

SCHEDULE 2

Scheme flexibilities

PART 2

Additional pension election

CHAPTER 1

Making an additional pension election

Election to pay contributions for additional pension

6.—(1) A member (P), or P's employer with the consent of P, may elect to pay contributions for an additional pension in respect of P ("additional pension election").

(2) An additional pension election must—

(a) state whether the election is for—

(i) an additional (self only) pension; or

(ii) an additional (self only) pension and an additional (surviving adult) pension; and

(b) specify the annual rate of additional (self only) pension to be paid with P's retirement pension.

Annual rate of additional (self only) pension

7. The annual rate of additional (self only) pension specified in an additional pension election must be a multiple of—

(a) £250; or

(b) any other amount determined by the scheme manager.

Lump sum or monthly payments

8.—(1) An employer's contributions for additional pension must be made by lump sum.

(2) A member's additional pension contributions may be paid by lump sum or by monthly payments.

Making an additional pension election

9.—(1) An additional pension election in relation to a member (P)—

(a) must be made by written notice to the scheme manager; and

(b) must be accompanied by a declaration by P that P is in normal health.

(2) When the election is made, P must be—

(a) in pensionable service; and

(b) under normal pension age.

(3) The notice must state whether additional pension contributions are to be paid—

(a) as a lump sum, or

(b) by monthly payments.

(4) An employer's contributions for additional pension must be made by lump sum.

(5) A member's additional pension contributions may be paid by lump sum or by monthly payments.

(6) If monthly payments are to be made, the notice must—

(a) state the number of monthly payments, which must not be more than 240; and

(b) if P is in pensionable service in relation to more than one employment, specify which employer is to deduct the contributions.

(7) The scheme manager may request further information to be provided.

Accepting an additional pension election

10.—(1) The scheme manager may accept an additional pension election by giving written notice to the person who made the election (P).

(2) An additional pension election is accepted when P receives notice that the scheme manager has accepted the election.