
STATUTORY INSTRUMENTS

1969 No. 1825

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

General schemes

7.—(1) Subject to the provisions of this Order, this Article shall apply to every discharged officer who at the date of his discharge has accrued pension rights under a general scheme.

(2) The responsible body shall pay to or in respect of a discharged officer to whom this Article applies—

- (a) as from his reaching normal retiring age, or as from the happening of any other contingency carrying entitlement to pension under the scheme, the payment or payments comprised in his accrued pension rights; or
- (b) at the option of the responsible body in any case where the sum does not exceed £250 and where the officer concerned has not at any time before his discharge been in non-participating employment or, if he has so been, a payment in lieu of graduated contributions has been made in respect of his non-participating employment in accordance with section 58 of the National Insurance Act 1965, (such option to be exercised not later than 6 months after the date of his discharge), a lump sum equal in amount to the estimated capital value of his accrued pension rights at the date when the option is exercised, as determined by an actuary appointed by the responsible body, reduced by the aggregate of—
 - (i) any sum payable by way of income tax in consequence of the payment of the said lump sum, and
 - (ii) in a case where a payment in lieu of graduated contributions has been made under section 58 of the National Insurance Act 1965 on the discharge of the officer concerned and the period taken into account in fixing the amount of that payment includes any period of his pensionable service under that scheme, the smaller of the following two sums:—
 - (A) one-half of so much of that payment in lieu of graduated contributions as is referable to that period of pensionable service, and
 - (B) the estimated capital value (determined as aforesaid) of the pension rights which have accrued to him under that scheme in respect of that period of pensionable service.

(3) Except as provided in paragraph (2)(b) of this Article, the payment or payments comprised in the accrued pension rights of the officer concerned shall not be capable of surrender, commutation or assignment otherwise than in accordance with the rules of his pension scheme.

(4) The responsible body may discharge its liability under paragraph (2)(a) of this Article by making such arrangements with a life assurance company as will secure to or in respect of the discharged officer concerned as from his reaching normal retiring age or as from the happening of any other contingency carrying entitlement to pension under the scheme, the payment or payments comprised in his accrued pension rights.

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(5) Except as aforesaid, the responsible body shall be under no liability to or in respect of the discharged officer concerned by reason of any rights under or arising out of his membership of the scheme.