

SCHEDULE 7

Regulation D3

UNCOMPLETED PAYMENT OF ADDITIONAL CONTRIBUTIONS

1.—(1) This paragraph applies where a person paying additional contributions for a past period in accordance with Part I of Schedule 4—

- (a) ceases to be in full-time pensionable employment before the end of the period during which they were to be paid (“the contribution period”), and
- (b) does not again enter such employment within one month and before becoming entitled to payment of retirement benefits,

and no lump sum payment is made under paragraph 5, 6 or 8 of Schedule 4.

(2) In this paragraph, subject to sub-paragraph (5), A is the past period and B is the contribution period.

(3) Subject to sub-paragraphs (4) and (5), the person is entitled to count as reckonable service—

$$A \times \frac{C}{B}$$

where

C is so much of B as had elapsed when the pensionable employment ended.

(4) Subject to sub-paragraph (5), if when the pensionable employment ended he was incapacitated and had not attained the age of 60, he is entitled to count as reckonable service—

(a) where the contribution period would not have expired before he attained that age—

$$A \times \frac{D}{B}$$

where

D is the period from the start of B to his 60th birthday, or

(b) in any other case, A.

(5) If he had elected under paragraph 4 of Schedule 4 to shorten the contribution period—

(a) he is in any case entitled to count as reckonable service—

$$A \times \frac{F}{E}$$

where

E is the original contribution period and F is so much of it as had elapsed by the effective date of the election, and

(b) sub-paragraphs (3) and (4) have effect with the substitution—

(i) as A, of

$$A - \left\lfloor \frac{A \times F}{E} \right\rfloor$$

(ii) as B, of the shortened contribution period,

(iii) as C, of so much of the shortened contribution period as had elapsed when the pensionable employment ended, and

(iv) as D, of the period from the effective date of the election to his 60th birthday.

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2.—(1) This paragraph applies where a lump sum equal to the retirement lump sum that would otherwise have been receivable is paid under paragraph 6 or 8 of Schedule 4.

- (2) Where this paragraph applies, the person is entitled to count as reckonable service—
- (a) the period he would have been entitled to count under paragraph 1 if the lump sum had not been paid, and
 - (b) a period of

$$\frac{\frac{A}{B - 3 \times D}}{C} \text{ years,}$$

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where—

- A is the retirement lump sum,
- B is the lump sum that would have been payable under paragraph 5 of Schedule 4,
- C is so much of the past period as he is not entitled to count under (a) above, and
- D is his average salary.

3.—(1) This paragraph applies where a person paying additional contributions for a past period in accordance with Part III of Schedule 4—

- (a) ceases to be in full-time pensionable employment before the end of the contribution period, and
- (b) does not again enter such employment within one month and before becoming entitled to payment of retirement benefits,

and no lump sum payment is made under paragraph 15 of Schedule 4.

- (2) Subject to sub-paragraph (4), the person is entitled to count as reckonable service—

$$A \times \frac{C}{B}$$

where—

- A is the past period,
- B is the contribution period, and
- C is so much of B as had elapsed when the pensionable employment ended.

- (3) This sub-paragraph applies where—
- (a) when the pensionable employment ended the person was incapacitated and had not attained the age of 60, or
 - (b) he died while in the pensionable employment, or
 - (c) he dies within 3 months after the end of the pensionable employment without having made an election under paragraph 15 of Schedule 4.
- (4) Where sub-paragraph (3) applies—
- (a) if when the pensionable employment ended at least one year of the contribution period had elapsed, he is entitled to count the whole of the past period as reckonable service, and
 - (b) in any other case, he is not entitled to count any period as reckonable service and the additional contributions paid are to be refunded.

4.—(1) This paragraph applies where a person is continuing to pay contributions in accordance with paragraph 4 of Schedule 5 and—

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- (a) before the end of the contribution period they cease to be payable, and
 - (b) he does not make a lump sum payment under paragraph 5 of Schedule 5.
- (2) Subject to sub-paragraph (3), the person is entitled to count as reckonable service—

$$A \times \frac{B}{C}$$

where—

A is the period in respect of which the contributions were being paid,

B is the number of instalments he has paid, and

C is the number of instalments he would have paid if the contributions had not ceased to be payable.

- (3) Where the contributions cease to be payable by reason of his—

(a) dying, or

(b) becoming incapacitated before attaining the age of 60,

he is entitled to count as reckonable service the whole of the period in respect of which the contributions were being paid.

5.—(1) This paragraph applies where a person who is, in accordance with paragraph 6(1) of Schedule 5, continuing to pay contributions which he began to pay before 1973—

(a) before attaining the age of 60 ceases to be in pensionable employment, and

(b) does not then become entitled to payment of retirement benefits under regulation E4(6) (incapacity) or to a short service incapacity grant under regulation E17.

- (2) The person is entitled to count as reckonable service—

$$A \times \frac{B}{C}$$

where—

A is the period in respect of which the contributions were being paid,

B is the period during which they were paid, and

C is the period from the start of B to his 60th birthday.