
STATUTORY INSTRUMENTS

1995 No. 300

The National Health Service Pension Scheme Regulations 1995

PART M

Transfers and buy-outs

Early leaver without pension or preserved pension

M5.—(1) Subject to paragraphs (2) and (3), this regulation applies where a member leaves pensionable employment before reaching age 60, without becoming entitled to a pension under any of regulations E1 to E5 or a preserved pension under regulation L1.

(2) In a case where a member has received a refund of contributions under regulation L2, this regulation applies only if, before exercising the right to transfer or buy-out, the member pays to the Secretary of State an amount equal to that refund of contributions (including any interest).

(3) In a case where a member leaves pensionable employment with a pension under regulation E3 (early retirement pension on grounds of redundancy), this regulation applies only if, before exercising the right to transfer or buy-out, the member pays to the Secretary of State an amount equal to the total benefits already paid to the member under the scheme.

(4) Where this regulation applies the member will be treated, for the purposes of regulations M1 to M4, as if he had left pensionable employment with a preserved pension, except that—

- (a) a member who requires the cash equivalent to be used to buy one or more buy-out policies must exercise the right to buy-out within 12 months after leaving pensionable employment; and
- (b) a member who requires the cash equivalent to be used to acquire rights under another occupational pension scheme or under a personal pension scheme must join that other scheme within 12 months after leaving pensionable employment and exercise the right to transfer within 12 months after joining that other scheme.

(5) A member who pays an amount to the Secretary of State as described in paragraphs (2) or (3) of this regulation will be treated, for the purposes of regulation M1(6), as if the refund of contributions or, as the case may be, the benefits represented by that amount had never become payable to the member.