

SCHEDULE 2

Scheme flexibilities

PART 4

Election to buy out the standard reduction

CHAPTER 3

Payment of buy-out contributions

Determination of contributions payable

34.—(1) The scheme manager must determine the amount of the monthly payments to be paid in respect of a buy-out election.

(2) The scheme manager—

- (a) may determine the amount of the monthly payments by reference to the number of years stated in the buy-out election and the length of the contributions payment period; and
- (b) may exercise the functions under this paragraph so as to re-determine the amount of the monthly payments during the contributions payment period.

(3) Unless the scheme manager re-determines the amount, monthly payments following a gap in service not exceeding 5 years are the same as before the gap.