

SCHEDULE 3

Payments for added pension

PART 2

Exercising the added pension option

Added pension option exercisable by member

5.—(1) An active member of this scheme may opt to make payments for added pension to increase—

- (a) the member's retirement benefits⁽¹⁾ for a period of service; or
- (b) the member's retirement benefits and death benefits payable in respect of the member for a period of service.

(2) A member may exercise the added pension option by written notice to the scheme manager ("the option notice").

(3) The option notice must state whether the payments for added pension are to be made by—

- (a) periodical payments; or
- (b) a lump sum payment.

(4) A member may exercise the added pension option more than once but an option to make a lump sum payment for added pension may only be exercised once in any scheme year.

(5) An option to make a lump sum payment for added pension may only be exercised if the member—

- (a) has been an active member of this scheme in relation to a continuous period of pensionable service for at least 12 months; and
- (b) has been provided with a statement of the amount of added pension (if paragraph 15 applies).

(1) Added pension which increases the member's retirement benefits is payable to the member as part of the member's full retirement pension in accordance with the provisions of Part 7.