
STATUTORY INSTRUMENTS

1969 No. 1825

**The British Transport (Pensions
of Employees) (No. 2) Order 1969**

Funded schemes

4.—(1) Where no such arrangements as are mentioned in Article 3 of this Order are made in relation to a discharged officer to whom this Article applies, or where such arrangements, if made, have been duly terminated, the persons in whom any funds held for the purposes of the scheme are vested shall transfer to the responsible body a sum which equals in amount either—

- (a) the transfer value at the date of his discharge or the date on which the arrangements are terminated, as the case may be, of his pension rights as defined for the purposes of the scheme, or
- (b) in the absence of such a definition, the estimated capital value at that date of his accrued pension rights,

with compound interest from the date of his discharge or the date on which the arrangements are terminated, as the case may be, until such sum is transferred to the responsible body; and upon such sum being transferred, the responsible body shall indemnify the persons in whom the said sum is vested against any liability for the payment of income tax in respect of the sum transferred to that body, and, without prejudice to their liability under arrangements made in accordance with Article 3 of this Order or under the preceding provisions of this Article, as from the date of the discharge of such discharged officer, the persons administering the scheme, and the persons in whom the said fund is vested, shall be discharged from all liability under the scheme to or in respect of that discharged officer or to any other person by reason of the transfer.

(2) The reference in paragraph (1) of this Article to compound interest shall be construed as a reference to compound interest at the same rate and with the same rests as were applied—

- (a) in a case where the sum to be transferred is that referred to in sub-paragraph (a) of the said paragraph, for the purposes of the last periodical actuarial valuation of the fund held for the purposes of the scheme; and
- (b) in any other case, for the purposes of calculating the estimated capital value of the accrued pension rights referred to in that paragraph.

(3) The sum to be transferred to the responsible body under the provisions of paragraph (1) of this Article shall be transferred within 6 months after the date of the discharge of the officer concerned or, where any such arrangements as are referred to in paragraph (2) of the last preceding Article have been made, the date on which the arrangements are duly terminated, as the case may be.

(4) The sum referred to in paragraph (1)(b) of this Article shall be determined by an actuary appointed by the responsible body and the fees of any actuary so appointed shall be defrayed by the responsible body.