
STATUTORY INSTRUMENTS

2009 No. 544

**The Armed Forces Pension Scheme
etc. (Amendment) Order 2009**

Pension credit members' pensions

11. For rule D.4 (early payment of pensions with actuarial reduction) substitute—

“D.4 Early payment of pensions with actuarial reduction

(1) A member who is not entitled to immediate payment of a pension under rule D.1, D.2 or D.3(3)(b)(i) may opt for immediate payment of a reduced pension and lump sum if the member has reached pension age and either paragraph (2) or paragraph (3) applies.

(2) This paragraph applies if the member—

- (a) meets the condition in rule D.2(1)(a) or (b); and
- (b) has ceased to be in service that qualifies him to belong to the Scheme.

(3) This paragraph applies if—

- (a) the member is a pension credit member;
- (b) the pension sharing order from which the pension credit rights derive was made before 6th April 2009; and
- (c) that order has taken effect.

(4) If a member exercises the option under this rule, the amount of the annual pension to which the member becomes entitled is first calculated as mentioned in rule D.2(3) or D.3(5) and then that amount is reduced by such amount as the Secretary of State determines after consulting the Scheme actuary.

(5) If a member exercises the option under this rule, the amount of the lump sum to which the member becomes entitled is first calculated as mentioned in rule D.2(4) or D.3(5) and then that amount is reduced by such amount as the Secretary of State determines after consulting the Scheme actuary.

(6) The option under this rule may only be exercised by notice in writing to the Scheme administrator in such form as the Secretary of State requires.”