [4] (scheme manager) to [8] (conflict of interest: pension board) of the AFPS 14 shall apply to this scheme and reference in those regulation to "these Regulations" and "this scheme" shall be construed accordingly.

Interpretation etc.

General interpretation

4. In these Regulations—

"active member" has the meaning given in section 124(1) of the Pensions Act 1995;

(**a**) 2013 c.25.

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

"armed forces" has the meaning given in section 37 of the Public Service Pensions Act 2013;

"the Armed Forces Early Departure Payments Scheme 2014" has the meaning given in regulation [2];

"the AFPS 14" means the Armed Forces Pension Scheme established under regulation 2 of the Armed Forces Pension Regulations 2014;

"the AFPS 05" means the Armed Forces Pension Scheme 2005 established by regulation 2 of the Armed Forces Pension Scheme Oder 2005;

"the AFPS 75" means the Armed Forces Pension Scheme 1975 set out in—

(a) Orders in council made under section 3 of the Naval and Marine Pay and Pensions Act 1865(**a**);

(b) The Army Pensions Warrant 1977; and

(c) Order and regulations made under section 2 of the Air Force (Constitution) Act 1917(**b**).

"connected scheme" is to be read in accordance with section 4(6) of the Act;

"deferred pension age" has the meaning given in section 10(3) of the Act and refers to the membership of AFPS 14;

"eligible person" has the meaning given in regulation [8];

"final pensionable earnings" has the meaning given in regulation [5];

"normal pension age" has the meaning given in section 10(2) of the Act and refers to membership of the AFPS 14;

"qualifying service" has the meaning given in regulation [7];

"regular forces" has the same meaning as in the Armed Forces Act 2006 (see section 374), it does not include those who are recalled for permanent regular service under Part 7 of the Reserve Forces Act 1996;

"reserve forces" has the same meaning as in the Reserve Forces Act 1996 (see section 1(2));

"the Act" means the Public Service Pensions Act 2013;

"this scheme" means the Armed Forces Early Departure Payments Scheme 2014 established by these Regulations;

"scheme actuary" means the actuary appointed by the Secretary of State to provide a consulting service on actuarial matters relevant to this scheme;

"scheme administrator" in relation to a member or a function, means the person responsible for the day to day administration of the scheme in relation to the member or in respect of the function;

"scheme manager" means the Secretary of State who must manage this scheme;

"scheme year" means a period of one year beginning with 1st April and ending with 31st March.

Meaning of "final pensionable earnings"

5.—(1) For the purposes of this scheme "final pensionable earnings", in relation to any person, means the greatest amount that is the person's total pensionable earnings for 365 consecutive days falling within the period of 3 years ending with the last day of the person's service.

(2) Subject to paragraph (4), in paragraph (1) "pensionable earnings" in relation to a person in service as a member of the armed forces, means—

(a) basic pay in the service by virtue of which the person is a member for a person of their rank and seniority; and

---

(**a**) 28 7 29 Vict. C.73
(**b**) 7 & 8 Geo 5 c.51

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

(b) any other amount if and to the extent that the Secretary of State has determined that it is to be treated as pensionable earnings for this purpose.

(3) Accordingly, subject to paragraph (2)(b); "Pensionable earnings" does not include—

(a) any allowances,

(b) any additional amounts payable in respect of particular qualifications or duties, the location of service or the conditions in which service is temporarily performed, or

(c) without prejudice to paragraphs (a) and (b), any additional amounts payable to medical or dental officers as such.

(4) "Pensionable earnings" does not include any description of payment that the Secretary of State has determined is not to be treated as pensionable earnings, unless it is expressly provided to the person on the basis that it is pensionable earnings for this purpose.

(5) If the person was required to be in service as a member of the armed forces during any period of 365 consecutive days falling within the period of 3 years mentioned in paragraph (1) but was not in service for 365 consecutive days, that paragraph applies as if it referred to the person's annualised pensionable earnings in the period of service ending with the last day of his service as such a member.

(6) The person's annualised pensionable earnings in a period of service are the amount given by the formula—

PE x (365 ÷ N)

where—

PE is the person's pensionable earnings for the period, and

N is the number of days in the period for which pensionable earnings were received.

If the period of the final pensionable earnings includes the day 29 February the figure 365 should be substituted with 366.

(7) If at any time during the period of 3 years mentioned in paragraph (1) the person is treated under regulation [24](meaning of "assumed pay") of the AFPS 14 regulations as receiving assumed pay or would be if that person were a member of the AFPS 14 throughout that period for the purpose of this regulation the person's pensionable earnings for each day during that period when the person is so treated include the assumed pay for that day.

Earnings adjustments in determining final pensionable earnings

6.—(1) For the purposes of determining a person's final pensionable earnings under regulation [4](meaning of "final pensionable earnings"),the amount of pensionable earnings, as determined in accordance with regulation [5](meaning of "final pensionable earnings"), for that part of the period of 365 days that falls 365 days or more before the last day of service, is adjusted for earnings.

(2) If the person's final pensionable earnings are determined, in accordance with paragraph (1), to be an amount for any period, in relation to which any adjustment for earnings has been made under this regulation, then the person's final pensionable earnings are to be taken for all purposes to be the amount so determined after that adjustment.

(3) The reference in paragraph (1) to adjusting for earnings the amount of pensionable earnings for part of a period is a reference to increasing it by the same amount as that by which an annual pension of an amount equal to those earnings would have been increased [under the Pensions (Increase) Act 1971 on the day following the last day of relevant service if the pension—

(a) was eligible to be so increased; and

(b) had come into payment on the day following the last day of that period.]

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

Meaning of "qualifying service"

7.—(1) For the purposes of this scheme "qualifying service" means the number of calendar days from the first day of paid service to the last day of paid service, but excluding the following periods—

(a) absence without leave;

(b) service detention;

(c) imprisonment;

(d) unpaid leave.

(2) Periods of qualifying service separated by 5 years or less are aggregated for the purposes of this scheme.

Early departure payments

Eligibility for early departure payments

8.—(1) A person is only eligible to become entitled to payments under regulation [9](entitlement to early departure payments) if the person meets conditions A to E.

(2) Condition A is that the person is a member of the regular forces, other than an excluded person.

(3) Condition B is that the person ceases to be in service as a member of the regular forces on or after attaining the age of 40 and before attaining the normal pension age.

(4) Subject to paragraph (8), condition C is that the person has completed a number of years' qualifying service in the regular forces that equals or exceeds 20 years.

(5) Condition D is that the person is not entitled to the immediate payment of a pension under—

(a) regulation [49] (entitlement to ill-health pension: active members with permanent serious ill-health) of the AFPS 14, or

(b) regulation [50] (entitlement to ill-health pension: active members with significant impairment of capacity for gainful employment) of the AFPS 14.

(6) Condition E is that the person is not entitled to a payment under regulation [19](lump sum awards: incapacity for armed forces service) which the scheme administrator determines should be paid instead of a payment under regulation [9](entitlement to early departure payments).

(7) In paragraph (2) "excluded person" means—

(a) any person, the terms of whose service excludes that person from eligibility for payments under regulation [9](entitlement to early departure payments), unless the Secretary of State has agreed to treat that person as if their terms of service do not exclude them, and

(b) a person who is an active member of the AFPS 75 or AFPS 05.

(8) Periods of regular service separated by a gap in excess of 5 years are not to be aggregated.

(9) Service in the reserve forces is not qualifying service for the purposes of paragraph (4).

Entitlement to early departure payments

9.—(1) A person, who is eligible to become entitled to payments under this regulation in accordance with regulation [8] (eligibility for early departure payments) becomes so entitled from the time that the person ceases to be in service as a member of the regular forces.

(2) An eligible person is entitled under this regulation to—

(a) a lump sum payment, and

(b) periodical payments in respect of the period beginning with the day following the cessation of service as a member of the regular forces, and ending with the day before the person's deferred pension age under AFPS 14.

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

(3) The lump sum is payable before the expiry of the period of 3 months beginning with the day on which the person ceases to be a member of the regular forces.

(4) The periodical payments are to be made at monthly intervals in arrears.

Amount of early departure payments

10.—(1) The annual amount of the periodical payments payable to an eligible person is the sum of—

(a) the basic amount, and

(b) the additional service allowance.

(2) The basic amount is an amount equal to 34% of the provisional annual amount of the person's deferred pension under AFPS 14 at the point of exit had the person been a member of that scheme for the whole of their period of qualifying service (whether or not that is the case).

(3) The additional service allowance is an amount equal to 0.85% of the provisional amount of the person's deferred pension under AFPS 14 for every full year served as a member of the regular forces beyond the 20 year service and age 40 qualification point at the cessation of membership of the regular forces, had the person been a member of AFPS 14 for the whole of their period of qualifying service.

(4) The amount of the lump sum is the provisional amount of the member's deferred pension under AFPS 14 at the point of cessation of the member's service in the regular forces multiplied by 2.25, or would have been if they had been a member of AFPS 14 for the whole of their period of qualifying service (whether or not that is the case).

(5) In the case of a person who would be an excluded person for the purposes of regulation [8](eligibility for early departure payments), apart from the Secretary of State agreeing as mentioned in regulation [8](eligibility for early departure payments), the amounts of the payments under this regulation are to be reduced by any such amount as the scheme manager considers appropriate, after consultation with the scheme actuary.

(6) In the case of a person who has not been a member of AFPS 14 for the whole of their period of qualifying service, the amount of the periodical payments or lump sum to which the person would have been entitled had the person been such a member for that period, is to be such amount as the scheme manager considers appropriate after consultation with the scheme actuary.

Option to convert the entire lump sum payment into additional monthly payments

11.—(1) A person may opt to exchange the whole of the lump sum to which the person would be entitled under regulation [10](amount of early departure payments) for an increase in the amount of periodical payments payable to the person.

(2) Where a person so opts, the periodical payments are to be increased as from the date the payments are due to start and by the amount that the scheme manager, having consulted the scheme actuary, considers to be equivalent in value to the whole of the lump sum to which the person is entitled.

(3) A person who has exercised the option under this regulation ceases to be entitled to payment of a lump sum under regulation [9](entitlement to early departure payments).

(4) The option under this regulation may only be exercised by giving notice in writing to the scheme administrator, in such form as the scheme administrator requires, during the period of 6 months ending with the day on which the person becomes entitled to payment of the lump sum.

(5) For the purposes of this regulation, the option is treated as having been exercised on the date on which it is received by the scheme administrator.

Increases for inflation

12.—(1) In determining the annual amount of the payments calculated in accordance with regulation [10](amount of early departure payments) when a person attains the age of 55, the

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

amount of the person's basic amount and additional service allowance are adjusted for inflation in respect of each scheme year.

(2) The reference in paragraph (1) to adjusting for inflation the amount of the person's basic amount and additional service allowance, is to increasing it by the same amount as that by which an annual pension of an amount equal to the amount of the person's basic amount and the additional service allowance would have been increased under the Pensions (Increase) Act 1971 if the pension was eligible to be so increased and had come into payment on the day that such basic amount and additional service allowance comes into payment.

(3) In determining the annual amount of payments calculated in accordance with regulation [10](amount of early departure payments) at any time after the person attains the age of 55, those payments are to be increased accordingly.

Effect of rejoining the regular forces within 5 years

13.—(1) This regulation applies where a person who is receiving payments under regulation [9](entitlement to early departure payments) undertakes a period of new service.

(2) In this regulation a "period of new service" means any period of service in the regular forces after the cessation of a prior period of service provided that the subsequent period commences not more than 5 years after the cessation of the prior period of service.

(3) Within one month of commencing the new period of service the person may elect to—

(a) retain any payments that the person receives in accordance with regulation [9](entitlement to early departure payments) relating to a prior period of service under this scheme and;

(i) such payments are not be recalculated on cessation of the new service; and

(ii) payments are to cease once the person reaches their deferred pension age in respect of the prior service, or would have reached that age if the person had been a member of the AFPS 14; or

(b) end the payment of periodical payments under regulation [9](entitlement to early departure payments), relating to the prior period of service, for the duration of the period of new service and—

(i) repay in full the amount of any lump sum paid under regulation [9](entitlement to early departure payments) relating to the prior period of service; and

(ii) such payment is to include interest calculated on a daily basis from the date of exit to the date when the repayment is made, at an annual rate determined by the Secretary of State on the advice of the scheme actuary.

(4) An election under paragraph (3) cannot be altered.

(5) On cessation of the period of new service a person to whom paragraph 3 (b) applies and who is an eligible person will be entitled to—

(a) a lump sum in accordance with regulation [9](entitlement to early departure payments); and

(b) periodical payments in accordance with regulation [9](entitlement to early departure payments) until such time as the person receives a pension under AFPS 14 or if the person is not a member of AFPS 14 has reached the deferred pension age for a member under that scheme.

(6) Payments under paragraph (5) are to be calculated with reference to both the prior service and the new service.

(7) A person is not entitled to a lump sum under this regulation where they have previously received a lump sum under regulation [9](entitlement to early departure payments) which has not been repaid.

(8) Where a person re-enters service with the regular forces more than 5 years after an immediately prior period of service they will retain any payments made to them in accordance with regulation [9](entitlement to early departure payments).

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

(9) Payments referred to in paragraph (8) are not to be recalculated in respect of their subsequent period of service and are to cease once the person is in receipt of a pension, relating to that prior period of service under AFPS 14 or if the person is not a member of AFPS 14 has reached the deferred pension age for a member under that scheme.

Effect of joining the reserve forces

14.—(1) Where a person in receipt of payments under regulation [9](entitlement to early departure payments) enters service with the reserve forces, that person is to retain the payments they receive under regulation [9](entitlement to early departure payments).

(2) Payments referred to in paragraph (1) are not to be recalculated at the point of cessation of the person's service in the reserve forces and will cease once the person is in receipt of a pension under AFPS 14 or, if the person is not a member of AFPS 14, has reached the deferred pension age for a member under that scheme.

Effect of emergencies

15.—(1) This regulation applies where a person who would be entitled to payment under regulation [9](entitlement to early departure payments) if that person had ceased to be in service on the relevant date, does not cease to be in service on that date by reason only of—

(a) circumstances which in the opinion of the scheme manager amount to an emergency, or

(b) that person being a prisoner of war on that date.

(2) The person is treated for the purposes of regulations [8 (eligibility for early departure payments) to 11(option to convert the entire lump sum payment into additional monthly payments)] as having ceased to be in service on the relevant date.

(3) In this regulation "the relevant date" means—

(a) in the case of a person who was to have ceased to be in the regular forces on the date that the person's commitment ended, that date, or

(b) in the case of a person who agreed to continue in the regular forces after that person's commitment ended, until normal pension age for a member under the AFPS 14, the day before that on which the person reached that age, or

(c) in the case of a person not within sub-paragraphs (a) or (b) who was notified that a particular date was to be the last day of that person's service in the regular forces, that date.

Resettlement grants

Entitlement to a resettlement grant

16.—(1) A person who ceases to be in service as a member of the regular forces is entitled to a lump sum payment if the person-

(a) has at least 12 years' qualifying service in the regular forces,

(b) is not entitled to payments under regulations [9](entitlement to early departure payments), [19](lump sum awards: incapacity for armed forces service) or the immediate payment of a pension under-

(i) regulation [41](retirement on or after Normal Pension Age) of the AFPS 14, or

(ii) regulation [49](entitlement to ill-health pension: active members with permanent serious ill-health) of the AFPS 14, or

(iii) regulation [50](entitlement to ill-health pension: active members with significant impairment of capacity for gainful employment) of the AFPS 14, or

(c) either—

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

(i) has not previously received a payment under this regulation or the corresponding provisions, or

(ii) is not an active member of the AFPS 75 or AFPS 05.

(2) Where a person re-enters service with the regular forces more than 5 years after an immediately prior period of service in AFPS 14, the period of new service and the period of prior service are not to be aggregated under this regulation.

(3) In this regulation "the corresponding provisions" means—

(a) regulation 14 of the Armed Forces Early Departure Payments Order 2005(), or

(b) paragraphs 13 to 18 of Schedule XIII to the Naval and Marine Pay and Pensions (Non-Effective Benefits and Family Provisions) Order 2004, or

(c) regulations 67 to 70 or 167A and 167B of the Army Pensions Warrant 1977, or

(d) regulation 3063 of the Queen's Regulations for the Royal Air Force, and

(e) any earlier or later provisions corresponding to those mentioned in sub-paragraph (a), (b), (c) or (d).

Amount of resettlement grant

17.—(1) The amount of the lump sum a person receives under regulation [16](entitlement to a resettlement grant) is to be determined by the scheme manager and published.

(2) The lump sum is payable before the expiry of the period of 3 months beginning with the day on which the person ceases to be a member of the regular forces.

Effect of resettlement grant on rejoining the regular forces or joining the reserve forces

18.—(1) This regulation applies where a person who is in receipt of a lump sum under regulation [16](entitlement to a resettlement grant) re-joins the regular forces, joins the reserve forces or re-joins the reserve forces.

(2) Subject to paragraph (3) the person is entitled to retain the lump sum.

(3) Where the person re-joins the regular forces or becomes a full time reserve within 30 days of ceasing to be a member of the regular forces, the person is to repay the lump sum made to them under regulation [16](entitlement to a resettlement grant).

(4) At the cessation of a period of new service in the regular forces—

(a) a person who has retained their lump sum payment in accordance with paragraph (2), is not entitled to a further lump sum under regulation [16](entitlement to a resettlement grant);

(b) a person who has repaid their lump sum payment in accordance with paragraph (3) is entitled to a lump sum payment provided that the person continues to meet the criteria under regulation [16] (entitlement to a resettlement grant).

(5) At the cessation of a period of new service as a full time reserve, a person who has repaid their lump sum payment in accordance with paragraph (3) is not entitled to a lump sum payment under regulation [16] (entitlement to a resettlement grant).

Lump sums on incapacity

Lump sum awards: incapacity for armed forces service

19.—(1) A person who ceases to be in service as a member of the armed forces is entitled to immediate payment of a lump sum if—

(a) in the opinion of the scheme manager the person will continue to be unfit for service as a member of the armed forces because of physical or mental impairment, and

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

(b) the scheme manager has received evidence that the person is unfit for the purposes of sub-paragraph (a) from a registered medical practitioner, and

(c) the person has at least 2 years' qualifying service, and

(d) immediately before the service ceases the person is an active member of AFPS 14, and

(e) the person is not entitled to payments under either-

(i) regulation [9](entitlement to early departure payments), where the scheme manager determines that payment should be made instead of a payment under this regulation, or

(ii) the immediate payment of a pension under-

(aa) regulation [41](retirement on or after reaching Normal Pension Age-active service) of the AFPS 14, or

(bb) regulation [49](entitlement to ill-health pension: active members with permanent serious ill-health) of the AFPS 14, or

(cc) regulation [50](entitlement to ill-health pension: active members with significant impairment of capacity for gainful employment) of the AFPS 14, or

(dd) regulation [58](option for members in serious ill-health to exchange whole pension for lump sum) of the AFPS 14.

(2) Where a person re-enters service with the regular forces more than 5 years after an immediately prior period of service in AFPS 14 or a connected scheme, the period of prior service and the period of new service are not to be aggregated under this regulation.

(3) The following periods do not constitute qualifying service for the purposes of this regulation—

(a) any pensionable service in respect of which a person's rights under AFPS 14 are extinguished, or

(b) any pensionable service in a connected scheme in respect of which the person's rights under that scheme are extinguished.

Amount of lump sum on incapacity for armed forces service

20.—(1) The amount of the lump sum a person receives under regulation [19] (lump sum awards: incapacity for armed forces service) is to be determined by multiplying one eighth of the person's final pensionable earnings by their service expressed in years and fractions of a year except where-

(a) the amount calculated is less than one half of the person's final pensionable earnings. In these circumstances the person receives an amount equivalent to half the person's final pensionable earnings.

(b) the amount calculated is more than twice the person's final pensionable earnings. In these circumstances the person receives an amount equivalent to twice the person's final pensionable earnings.

(2) The lump sum is payable before the expiry of the period of 3 months beginning with the day on which the person ceases to be a member of the armed forces.

Effect of payment of an early departure payment, relating to previous service, on payment of lump sum on incapacity for armed forces service

21.—(1) Where a person continues to be in receipt of payments under regulation [9](entitlement to early departure payments) and subsequently becomes entitled to a payment under regulation [19](lump sum awards: incapacity for armed forces service), that person will continue to receive payments under regulation [9](entitlement to early departure payments) unless the scheme manager determines that the person should receive a payment under regulation [19](lump sum

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

awards: incapacity for armed forces service) instead of payments under regulation [9](entitlement to early departure payments).

(2) If the scheme manager determines that the person will receive a payment under regulation [19], payments under regulation [9](entitlement to early departure payments) are to end from the date that the payment under regulation [19](lump sum awards: incapacity for armed forces service) is made.

Effect of re-joining the armed forces having received a lump sum award for incapacity for armed forces service.

22.—(1) Subject to paragraph (2), where a person is accepted for re-entry to the armed forces that person is to retain any previous lump sum paid under regulation [19](lump sum awards: incapacity for armed forces service).

(2) On rejoining the regular forces a person is to repay any unexpired part of the lump sum.

(3) In paragraph (3) 'unexpired part' is to be determined by applying the following formula—

1- (A÷ B) x lump sum received

where—

A is the number of complete months since the person ceased to be in regular service; and

B is the number of months final pensionable earnings.

(4) If a person becomes entitled to a subsequent payment under regulation [19](lump sum awards: incapacity for armed forces service), only that period of service from the point at which the person rejoined the armed forces is to be used for the purpose of calculating the amount of the lump sum under regulation [19](lump sum awards: incapacity for armed forces service).

Signatory text

Name
Parliamentary Under Secretary of State
Ministry of Defence

Date

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

EXPLANATORY NOTE

(This note is not part of the Order)

These Regulations are made under the Public Service Pensions Act 2013 (c.25) and establish the Armed Forces Early Departure Payments Scheme 2015 ("the scheme"). This is a new scheme of benefits for members of the armed forces leaving service before they are entitled to retirement pensions or other benefits under the Armed Forces Pension Regulations 2015. The scheme replaces existing arrangements for armed forces personnel and takes effect from 1st April 2015.

Article 1 provides that the Regulations come into force on 1st April 2015.

Article 2 provides for the establishment of the scheme and states that it is to be known as "the Armed Forces Early Departure Payments Scheme 2015".

Article 3 applies the same governance regime from AFPS 15 to this scheme.

Article 4 sets out general definitions.

Articles 5, 6 & 7 explain the meaning of "final pensionable earnings", sets out the method by which final pensionable earnings are adjusted and explains the meaning of "qualifying service" respectively.

Articles 8 to 15 deal with early departure payments.

Articles 8 & 9 set out eligibility and entitlement criteria for early departure payments respectively.

Article 10 details how the amount of early departure payments is to be calculated.

Article 11 provides that an option for a person to convert the lump sum element of an early departure payment into additional monthly payments.

Article 12 provides for adjustments to early departure periodical payments to take account of inflation.

Article 13 details the effect of rejoining the regular forces within 5 years of receiving an EDP.

Article 14 details the effect of joining the reserve forces for those in receipt of an EDP.

Article 15 sets out what is to happen where a person qualifies for an EDP but is unable to take it as a result of an emergency requiring the person's continued service.

Articles 16 to 18 deal with resettlement grants.

Article 16 sets out an entitlement to a resettlement grant.

Article 17 details how the amount of a resettlement grant is determined.

Article 18 deals with the effect of rejoining the regular or joining the reserve forces on those in receipt of a resettlement grant.

Articles 19 to 22 deal with lump sums on incapacity for armed forces service.

Article 19 sets out conditions for entitlement to a lump sum for incapacity for armed forces service.

Article 20 sets out the calculation for determining the amount of lump sum for incapacity for armed forces service.

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.

Article 21 details the effect of EDP relating to a prior period of service on payment of a lump sum for incapacity for armed forces service.

Article 22 sets out the effect of rejoining the armed forces having received a lump sum for incapacity for armed forces service.

Para verificar as assinaturas, acesse www.tcu.gov.br/autenticidade, informando o código 57392250.