

SCHEDULES

SCHEDULE 16

REQUIREMENTS AS TO PRESERVATION OF BENEFIT UNDER OCCUPATIONAL PENSION SCHEMES

PART I

Pension-increases

- 14 (1) A scheme which by its rules provides for increases of long service benefit from time to time (whether by way of upwards re-valuation or otherwise) must provide for corresponding increases of short service benefit in the case of members whose pensionable service terminates at any time after the coming into force of any such rule.
- (2) Where provision to this effect is made in such a way as to involve the exercise of a discretion in relation to increase of long service benefit, a corresponding discretion must be conferred in relation to short service benefit.
- (3) If an increase of long service benefit is to take effect at a specified time after termination of service, the corresponding increase of short service benefit must take effect at the same time after the time when short service benefit becomes payable.
- (4) Where provision is made for increase of long service benefit otherwise than at a fixed rate, short service benefit may nevertheless be subject to increase at a fixed rate, so long as the rate is not less than 3 per cent, a year compound.