



Northern Ireland
Assembly

Assembly Members Pension Scheme (Northern Ireland) 2016

April 2016

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PART A

PRELIMINARY

A1. Citation

This Scheme may be cited as the Assembly Members' Pension Scheme (Northern Ireland) 2016.

A2. Interpretation – general

1. In this Scheme save where expressly provided otherwise, any reference to a statute (or to a particular chapter, section or part of a statute) includes any modification or re-enactment of it and any regulations made under it:-

“actual period of reckonable service as a participating member” has the meaning given in article E1;

“aggregate period of reckonable service as a participating member” and **“aggregate period of reckonable service as a participating office holder”** have the meanings given in article E1;

“appropriate personal pension scheme” means a personal pension scheme which is for the time being specified in an appropriate scheme certificate issued under regulations made under section 3 of the Pension Schemes Act;

“basic or prospective pension or pensions” has the meaning given in article K5;

“CARE benefits” means the benefits accrued by reference to a period of reckonable service completed in the Scheme on or after the CARE Commencement Date in accordance with the requirements of Schedule 4 and the other relevant provisions of the Scheme as shall apply to CARE participants;

“CARE Commencement Date” means 6 May 2016; provided that for Transitionally Protected Members, it means 6 May 2021;

“CARE participant” means a person who has been admitted to participate in the CARE Section in accordance with the provisions of Schedule 4 and who has not:

- (a) ceased to be a member of the Assembly or an office holder; or
- (b) withdrawn from or opted out of active membership of the CARE Section of the scheme under articles C3 or C4;

“CARE Salary” means:

- (a) in the case of a member of the Assembly, the member’s ordinary salary or such lower amount of salary as the individual chooses to receive at any time; or
- (b) in the case of an office holder, the office holder’s salary or such lower amount of salary as the individual chooses to receive at any time;

“CARE Section” means the provisions that apply to the calculation of CARE benefits as are set out in Schedule 4;

“CARE Section Rules” means the rules that apply to participating members who on or after the CARE Commencement Date shall accrue CARE benefits in the Scheme in accordance with the provisions of Schedule 4;

“CARE Year” means each period of 12 months commencing on 1 April;

“cohabiting partner” means in relation to a participant who has died, a person of either sex who satisfies the Trustees that:

- (a) at the date of the participant’s death they had been cohabiting with each other for a period of at least two years immediately prior to death; and
- (b) the deceased and the partner had been free to marry or enter into a civil partnership with each other; and
- (c) the partner and the deceased had been living together as if they were husband and wife or civil partners; and
- (d) neither the deceased nor the partner had been living with someone else as if they were husband or wife or civil partners; and
- (e) the partner had been nominated in writing by the deceased (in such declaration form as may be prescribed by the Trustees) at least six months prior to the participant’s death as being the person to whom the participant wished a survivor’s pension to be paid under the Scheme; and
- (f) the partner was, either financially dependent on the deceased or they were financially inter-dependent and who has provided proof of the existence of that financial dependency or inter-dependency subsisting for at least two years prior to the death of the participant;

“Consumer Prices Index” means:

- (a) the general index of consumer prices (for all items) as published; or

- (b) where that index is not published for a month, any index or figures which are specified by HM Treasury by order or where none exists, any index or figures which are published and determined by the Trustees to be an appropriate substitute;

“contribution” (except in the expression “contributions equivalent premium”) means any amount deducted from salary and paid into the Fund under article D1 or CARE Rule 2 (as appropriate) and any reference to the payment of a contribution shall be construed accordingly;

“contributions equivalent premium” means a premium payable under section 51(2) of the Pension Schemes Act;

“deferred pensioner” means a person who:

- (a) having been but having ceased to be a participant; and
- (b) having accrued rights to a pension from the Fund, is not, or was not at their death, yet entitled to receive a pension from the Fund.

A participant who became a deferred pensioner of the Scheme prior to the CARE Commencement Date shall have accrued only Pre-CARE benefits and shall have their benefits calculated on that basis in accordance with the Rules of the Scheme as applied immediately prior to the CARE Commencement Date;

“dual mandate member” means with effect from on and after 5 July 2010 by reference to Pre-CARE benefits only, a serving member of the Assembly (which includes an office and non-office holder) who by virtue of the provisions of section 47(4) of the Northern Ireland Act 1998 is not entitled to receive a member’s ordinary salary during any period in respect of which the individual is also in receipt of salary as a member of either House of Parliament or of the European Parliament. For the avoidance of doubt and in accordance with article C2.1A, any officer holder’s salary payable to a dual mandate member shall be deemed pensionable, unless expressly stated to the contrary. For all purposes, a dual mandate member shall cease to be a participating member of the Scheme on and after 5 July 2010 and shall be deemed to be a deferred pensioner (with the exception of their concurrent office holder service unless expressly stated otherwise); provided that their deferred benefits (subject always to the preservation requirements of the Pension Schemes Act) shall be revalued by reference to the member’s ordinary salary applicable at the date they cease to be a serving Assembly member, rather than that applicable at the date they ceased to be a participating member;

“eligible child” has the meaning given in article K2.4;

“fraction of a year” means part of a year of reckonable service expressed as the proportion borne by the number of days in that part to 365, and “fraction of an added year” shall be construed accordingly;

“Fund” means the Northern Ireland Assembly Members’ Pension Scheme as referred to under article B1;

“GMP” means the guaranteed minimum pension in accordance with the Pension Schemes Act;

“HMRC” means Her Majesty’s Revenue & Customs;

“interest” (where the reference is to the payment of any sum with interest) means compound interest at the rate of 4% per annum, calculated with annual rests;

“Minimum Pension Age” means age 55 unless a minimum pension age of 50 applies as a consequence of the transitional protections under the Finance Act 2004;

“normal retirement date” means:

- (a) in relation to Pre-CARE benefits, the date on which a participant reaches the age of 65; and
- (b) in relation to CARE benefits, the later of the date on which a participant reaches the age of 65 or reaches State Pension Age;

Where a participant has accrued both Pre-CARE benefits and CARE benefits, the person may take their pension separately from the respective normal retirement dates as applies to the accrued pension in question. For the avoidance of doubt, a participant who ceased to be a member of the Scheme on or prior to the CARE Commencement Date (who shall have accrued only Pre-CARE benefits) shall retain a normal retirement date of age 65 in relation to those accrued benefits;

“office holder” has the meaning given in article C2.3;

“opted-out member” has the meaning given in article C3.4;

“opted-out office holder” has the meaning given in article C4.4;

“participant” means a person (including the Attorney General as the context permits) making contributions to the Fund, and may be either a participating member or both a participating member and a participating office holder;

“participating member” means (and where appropriate includes those persons described in article C2.1A(a)), a person (including for the avoidance of doubt, a CARE participant or a Transitionally Protected Member) making contributions to the Fund deducted from their salary as a member (or who is excused from making such contributions because their aggregate period of reckonable service exceeds that which

would give rise to the maximum pension allowed in respect only of his or her Pre-CARE benefits under this Scheme);

“participating office holder” means a person (including for the avoidance of doubt, a CARE participant or a Transitionally Protected Member) making contributions to the Fund deducted from his or her office holder’s salary and shall be deemed to include a person making contributions which are deducted from his or her salary as an Attorney General;

“pension” does not include an allowance or gratuity;

“Pension Increase Legislation” means the Pensions (Increase) Act (Northern Ireland) 1971 or such other legislation which governs the rate and form of pension increases as applies to public sector schemes in Northern Ireland from time to time;

“Pension Schemes Act” means the Pension Schemes (Northern Ireland) Act 1993;

“pensioner” means a person entitled to receive a pension from the Fund, and may be either a pensioner member or both a pensioner member and a pensioner office holder. Pensioner may include the Attorney General where the context allows;

“pensioner member” means a person entitled to receive a pension from the Fund (including an early retirement pension or an ill-health pension) in respect of their service as a member of the Assembly;

“pensioner office holder” means a person entitled to receive a pension from the Fund (including an early retirement pension or an ill-health pension) in respect of their service as an office holder;

“period of tenure of a qualifying office” has the meaning given in article C2.2;

“permitted maximum” means (unless the context indicates otherwise):

- (a) in relation to any tax year before the tax year 2006-2007, the figure specified for that tax year in an order made under section 590C of the Taxes Act 1988;
- (b) in relation to any other tax year before the tax year 2010-2011, the notional figure derived for that year by virtue of the calculation method outlined in section 590C(5) and section 590C(5A) of the Taxes Act 1988 notwithstanding the repeal of those sections; and
- (c) in relation to any later tax year, means such amount as is determined and passed by a resolution of a majority of the Trustees present at a quorate meeting and subsequently formally adopted for the purposes of the Scheme. When making determinations in this regard, the Trustees shall be deemed to have set a non-increasing fixed cash amount as the permitted maximum, unless they specify otherwise. This amount shall remain in force until such time as the Trustees

determine to review and revise the same. The Trustees may also at any time subsequently, choose to disapply the “permitted maximum” by reference to members’ future earnings provided that they have taken into account appropriate actuarial advice;

“**Pre-CARE benefits**” means benefits accrued on a final salary basis by reference to reckonable service completed in the Scheme prior to the CARE Commencement Date;

“**qualifying office**” has the meaning given in article C2.3;

“**reckonable service**” means a period of pensionable service as a participating member and/or a participating office holder as appropriate in accordance with article E1;

“**State Pension Age**” in relation to a person, means the pensionable age of the person as specified from time to time in Part 1 of Schedule 2 of The Pensions (Northern Ireland) Order 1995;

“**spouse**” includes a civil partner as defined in the Civil Partnership Act 2004, or a cohabiting partner and references to ‘marriage’ or ‘married’ shall be construed accordingly;

“**Taxes Act 1988**” means the Income and Corporation Taxes Act 1988;

“**tax year**” means a year beginning on the 6 April in any year and ending on the following 5 April;

“**the multiple**” means in connection with Pre-CARE benefits only:

- (a) in respect of a pension under article F1, the relevant final salary of the pensioner under article F3.2;
- (b) in respect of a pension under article F2, the relevant final salary of the pensioner under article F4.5 multiplied by the average of all the contribution factors under article F4.2 calculated in relation to the pensioner for his aggregate period of reckonable service as a participating office holder;

“**Transitionally Protected Member**” means a person who:

- (a) was a participating member accruing Pre-CARE benefits in the Scheme on 1 April 2015 and remained as such immediately prior to 6 May 2016;
- (b) was aged 55 or over as at 1 April 2015; and
- (c) up until 6 May 2021, had not ceased to be a Transitionally Protected Member by virtue of having ceased to be in continuous reckonable service for a period greater than 28 consecutive days or has not elected to become an opted-out member under articles C3 or C4. Any break in reckonable service in excess of 28 consecutive

days shall result in that individual only being able to join the CARE Section of the Scheme.

A Transitionally Protected Member shall retain a link to relevant final salary as defined in articles F3 and F4 until the first occasion on or after 6 May 2016 that he or she ceases to be in continuous reckonable service. The individual shall thereafter be treated as a deferred pensioner for the purposes of the relevant final salary link when calculating accrued Pre-CARE benefits. For the avoidance of doubt, a Transitionally Protected Member who remains in continuous reckonable service on or after 6 May 2021, shall automatically cease to accrue Pre-CARE benefits on and from 6 May 2021 and shall start to accrue benefits in the CARE Section;

“Trustees” means the trustees of the Scheme from time to time appointed in accordance with article B2.

2. Subsections (9) (9A) and (10) of section 47 of the Northern Ireland Act 1998 apply for the purposes of this Scheme as they apply for the purposes of that section.
3. For the purposes of this Scheme any break in the continuity of the term of office of a member of the Assembly attributable to section 47(9)(a) and (10)(b) of that Act shall be disregarded.
4. The Interpretation Act (Northern Ireland) 1954 applies to this Scheme as it applies to an Act of the Assembly.

A3. Interpretation – salary

1. In this Scheme, save where expressly provided otherwise, any reference to a statute (or to a particular chapter, section or part of a statute) includes any modification or re-enactment of it and any regulations made under it:–

“a member’s ordinary salary” means the annual salary payable by virtue of a determination under section 47 of the Northern Ireland Act 1998 to a member of the Assembly who is not:

- (a) an office holder; or
- (b) in receipt of a salary as a member of either House of Parliament or of the European Parliament;

“a member’s reduced salary” means for the period prior to 5 July 2010, the annual salary payable by virtue of a determination under the then section 47 of the Northern Ireland Act 1998 to a member of the Assembly who:

- (a) is not an office holder; but

- (b) is in receipt of a salary as a member of either House of Parliament or of the European Parliament;

“office holder’s salary” means so much of the annual salary payable by virtue of a determination under section 47 of the Northern Ireland Act 1998 to a person holding a qualifying office as exceeds their salary as a member of the Assembly and in the case of the Attorney General shall be construed to mean the salary that is payable to such an appointee under the Justice (Northern Ireland) Act 2002;

“salary as a member”

- (a) for the period on or after 5 July 2010 in respect of both Pre-CARE and CARE benefits:
 - (i) in relation to a serving Assembly member who is an office holder and a dual mandate member, means “nil salary” is payable by virtue of section 47(4) of the Northern Ireland Act 1998, where otherwise a member’s ordinary salary would have been payable;
 - (ii) in relation to a serving Assembly member who is an office holder but not a dual mandate member, means a member’s ordinary salary;
 - (iii) in relation to a serving Assembly member who is not an office holder but who is a dual mandate member, means “nil salary” is payable by virtue of section 47(4) of the Northern Ireland Act 1998, where otherwise a member’s ordinary salary would have been payable; and
 - (iv) in relation to a serving Assembly member who is not an office holder and also not a dual mandate member, means a member’s ordinary salary;
- (b) for the period prior to 5 July 2010 in respect of Pre-CARE benefits only:
 - (i) in relation to a serving Assembly member who is an office holder and who would otherwise qualify as a dual mandate member, means a member’s reduced salary;
 - (ii) in relation to a serving Assembly member who is an office holder and who would otherwise not qualify as a dual mandate member, means a member’s ordinary salary;
 - (iii) in relation to a serving Assembly member who is not an office holder and who would otherwise qualify as a dual mandate member, means a member’s reduced salary; and
 - (iv) in relation to a serving Assembly member who is not an office holder and who would otherwise not qualify as a dual mandate member, means a member’s ordinary salary.

PART B

THE FUND AND THE TRUSTEES

B1. The Fund

1. A fund known as the Northern Ireland Assembly Members' Pension Fund, established for the purposes of this Scheme and vested in and administered by the Trustees.
2. The Trustees shall hold the assets comprised in the Fund upon trust in accordance with the provisions of this Scheme.

B2. The Trustees

1. The Assembly shall by resolution appoint not more than five members of the Assembly to be the Trustees of the Scheme.
2. A person appointed as a Trustee:
 - (a) may resign from office by notice in writing to the Presiding Officer;
 - (b) may be removed from office by a resolution of the Assembly;
 - (c) shall, without prejudice to sub-paragraph (b), cease to hold office on the expiry of six months from the date on which they cease to be a member of the Assembly.
3. The quorum for any meeting of the Trustees shall be three. The procedure of the Trustees shall be such as the Trustees may determine.
4. The Trustees may act by a majority of those present at any meeting. Any decision of the Trustees shall continue in force until amended, revised or revoked by a further decision of the Trustees despite there being a change in the persons who are Trustees.
5. The Trustees may:
 - (a) employ such staff; and
 - (b) obtain such professional advice and services, as they think necessary in connection with the performance of their functions under this Scheme.
6. The expenses of the Trustees in the exercise of their functions shall be defrayed out of the Fund.

B3. Administration of Fund

1. The provisions of Schedule 1 shall have effect with respect to the administration of the Fund by the Trustees and the management and application of the assets of the Fund.

2. All pensions and other sums payable under this Scheme by the Trustees, including contributions equivalent premiums payable in respect of former participants, shall be paid out of the Fund, and all sums received by the Trustees under this Scheme shall be paid into the Fund.

PART C

MEMBERSHIP

C1. Membership for members of the Assembly

Any person serving as a member of the Assembly shall be a participating member in this Scheme unless they have exercised an option under article C3.

C2. Membership for office holders

1. An office holder who:
 - (a) is a participating member (subject always to the specific inclusions described in article 1A below); and
 - (b) has not exercised an option under article C4, shall be a participating office holder in this Scheme in respect of any period of tenure of a qualifying office.
- 1A. The stipulation in article C2.1 above, that a participating office holder also be a participating member shall be disregarded in respect of:
 - (a) an individual who is not a serving member of the Assembly who is appointed to the office of Attorney General in accordance with the provisions of the Justice (Northern Ireland) Act 2002.

In that instance, any period during which the individual is in receipt of an office holder's salary (which in the case of the Attorney General shall be construed to mean the salary that is payable to such an appointee under the Justice (Northern Ireland) Act 2002) shall be deemed pensionable for the purposes of all benefits payable under the Scheme, unless expressly indicated to the contrary.

2. In this Scheme "period of tenure of a qualifying office" means any continuous period for which a person is:
 - (a) the holder of one and the same qualifying office; or
 - (b) the holder successively of two or more qualifying offices in respect of which the same salary is payable.

3. In this Scheme “qualifying office” means any of the offices to which the Northern Ireland Act 1998 may apply from time to time and “office holder” means the holder of a qualifying office (which includes but is not limited to the following):
- (a) the Presiding Officer;
 - (b) the Deputy Presiding Officers;
 - (c) the First Minister and deputy First Minister;
 - (d) the Ministers or junior Ministers;
 - (e) Chairs of Committees established under Standing Order;
 - (f) Chair of the Finance Committee established under Standing Order;
 - (g) Attorney General (whose salary is dealt with at article C2.1Ab above);
 - (h) those Chairs of Committees (other than those referred to in (e) and, (f) above), who are entitled, under any determination made under Standing Orders, to an additional office holder’s salary by virtue of that office; and
 - (i) those holding office as members of the Assembly Commission (other than the Presiding Officer).

C3. Right to opt out for members of the Assembly

1. A participating member may exercise (including a CARE participant or a Transitionally Protected Member) an option in writing under this article not to be a participating member in this Scheme.
2. Subject to paragraph 3, the effective opt-out date in respect of a member is whatever date the Trustees shall determine to be the earliest practicable date after that on which they receive from them written notice of the exercise of the option.
3. If the Trustees receive the written notice not more than three months after the date:
 - (a) of an election at which the person was elected for the first time to membership of the Assembly;
 - (b) on which the person first became a member of the Assembly under section 35 of the Northern Ireland Act 1998,

the effective opt-out date is the day on which they became a member of the Assembly and any contributions deducted from their salary as a member under article D1 or CARE Rule 2 (as appropriate) since that date shall be repaid to them.

4. A member of the Assembly who has exercised an option under this article not to be a participating member in this Scheme is referred to as “an opted-out member”. Such person shall only be able to rejoin the Scheme on the next occasion after a subsequent election.
5. A Transitionally Protected Member who elects to become an opted-out member on or after 6 May 2016, may only be permitted to rejoin the Scheme as a participating member of the CARE Section. All Transitionally Protected Members shall cease to accrue Pre-CARE benefits and shall start to accrue CARE benefits on and after 6 May 2021.
6. A participating member who became an opted-out member prior to 6 May 2016, may only be permitted to rejoin the Scheme on or after that date as a participating member of the CARE Section.

C4. Right to opt out for office holders

1. An office holder (including for the avoidance of doubt a CARE participant or Transitionally Protected Member) who is a participating member may exercise an option in writing under this article not to be a participating office holder in this Scheme. For the avoidance of doubt, the Attorney General shall be deemed an office holder even though he or she may not have been a participating member.
2. Subject to paragraph 3, the effective opt-out date in respect of an office holder is whatever date the Trustees shall determine to be the earliest practicable date after that on which they receive from them written notice of the exercise of the option.
3. If the Trustees receive the written notice not more than three months after the date of commencement of a period of tenure of a qualifying office, the effective opt-out date is the date on which that period of tenure commenced and any contributions deducted under article D1 or CARE Rule 2 from their office holder’s salary in respect of that period of tenure shall be repaid to them.
4. An office holder who has exercised an option under this article not to be a participating office holder or who has exercised the option under article C3 is referred to in this Scheme as “an opted-out office holder”.

C5. Right to opt in for members of the Assembly

An opted-out member (including for the avoidance of doubt a CARE participant or Transitionally Protected Member) may apply to rejoin the CARE Section of the Scheme as a participating member as from the date on which they became a member of the Assembly following a subsequent election to the Assembly (“the effective opt-in date”) by giving notice in writing to the Trustees within a period of three months beginning with the effective opt-in date, provided that:

- (a) they pay to the Trustees within 28 days of their acceptance of their application, or within such longer period as the Trustees may determine, the sum certified by the Trustees as being the amount which would have been deducted from their salary as a member under CARE Rule 2 between the effective opt-in date and the first date thereafter when a deduction from that salary under CARE Rule 2 is made; and
- (b) at the effective opt-in date, at least three months had elapsed since they were last elected to membership of the Assembly.

C6. Right to opt in for office holders

An opted-out office holder (including for the avoidance of doubt a CARE participant or Transitionally Protected Member) who is a participating member may apply to rejoin the CARE Section of the Scheme as a participating office holder as from the date of commencement of a new period of tenure of a qualifying office ("the effective opt-in date") by giving notice in writing to the Trustees within a period of three months beginning with the effective opt-in date, provided that they pay to the Trustees within 28 days of their acceptance of their application, or within such longer period as the Trustees may determine, the sum certified by the Trustees as being the amount which would have been deducted from their office holder's salary under CARE Rule 2 between the effective opt-in date and the first date thereafter when a deduction from that salary under CARE Rule 2 is made.

C7. Right to opt for lower accrual rate

This article C7 shall only apply in respect of reckonable service completed by reference to Pre-CARE benefits.

1. Under articles E and F, the rate at which pensions accrued under this Scheme was increased from 1/50th of the relevant final salary (the "lower accrual rate") to 1/40th of the relevant final salary (the "higher accrual rate") for periods of reckonable service falling after 31 March 2009. However, any participant in the Scheme at 31 March 2009 had the right to opt for continuing participation in the Scheme at the lower accrual rate, by giving written notice to the Trustees no later than 11 May 2009.
2. A participant first elected to the Assembly after 31 March 2009, could opt for participation in the Scheme at the lower accrual rate, by giving written notice to the Trustees no later than three months after the date of appointment as an Assembly member.
3. If a participant in the Scheme, whether first elected to the Assembly before or after 31 March 2009, was accruing pension at the higher accrual rate, that participant could, at any subsequent Assembly election, opt to participate at the lower accrual rate in respect of service after the date of that election. Such an option could be exercised by giving written notice to the Trustees within three months of the date of the election.

4. If a participant was both a participating member and a participating office holder, any option for the lower accrual rate had to be exercised in respect of both member and office holder reckonable service.
5. A Transitionally Protected Member shall be permitted to change from the higher accrual rate to the lower accrual rate once only in the period up until 6 May 2021.

PART D

CONTRIBUTIONS

D1. Contributions by participants

This article D1 shall apply to any periods of reckonable service completed in respect of Pre-CARE benefits only.

1. Subject to paragraph 3 and article D2 in all other cases, there shall be deducted from each payment in respect of salary as a member made to a participating member by the sum specified below; and all sums so deducted shall be paid into the Fund:
 - (a) in relation to a salary payment made in respect of a period of reckonable service ending prior to 6 May 2016, at a rate of 7% for the lower accrual rate (as described in article C7) or 12.5% of the salary payment for the higher accrual rate (as described in article C7);
 - (b) in relation to a salary payment in respect of a period of reckonable service beginning on or after 6 May 2016 for Transitionally Protected Members, 9% for the lower accrual rate or 12.5% of salary payment for the higher accrual rate, subject always to the provisions of article C7.5.

A participating member who ceases to be a Transitionally Protected Member on or after 6 May 2016 may only rejoin the CARE Section of the Scheme for future service benefits and shall be required to pay contributions in accordance with the requirements of Schedule 4.

2. Subject to article D2, there shall be deducted from each payment in respect of office holder's salary made to a participating office holder by the sum specified below; and all sums so deducted shall be paid into the Fund:

in relation to a salary payment in respect of a period of reckonable service beginning on or after 6 May 2016 for Transitionally Protected Members, 9% for the lower accrual rate or 12.5% of salary payment for the higher accrual rate, subject always to the provisions of article C7.5.

3. For the purposes of calculating Pre-CARE benefits only, where a person's aggregate period of reckonable service as a participating member exceeds that which would give rise to the maximum pension allowed in respect of that person as a participating member under article F5, no deduction for contributions shall be made under this article from payments in respect of their salary as a member.
4. If any salary from which a deduction is required to be made under this article is not drawn, there shall be set aside, out of moneys available for the payment, a sum equal to the relevant deduction; and any sum so set aside shall be paid into the Fund. For the avoidance of doubt, a person who is accruing Pre-CARE benefits attributable to reckonable service completed on or after 6 May 2016, who voluntarily elects not to draw their full salary as a member shall be required to pay contributions under article D1 as if they had drawn their full salary as a member.

D2. Earnings cap

Where the annual salary of a participating member who is accruing either Pre-CARE benefits or CARE benefits as:

- (a) a member of the Assembly; or
- (b) both a member of the Assembly and an office holder

exceeds the permitted maximum, the contributions deducted from that annual salary shall be limited to the applicable contribution rate percentage payable by the individual under article D1 or CARE Rule 2 (as appropriate) of that permitted maximum and where sub-paragraph (b) of this article D2 applies their contributions under article D1 or CARE Rule 2 (as appropriate) in respect of their office holder's salary shall be reduced before their contributions under that article in respect of their salary as a member.

D3. Contributions from the Consolidated Fund

1. In respect of each financial year a Consolidated Fund contribution shall be paid into the Fund out of money appropriated by Act of the Assembly for that purpose.
2. The amount of the Consolidated Fund contribution to be paid in respect of any financial year shall be calculated in accordance with the recommendations for that year contained in a report under article Q2 by the Actuary appointed under article Q1.

PART E

RECKONABLE SERVICE

E1. Reckonable service

1. For the purposes of calculating both Pre-CARE benefits and CARE benefits, subject to articles N1 (refunds) and P4 (effect of transfers out) in relation to any person, any period during which he or she was a member of the Assembly and has made contributions to the Fund is a period of reckonable service as a participating member; and in this Scheme "actual period of reckonable service as a participating member", in relation to a person, means the period referred to in this paragraph or (if more than one) the aggregate of such periods where the member has chosen to aggregate.
2. For the purposes of calculating both Pre-CARE benefits and CARE benefits, subject to articles N1 (refunds) and P4 (effect of transfers out), any period during which a person is a participating office holder is a period of reckonable service as a participating office holder; and in this Scheme "aggregate period of reckonable service as a participating office holder", in respect of a person, means their period (or, if more than one, the aggregate of that person's periods) of reckonable service as a participating office holder.
3. For the purposes of calculating both Pre-CARE benefits and CARE benefits, in respect of a person, their aggregate period of reckonable service as a participating member is their actual period of reckonable service as a participating member together with any increases in reckonable service attributable to sums received by way of transfer value.
4.
 - (i) For the purposes of calculating Pre-CARE benefits only (including for the avoidance of doubt for Transitionally Protected Members), aggregate period of reckonable service at the higher accrual rate (whether as a participating member or as a participating office holder) refers to the period of reckonable service as such a participant after 31 March 2009 in respect of which pension benefits for the member were accruing at the higher accrual rate of 1/40th of relevant final salary;
 - (ii) For the purposes of calculating Pre-CARE benefits only (including for the avoidance of doubt for Transitionally Protected Members), aggregate period of reckonable service at the lower accrual rate refers to reckonable service prior to 1 April 2009 and to any reckonable service after that date where the participant had opted for pension benefits to accrue at the lower accrual rate of 1/50th of relevant final salary (whether as a participating member or as a participating office holder).
5. For the purposes of this Scheme, a period of reckonable service is measured in years and fractions of a year.

6. For the purposes of calculating both Pre-CARE benefits and CARE benefits, any break in a participant's period of reckonable service in excess of 28 consecutive days shall constitute a break in reckonable service and the participant shall be deemed to be a deferred pensioner for the purposes of calculating his or her accrued benefits by reference to that period of reckonable service.

PART F

PENSION ENTITLEMENT

F1. Entitlement of pensioner members

In relation to any periods of reckonable service completed in respect of Pre-CARE benefits only and subject to the provisions of this Scheme, a person who ceases to be a participating member and who has reckonable service as a participating member under Part E shall be entitled to receive a pension under this article as from the time when the following conditions are fulfilled in respect of him or her:

- (a) he or she is not a member of the Assembly; and
- (b) he or she has attained the age of 65.

F2. Entitlement of pensioner office holders

1. In respect of any periods of reckonable service completed in respect of Pre-CARE benefits only and subject to the provisions of this Scheme, a person who:
 - (a) ceases to be a participating office holder; and
 - (b) has reckonable service as a participating office holder under Part E,shall be entitled to receive a pension under this article as from the time when the conditions specified in paragraphs (a) and (b) of article F1 are fulfilled in respect of them.
2. A person may be entitled to a pension under both articles F1 and this article; and the amounts of the two pensions shall be cumulative.

F3. Amount payable to pensioner members

1. In respect of Pre-CARE benefits only, and subject to articles F5 (permitted maximum pensions), G1 (commutation), H1 (early retirement) and J1 (ill-health pensions), the annual amount of the pension payable to a person under article F1 shall be:
 - (a) 1/50th of the relevant final salary multiplied by his or her aggregate period of reckonable service at the lower accrual rate, plus
 - (b) 1/40th of the relevant final salary multiplied by his or her aggregate period of reckonable service at the higher accrual rate.
2. In paragraph 1 “the relevant final salary” means:
 - (a) in relation to a person whose actual period of reckonable service as a participating member was 12 months or more, the amount of a member’s ordinary salary for the last 12 months (whether continuous or not) comprised in that actual period of reckonable service; and
 - (b) in relation to a person whose actual period of reckonable service as a participating member was less than 12 months, the amount of a member’s ordinary salary for the period (whether continuous or not) which constituted that actual period of reckonable service multiplied by 365 and divided by the number of days in that period,and in either case excludes any amount in excess of the permitted maximum.
3. In paragraph 1 “aggregate period of reckonable service” refers to the person’s aggregate period of reckonable service as a participating member.

F4. Amount payable to pensioner office holders

This article F4 shall apply to any periods of reckonable service completed in respect of Pre-CARE benefits only.

1. Subject to articles F5 (permitted maximum pensions), G1 (commutation), H1 (early retirement) and J1 (ill-health pensions), the annual amount of the pension payable to a person under article F2 shall be calculated in accordance with paragraphs 2 to 5 of this article.
2. For each year of which the whole or any part was comprised in the person’s aggregate period of reckonable service as a participating office holder the following amounts shall be calculated:

- (a) an amount equal to the sums deducted under article D1.2 in respect of that year from the person's office holder's salary calculated separately for the periods of reckonable service at the lower accrual rate and reckonable service at the higher accrual rate.
 - (b) an amount equal to the aggregate amount which fell to be deducted under article D1.1 from a participating member's ordinary salary; and for each such year there shall be calculated the amount ("the contribution factor") which is equal to the amount calculated under sub-paragraph (a) divided by the amount calculated under sub-paragraph (b).
3. For each such year, a contribution credit shall be calculated separately for pensions accruing at the lower accrual rate and pensions accruing at the higher accrual rate. The contribution credit applicable to the lower accrual rate shall be determined by multiplying 1/50th of relevant final salary by the amount of the contribution factor for that year, and the contribution credit for the higher accrual rate shall be obtained by multiplying 1/40th of the relevant final salary by the amount of the contribution factor for that year.
 4. The annual amount of the pension shall be an amount equal to the sum of the contribution credits for the lower accrual rate and the higher accrual rate, as calculated under paragraph 3 above.
 5. In paragraph 3 "the relevant final salary" means:
 - (a) in relation to a person whose aggregate period of reckonable service as a participating office holder was 12 months or more, the amount of a member's ordinary salary for the last 12 months (whether continuous or not) comprised in that period of reckonable service; and
 - (b) in relation to a person whose aggregate period of reckonable service as a participating office holder was less than 12 months, the amount of a member's ordinary salary for the period (whether continuous or not) which constituted that period of reckonable service multiplied by 365 and divided by the number of days in that period,

and in either case excludes any amount in excess of the permitted maximum.

F5. Permitted maximum pensions

1. The annual amount of the pension payable under article F1 or F2 when calculating Pre-CARE benefits only shall not exceed whichever is the least of:
 - (a) the amount equal to two thirds of the multiple; or
 - (b) the amount equal to two thirds of the permitted maximum.

2. In the case of a person who is entitled to a pension under both articles F1 and F2, the amount of the two pensions together shall not exceed two thirds of the permitted maximum and, if they do, the pension payable under article F2 shall be reduced before the pension payable under article F1.

F6. Duration of pensions

1. Subject to the following provisions of this article and article J4, a pension under articles F1 or F2 or CARE Rules 3 and 4 (including an early retirement pension or an ill-health pension by virtue of Part H or CARE Rule 7 or Part J or CARE Rule 8) shall continue for the life of the person to whom it is payable.
2. Subject to paragraph 3, no such pension shall be payable to a person in respect of any period during which they are a member of the Assembly or a candidate for election to the Assembly.
3. For the purposes of this article a person who ceases to be a member in consequence of the dissolution of the Assembly shall be treated as a candidate for election unless and until they give notice in writing to the Trustees that they are not seeking re-election.
4. This article shall not apply for the purposes of calculating the amounts mentioned in article M2.3 or 4(b) or the amounts payable under M3.2, M4.2 or M7 (five-year guarantee).

F7. Pension Increases

1. In respect of any periods of reckonable service completed by reference to Pre-CARE and CARE benefits, the Trustees shall increase:
 - (a) any part of a pension in payment in excess of the GMP, by the rate and percentage increase prescribed by the Pension Increase Legislation; and
 - (b) that part of the GMP which is attributable to earnings for the tax years from 1988-1989 to 1996-1997, in accordance with the requirements of section 109 of the Pension Schemes Act.

A pension which has been in payment for less than one year may be increased by less than the full increase, but shall always be increased by at least one twelfth of the full increase for each complete month since the pension commenced.

F8. Deferred Revaluation prior to normal retirement date

1. The pension attributable to Pre-CARE benefits (in excess of the GMP) for a participant who leaves reckonable service before normal retirement date shall be increased before payment, by the rate and percentage increase prescribed by the Pension Increase

Legislation. Revaluation of the GMP element of the pension shall accord with the requirements of the Pension Schemes Act.

2. The pension attributable to CARE benefits for a CARE participant who leaves reckonable service before normal retirement date calculated in accordance with CARE Rules 5 and 6 based on the total of that person's CARE Pensions for all CARE Years up to the date of leaving reckonable service in the CARE Section shall be increased before payment by the rate and percentage increase prescribed by the Pension Increase Legislation.

PART G

COMMUTATION

G1. Commutation into lump sum

1. Any person who is entitled to receive a pension under Part F or as appropriate CARE Rules 3-6 (including an ill-health pension payable by virtue of Part J or CARE Rule 8) or who applies to receive a pension under Part H or CARE Rule 7 may, before the first instalment of the pension is paid, give notice to the Trustees that they desire to commute into a lump sum such part of the pension as is specified in the notice.
2. Where a person has given notice under paragraph 1, the Trustees shall determine:
 - (a) what lump sum would be actuarially equivalent to the part of the pension specified in the notice; and
 - (b) what reduction of the annual amount of their pension would be appropriate in consideration of the payment of that lump sum,

and, subject to the following provisions of this article, a lump sum of the amount so determined shall be paid to that person and the annual amount of their pension shall be reduced accordingly.

3. Any lump sum or reduction to be determined under paragraph 2 shall be a sum or reduction either certified by the Actuary appointed under article Q1, or calculated in accordance with tables to be prepared from time to time by that Actuary, as fulfilling the conditions specified in paragraph 2(a) or (b), as the case may be.
4. If, in the case of a person who has given notice under paragraph 1, the amount of the lump sum determined in accordance with paragraphs 2 and 3 would exceed the maximum commutable sum:

- (a) the amount of the lump sum so determined shall be diminished by such proportion as is necessary to make it equal to the maximum commutable sum; and
 - (b) the reduction of the annual amount of their pension under this article shall be diminished by the like proportion.
5. For the purpose of paragraph 4, the maximum commutable sum shall be an amount determined by the Trustees, but not exceeding the maximum allowed as the “pension commencement lump sum” defined in Schedule 29 to the Finance Act 2004 (or amendment thereof).

G2. Trivial commutation

Where the benefit entitlement under this Scheme for a member (or in respect of any member) falls within the limits permitted by HMRC for commuting pension benefits on the grounds of triviality, in accordance with the Finance Act 2004 (or amendment thereof) or in the case of de minimis benefits in accordance with The Registered Pension Schemes (Authorised Payments) Regulations 2009, the Trustees may, at their discretion, pay the value of the benefit entitlement of the member (or in respect of the member) as a single lump sum payment. The lump sum applicable is to be paid to the member or, in the event of their death, to a beneficiary of the member or to the member’s estate or personal representatives. The amount of the lump sum payable shall be determined by the Trustees, having taken actuarial advice on the equivalence of the lump sum benefit to the benefits otherwise payable under the Scheme. The Trustees may deduct income tax from the lump sum payable, if required to do so by HMRC. Payment of the lump sum benefit under this article will extinguish all rights of the member and their beneficiaries to any other benefits under this Scheme.

G3. Serious ill-health commutation

If the requirements for a serious ill-health lump sum as set out in the Finance Act 2004 are met, the Trustees may at their discretion pay a lump sum to or in respect of the Member after taking actuarial advice. Payment of the lump sum benefit under this article will extinguish all rights of the member and their beneficiaries to any other benefits under this Scheme.

PART H

EARLY RETIREMENT AND EARLY ABATED PENSIONS

H1. Early retirement for members

This article H1 shall apply to the calculation of early retirement pensions by reference to periods of reckonable service completed in respect of Pre-CARE benefits only.

1. (a) Any person who was first appointed to the Assembly prior to 1 April 2009 and has ceased to be a member of the Assembly may apply in writing to the Trustees for an immediate pension to commence under this article prior to the attainment of age 65, provided that the person has attained the age of 50, and has an actual period of reckonable service as a participating member which, excluding service on or after 1 April 2012, amounts to not less than 15 years (hereinafter referred to in respect of a person as his "qualifying period"). Where the individual has less service than the qualifying period as at 1 April 2012, their pension benefits if paid early will be dealt with under article H.1.1(b).

For the avoidance of doubt, a person who meets the (15 years plus) qualifying period criteria under article H.1.1(a) in respect of service completed prior to 1 April 2012, shall have that part of their pension entitlement attributable to service completed prior to 1 April 2012 calculated in accordance with article H.1.4 and abated under Schedule 2 and any pension that is payable in respect of that individual's post 31 March 2012 service, shall be dealt with under article H.1.1(b) below.

- (b) Any person who has ceased to be a member of the Assembly and has attained the age of 55, and who is not eligible for early retirement under article H.1.1(a) above or chooses not to apply under that provision, may apply in writing to the Trustees for an immediate pension to commence under this article prior to the attainment of age 65, provided that the person applies on or after 7 March 2007 and has attained the age of 55. Any pension benefits brought into payment prior to age 65 by virtue of this article H.1.1(b) shall be reduced for early payment in accordance with article H.1.5.
2. If the Trustees are satisfied that the person does not intend to stand for re-election to the Assembly at any future date, that person shall be entitled to receive a pension under article F1 as if they had attained the age of 65 on the date of their application or such other date as may be specified. The annual amount of the pension to which they are entitled, both before and after they attain the age of 65, shall be the amount calculated in accordance with article F3, but abated in accordance with the

provisions of H1.4 or H1.5 below, as applicable. The person shall be entitled to opt for commutation as part of their pension under Part G.

3. For the purpose of article H1(a), any service of a person as a member of the European Parliament or as a member of the House of Commons may count towards their qualifying period to the extent that it is not concurrent with service as a member of the Assembly.
4. Where a person applies for an early retirement pension under the provisions of H1.1(a) above, the annual amount of the pension determined under article F3 shall be abated in accordance with the provisions of Schedule 2. For the avoidance of doubt and with effect from 1 April 2012, the abatement provisions set out in Schedule 2 shall apply in calculating the pension entitlement of persons described under article H.1.1(a) who as at 1 April 2012 had met the relevant “qualifying period” criteria, by reference only to that part of their pension which is attributable to pre-1 April 2012 service.
5. Where a person applies for an early retirement pension under the provisions of H1.1(b) above, the annual amount of the pension under article F3 shall be reduced by a factor determined by the Trustees, having taken actuarial advice from the Actuary appointed under article Q1, to reflect the longer period for which the pension is expected to be paid.

H2. Early retirement for office holders

This article H2 shall apply to the calculation of early retirement pensions by reference to any period of reckonable service as an office holder completed in respect of Pre-CARE benefits only.

A person who is entitled to receive a pension under article H1 (which for the avoidance of doubt shall include the Attorney General despite he or she not having been a participating member) who is or has been a participating office holder shall (subject to Part G (commutation)) be entitled also to receive a pension under article F2, payable from the same date as the pension payable under H1. The annual amount of the pension under this article shall be calculated in accordance with article F4 and then abated in accordance with Schedule 2 for persons subject to H1.1(a) above, or reduced in accordance with article H1.5 above for persons applying under article H1.1(b).

PART J

ILL-HEALTH PENSIONS

J1. Ill-health pensions based on service as a participant

This article J1 shall apply to the calculation of ill-health early retirement pensions for reckonable service completed by participating members for Pre-CARE benefits completed prior to the CARE Commencement Date.

1. A participant who because of ill health ceases to be a participating member before attaining the age of 65 may apply to the Trustees for an early pension under article F1 if at the time when they so cease ("the material time") they would have become entitled to receive a pension under that article but for their not having attained the age of 65.
2. A participant who because of ill health ceases to be a participating member before attaining the age of 65 may apply to the Trustees for an early pension under article F2 if at the time when they so cease ("the material time") they would have become entitled to receive a pension under that article but for their not having attained the age of 65.
3. If on an application under paragraph 1 or 2 the Trustees are satisfied:
 - (a) that the applicant does not intend to seek re-election to the Assembly;
 - (b) that their ceasing to be a participating member was a direct consequence of their ill health;
 - (c) that their ill health is such as would permanently prevent them from performing adequately the duties of a member of the Assembly and also permanently prevent them from performing any gainful work (as defined in article J2.4); and

that they will continue to be incapable of carrying out the occupation or of performing any gainful work, the applicant shall be entitled to receive a pension under article F1 or F2, as the case may be, as from the material time.
4. A person who, if they were to cease to be a participating member at a particular time in the future because of ill health, would become entitled to make an application under paragraph 1 or 2, may make such an application before that time, specifying in it the time when they propose so to cease, and where on such an application the Trustees are satisfied that, if the applicant so ceases at the time specified therein, they will be entitled under paragraph 3 to receive a pension under article F1 or F2, as appropriate, as from that time, the Trustees shall give them notice in writing to that effect.
5. The annual amount of a pension payable under article F1 to a person by virtue of this article shall (subject to Part G (commutation)) be calculated in accordance with article F3, except that the calculation of the individual's period of reckonable service shall be

increased by a period equal to the period between their ceasing to be a participating member and the earlier of age 65 or the date when their current mandate in the Assembly will end, provided that the following shall be taken into account:

the period equal to the period between their ceasing to be a participating member and the earlier of age 65 or the date when their current mandate will end shall be taken into account, but apportioned between reckonable service at the higher and lower accrual rates in the same proportion as the ratio of reckonable service at the lower accrual rate to reckonable service at the higher accrual rate that applies in respect of service as a member of the Assembly prior to the date of ill-health retirement.

CARE Rule 8.6 shall apply to any applicant who has completed periods of reckonable service attributable to both Pre-CARE benefits and CARE benefits.

6. The annual amount of a pension payable under article F2 to a person by virtue of this article shall (subject to Part G (commutation)) be calculated in accordance with article F4.
7. For the purposes of this article a person who has ceased to be a participating member in consequence of the dissolution of the Assembly shall be treated as having so ceased because of ill health if, but only if, they satisfy the Trustees that as a direct consequence of their ill health they did not seek re-election to the Assembly after the dissolution.
8. For the avoidance of doubt, and with effect from 5 July 2010, the annual amount of an ill-health pension payable under article F1 to an individual who is serving as a dual mandate member at the time they retire by virtue of this article J1, shall be calculated in accordance with article F3, and at the time when they so retire it shall be assumed that they had attained age 65, but only for the purposes of enabling them to receive their accrued pension benefits immediately without reduction for early retirement. For the purposes of calculating the member's deferred benefits, the salary linkage and revaluation basis outlined in the definition of "dual mandate member" shall be applied.

J2. Ill-health pensions for former members or office holders

This article J2 shall apply to the calculation of ill-health early retirement pensions for periods of reckonable service by reference to Pre-CARE benefits only completed by a participating office holder or former members prior to the CARE Commencement Date.

1. A person who because of ill health has, while neither a member of the Assembly nor a candidate for election to it, retired from gainful work before attaining the age of 65 may apply to the Trustees for an early pension under article F1 or F2, if at the time when they so retired they would have become entitled to receive a pension under article F1 or F2, as the case may be, but for their not having attained the age of 65.

2. If on an application under this article the Trustees are satisfied:
 - (a) that the applicant does not intend to seek election to the Assembly;
 - (b) that their retirement from gainful work was a direct consequence of their ill-health; and
 - (c) that their ill health is such as would prevent them from performing adequately the duties of a member of the Assembly, the applicant shall, as from the date on which the Trustees are so satisfied, be entitled to receive a pension under the relevant article.
3. Where an application is made under this article, the Trustees shall by notice in writing inform the applicant whether they are so satisfied as mentioned in paragraph 2 and, if they are so satisfied, shall state the date as from which the pension payable to them by virtue of this article is payable in accordance with that paragraph.
4. In this article "gainful work" means work under a contract of employment, or as the holder of an office, or as a self-employed person engaged in a business or profession, being in any case work from which the person concerned gains the whole or a substantial part of their income.

J3. Medical evidence

This article J3 shall apply to any periods of reckonable service completed in respect of both Pre-CARE and CARE benefits.

1. Every application under this Part must be accompanied by evidence from a medical practitioner of the applicant's state of health.
2. In the case of any such application the Trustees will require the applicant to undergo a medical examination by an independent medical practitioner nominated by the Trustees for the purpose; and the fees for any such examination shall be borne by the Trustees or the applicant, as the Trustees may determine. If the applicant refuses to undergo the medical examination, the Trustees may refuse the ill-health application.
3. When considering an application under this Part as to whether the individual is incapable of carrying on his or her duties, the Trustees may take account of the views of any registered medical practitioner nominated by the Trustees as to the potential impact of any medical treatment that the individual could undergo.

J4. Trustees' power to review ill-health pensions

This article J4 shall apply to any periods of reckonable service completed in respect of both Pre-CARE and CARE benefits.

1. The Trustees may at any time review the award of an ill-health pension made under this Part if:
 - (a) the recipient of the pension is under normal retirement date; and
 - (b) the Trustees have reason to believe that the recipient of the pension has recovered to such an extent that, were a fresh application for an ill-health pension to be made at that time, the ill-health pension would not be granted.
2. As part of any review under this article the Trustees will require the recipient of a pension to undergo a medical examination by an independent medical practitioner nominated by the Trustees for the purpose; the cost of any such examination shall be borne by the Trustees.
3. If on a review under this article the Trustees conclude that a person receiving an ill-health pension has recovered to such an extent that, were a fresh application for an ill-health pension to be made at the date of the review, the ill-health pension would not be granted, the pension shall cease to be payable as from such date as the Trustees may by notice in writing to the recipient specify (not being less than one month from the date on which the notice is given).
4. When conducting a review as to whether the individual remains incapable of carrying on the duties of a member of the Assembly, the Trustees may take account of the views of any registered medical practitioner nominated by the Trustees as to the potential impact of any medical treatment that the individual could undergo.
5. Where the Trustees have terminated an ill-health pension under this article J4 or CARE Rule 8, the Trustees shall (subject to compliance with the preservation requirements of the Pension Schemes Act) determine the level of pension that shall be payable to the individual from the date when he or she fulfils the retirement conditions in article F1 or CARE Rule 3. The Trustees may reduce the amount of pension payable under article F2 or CARE Rule 4, in such manner as the Actuary recommends, to take into account any lump sum received by the individual under Part G at the time he or she originally retired on ill health under this Part J or CARE Rule 8.
6. The Trustees may determine that an individual who refuses to be examined in accordance with article J4.2 (including for CARE participants), or who otherwise unreasonably fails to co-operate with a review, is no longer to be entitled to an ill-health pension from the Scheme under this Part J or CARE Rule 8.

PART K

SURVIVING SPOUSES AND CHILDREN

K1. Pensions for surviving spouses

This article K1 shall apply to the calculation of surviving spouses' pensions for the purposes of calculating Pre-CARE benefits and CARE benefits.

1. Subject to the following provisions of this article, the surviving spouse of a person who was at the time of their death a participant, a pensioner or a deferred pensioner shall be entitled to receive a pension under this article.
2. The annual amount of a pension payable under this article shall be five eighths of the basic or prospective pension or pensions of the deceased when calculating Pre-CARE benefits and when calculating CARE benefits, the annual amount of pension shall be three eighths of the basic or prospective pension or pensions of the deceased.

Where the deceased had completed periods of reckonable service attributable to both Pre-CARE benefits and CARE benefits, his or her surviving spouse shall receive an annual pension from each such tranche of reckonable service as is calculated in accordance with the preceding paragraph.

3. Subject to paragraphs 4 and 5, a pension payable under this article shall continue for the surviving spouse's life or until their remarriage; but in the case of remarriage the Trustees may, if they think fit, at any time direct that the pension shall be restored if satisfied that the subsequent marriage has been terminated or that there are exceptional reasons for the payment of the pension notwithstanding the subsistence of that marriage.
4. Subject to paragraph 5, no pension shall be payable under this article to a surviving spouse who, at the deceased's death, was cohabiting with another person and if a surviving spouse entitled to such a pension cohabits with another person, the pension shall cease to be payable; but the Trustees may, if they think fit, direct that the pension shall be paid or restored, as the case may be, if satisfied that the cohabitation has been terminated or that there are exceptional reasons for the payment of the pension notwithstanding that the cohabitation continues.
5. For any period as specified in section 13(5) of the Pension Schemes Act (period for which Category B retirement pension etc is or would be payable) the surviving spouse of a person shall, notwithstanding paragraphs 3 and 4, be entitled to a pension under this article.
6. Where a person dies in circumstances in which, apart from this paragraph, a surviving spouse's pension calculated in accordance with paragraph 2 would be payable to

someone married to them within the period of six months ending with their death and it appears to the Trustees that their death within six months was to be foreseen by them at the date of the marriage, then if:

- (a) there are no children of that marriage; and
- (b) the couple were married after the termination of the person's service as a member of the Assembly,

the Trustees may direct that all or any part of the surviving spouse's pension, as they think fit, shall not be payable.

K2. Pensions for children

This article K2 shall apply to the calculation of surviving children's pensions for the purposes of calculating Pre-CARE benefits and CARE benefits.

1. Subject to the provisions of this article, if a participant, pensioner or deferred pensioner dies leaving one or more eligible children, a children's pension shall be payable for their benefit.
2. The annual amount of a children's pension shall be:
 - (a) a sum equal to one quarter of the basic or prospective pension or pensions of the deceased if there is one eligible child or, if there is more than one, a sum equal to three eighths of the basic or prospective pension or pensions of the deceased; or
 - (b) where the deceased left no surviving spouse or left a surviving spouse who has since died, a sum equal to five sixteenths of the basic or prospective pension or pensions of the deceased for each eligible child not exceeding two.
3. A children's pension shall be paid to or distributed between such person or persons as the Trustees may from time to time direct, and shall be applied by that person or those persons, without distinction, for the benefit of the eligible child or children of the deceased or such of them as the Trustees may from time to time direct.
4. For the purposes of this article, the eligible child of a deceased person is:
 - (a) a child of the deceased's marriage;
 - (b) his or her adopted child; or
 - (c) a child who was wholly or mainly dependent on the deceased at the time of his death.
5. For the purposes of this article, a person counts as a child only if:
 - (a) he or she is aged under 17;

- (b) he or she is aged under 22 and since he or she became 17 he or she has been engaged continuously in full-time education or in training for a trade, profession or vocation; or
 - (c) has reached the age in sub-paragraph (a) or (b) and, in the opinion of the Trustees, was at the date of the member's death dependent on the member because of physical or mental impairment.
6. If the Trustees wish, they may treat education or training as continuous despite a break.

K3. Death in service of participating member

This article K3 shall apply to the calculation of surviving death in service pension for the purposes of calculating Pre-CARE benefits and CARE benefits.

1. Where a participating member has died, paragraph 2 and article K4 (so far as applicable) shall apply if their surviving spouse is entitled to receive a pension under article K1 or if a children's pension is payable under article K2 for the benefit of any eligible child or children of theirs.
2. If the deceased died before attaining the normal retirement date, the annual amount of any pension payable to their surviving spouse under article K1, or for the benefit of any eligible child or children of theirs under article K2, shall be calculated as if they had immediately before death ceased because of ill health to be a member of the Assembly and had by virtue of article J1 or CARE Rule 8 as appropriate been entitled to receive a pension under article F1 or CARE Rule 3 as from the time when they so ceased.
3. For the avoidance of doubt, where the deceased had completed periods of reckonable service attributable to both Pre-CARE benefits and CARE benefits, the enhancement provided because of ill health shall be calculated solely by reference to his or her reckonable service in the CARE Section in accordance with CARE Rules 8.5-8.6.

K4. Enhancement of initial surviving spouses' pensions

This article K4 shall apply to the calculation of enhancements to the initial surviving spouses' pension for the purposes of calculating Pre-CARE benefits and CARE benefits.

1. In this article "the three-month period", in relation to a person who has died, means the period of three months beginning with the day following the date of his or her death.
2. Where the surviving spouse of a person who:
 - (a) has been a participating member; and
 - (b) was at the time of his or her death a pensioner member,
 is entitled to receive a pension under article K1, paragraphs 3 and 4 shall apply.

3. If, for any part of the three-month period, the aggregate of the following amounts, namely:
 - (a) the amount payable to the surviving spouse by way of pension under article K1 apart from this paragraph; and
 - (b) any amount which (by direction of the Trustees under article K2.3) is payable to the surviving spouse by way of pension under article K2 for the benefit of any eligible child or children of the deceased,

is less than the amount mentioned in paragraph 4, then for that part of that period the amount payable to the surviving spouse by way of pension under article K1 shall be increased by the difference.

4. The said amount is the amount which, if the deceased had lived, would have been payable to him or her for the part of the three-month period in question by way of pension under one or both of articles F1 or CARE Rule 3 and F2 or CARE Rule 4.
5. Where a participating member has died, paragraphs 6 and 7 (so far as applicable) shall apply if his or her surviving spouse is entitled to receive a pension under article K1 or if a children's pension under article K2 is payable for the benefit of any eligible child or children of his or hers.

6. If, for any part of the three-month period, the aggregate of the following amounts, namely:
 - (a) the amount payable to the deceased's surviving spouse by way of pension under article K1 apart from this paragraph; and
 - (b) any amount which (by direction of the Trustees under article K2.3) is payable to the surviving spouse by way of pension under article K2 for the benefit of any eligible child or children of the deceased,

is less than the amount mentioned in paragraph 7, then for that part of that period the amount payable to the surviving spouse by way of pension under article K1 shall be increased by the difference.

7. The said amount is the amount which would have been payable to the deceased for the part of the three-month period in question if:
 - (a) the deceased had lived and had at the material time become entitled to a pension under article F1 or CARE Rule 3 as appropriate; and
 - (b) the annual amount of that pension had been a sum equal to his or her salary as a member at the rate in force at the date of his or her death.

8. The preceding provisions of this article are without prejudice to paragraphs 3, 4 and 6 of article K1 (duration of surviving spouse's pension and restrictions on payment).

K5. Meaning of "basic or prospective pension or pensions"

This article K5 shall apply for the purposes of calculating both Pre-CARE benefits and CARE benefits.

In this Scheme "basic or prospective pension or pensions" means:

- (a) in relation to a participant who has died, the annual amount of the pension or pensions specified in whichever of the following sub-paragraphs apply to them:
 - (i) where the deceased was or had been a participating member, the annual amount of the pension calculated in respect of them in accordance with article F3 or CARE Rule 5 or, if they died while a participating member before attaining normal retirement date, the annual amount of the pension calculated in respect of them by virtue of article K3;
 - (ii) where the deceased was or had been a participating office holder, the annual amount of the pension, calculated in accordance with article F4 or CARE Rule 6, which they would have been entitled to receive under article F2 or CARE Rule 4, if immediately before their death they had fulfilled the conditions specified in paragraphs (a) and (b) of article F1 or CARE Rule 3 as appropriate;
- (b) in relation to a pensioner who has died, the annual amount of the pension or pensions which they received or were entitled to receive calculated in accordance with Part F or CARE Rules 3-6, including an ill-health pension calculated in accordance with Part J or CARE Rule 8; but where the annual amount of which they were in receipt resulted from one or more reductions or abatements made under article G1 (commutation) or H1 or H2 (early retirement) or as appropriate CARE Rule 7, no such reduction or abatement shall be made in calculating the annual amount of that pension or pensions for the purposes of this article;
- (c) in relation to a deferred pensioner who has died, the annual amount of the pension or pensions specified in whichever of the following sub-paragraphs apply to them:
 - (i) where the deceased was a former participating member, the annual amount of the pension, calculated in accordance with article F3 or CARE Rule 5, which they would have been entitled to receive under article F1 or CARE Rule 3 if they had ceased to be a member of the Assembly immediately before their death and they had then fulfilled the conditions specified in paragraphs (a) and (b) of article F1 or CARE Rule 3 as appropriate;

- (ii) where the deceased was a participating office holder, the annual amount of the pension, calculated in accordance with article F4, or as appropriate CARE Rule 6 which they would have been entitled to receive under article F2 or as appropriate CARE Rule 4 if immediately before their death they had fulfilled the conditions specified in paragraphs (a) and (b) of article F1 or of CARE Rule 3 as appropriate.

PART L

DEATH GRATUITIES

L1. Gratuity on death in service

This article L1 shall apply to the calculation of death gratuities for the purposes of calculating Pre-CARE benefits and CARE benefits.

1. Where a participant has died the Trustees may, if they think fit, grant a gratuity under this article in respect of them.
2. A gratuity granted under this article in respect of a participant may be granted:
 - (a) to the person or persons nominated in any nomination made by them for the purposes of this article which was in force at the time of their death or to such other persons as the Trustees in their absolute discretion determine; or
 - (b) if no such nomination was in force at that time or, pursuant to paragraph 4, to the extent that a nomination is treated as not being in force, to such other beneficiaries (including their personal representatives) as the Trustees in their discretion deem appropriate and which complies with the requirements of the Finance Act 2004 for uncrystallised funds lump sum death benefits.
3. Where a participant nominates more than one person for the purposes of this article, they may also specify the proportion of the gratuity to be granted to each such person.
4. The Trustees shall treat a nomination made for the purposes of this article by any participant as not being in force at the time of the participant's death to the extent that:
 - (a) any person nominated was the participant's spouse at the time the nomination was made but has subsequently ceased to be the participant's spouse; or
 - (b) the Trustees are of the opinion that the payment of the gratuity to any person nominated is not reasonably practicable in all the circumstances.

5. A nomination for the purposes of this article shall be made, and may be revoked, by a notice in writing given to the Trustees; and such a notice shall be in such form as the Trustees may require.
6. The amount of a gratuity granted under this article in respect of a participant shall be the greater of (a) and (b):
 - (a) (i) in respect of Transitionally Protected Members for the period ending no later than 6 May 2021, the amount equal to three times his or her actual salary at the time of death; or
 - (ii) in respect of any individual who has accrued both Pre-CARE benefits and CARE benefits or in respect of any individual who has accrued only CARE benefits, the amount equal to two times his or her actual salary at the time of death; and
 - (b) the aggregate of the contributions paid by that participant, and not refunded to them, together with interest on each such contribution from the date on which it was paid,

but shall be subject to an overall maximum of three times the permitted maximum.
7. In paragraph 6 "salary" means:
 - (a) in the case of a participating member who is not a participating office holder, their salary as a member;
 - (b) in the case of a participant who is both a participating member and a participating office holder, their salary as a member and their office holder's salary.

L2. Gratuity on death after retirement

This article L2 shall apply to the calculation of death after retirement gratuities for the purposes of calculating Pre-CARE benefits and CARE benefits.

1. Where a pensioner dies and no pension in respect of them is payable under article K1 or K2, the Trustees may, if they think fit, but subject to paragraph 2, grant to their personal representatives a gratuity under this article.
2. The Trustees shall not grant a gratuity under this article if the amount of any such gratuity would be less than the amount of any lump sum or the aggregate of any lump sums payable by virtue of article M4.2 or M7.
3. For the purpose of determining the amount of a gratuity which may be granted in respect of a pensioner under this article, there shall be calculated:

- (a) the amount of the gratuity which the Trustees could have granted to their personal representatives under article L1 if they had died at a time when they were a participant (but disregarding any office holder's salary to which they were then entitled); and
- (b) the aggregate amount of the payments made to them by way of pension under Part F or CARE Rules 3-6, Part H or CARE Rule 7 or Part J or CARE Rule 8 together with any lump sum paid to them under article G1,

and the amount of the gratuity shall be the amount (if any) by which the amount calculated under sub-paragraph (a) exceeds the amount calculated under sub-paragraph (b).

PART M

FIVE-YEAR GUARANTEE

M1. Entitlement

These articles M1-M7 shall apply to the calculation of pension guarantees for the purposes of calculating Pre-CARE benefits and CARE benefits.

- 1. Articles M2 to M6 shall apply in respect of a deceased pensioner member whose actual period of reckonable service is only as a participating member.
- 2. Article M7 shall apply in respect of a deceased pensioner whose actual period of reckonable service includes service as a participating office holder.

M2. Guarantees for surviving spouses

- 1. Where a pensioner member dies during the pensioner member's five-year period and is survived by their spouse, paragraphs 2 to 5 shall apply.
- 2. If for any part of the pensioner member's five-year period, the aggregate of the following amounts namely:
 - (a) the amount payable to the surviving spouse by way of pension under article K1 apart from this paragraph (including any enhancement payable under article K4); and
 - (b) any amount which (by direction of the Trustees under article K2.3) is payable by way of pension under article K2 for the benefit of any eligible child or children of the deceased pensioner member,

is less than the amount mentioned in paragraph 3, then for that part of that period the difference shall be payable to the surviving spouse.

3. The said amount is the amount which, if the deceased pensioner member had lived, would have been payable to them for the part of the pensioner member's five-year period in question by way of pension under article F1 or as appropriate CARE Rule 3 (including an early retirement pension or an ill-health pension payable by virtue of article H1 or CARE Rule 7, J1 or J2 or CARE Rule 8).
4. If the surviving spouse of the deceased pensioner member dies during the pensioner member's five-year period, there shall be paid to their personal representatives a lump sum which shall be calculated by deducting the amount mentioned in sub-paragraph (a) below from the amount mentioned in sub-paragraph (b) below:
 - (a) the total of any pensions which (by direction of the Trustees under article K2.3) would have been payable under article K2 for the benefit of any eligible child or children of the deceased pensioner member if the annual sum payable under article K2.2 (after the death of the surviving spouse of the deceased pensioner member) in respect of each eligible child had continued during the period ending on the pensioner member's children's prospective pension end date for that child;
 - (b) the amount which would have been payable to the deceased pensioner member if the annual amount of the pension to which they were entitled under article F1 or CARE Rule 3 (including an early retirement pension or an ill-health pension payable by virtue of article H1 or CARE Rule 7, J1 or J2 or CARE Rule 8) were to have been paid to them during the remainder of the pensioner member's five-year period.

If the pensioner member dies after reaching age 75, the Trustees may grant the pensioner member's personal representatives a pension under this paragraph of an amount totalling in aggregate not less than the guarantee shortfall, payable for the remainder of the pensioner member's five-year period.

5. In this Part:

"the pensioner member's five-year period" means the period of five years beginning with the day on which they became entitled to receive a pension or pensions under article F1 or CARE Rule 3 (including an early retirement pension or an ill-health pension payable by virtue of regulation H1 or CARE Rule 7, J1 or J2 or CARE Rule 8).

"the pensioner member's children's prospective pension end date" means, in respect of any eligible child of a deceased pensioner member the earlier of:

- (a) the date before that on which that child reaches the age of 17 or, in the case of a child falling within article K2.5(b), such later date as the Trustees may determine,

being no later than the date before that on which the child reaches the age of 22;
and

(b) the end of the pensioner member's five-year period.

M3. Guarantees where children but no spouse survive

1. Where a pensioner member dies during the pensioner member's five-year period and is survived by an eligible child or children, but no spouse, paragraph 2 shall apply.
2. There shall be paid to the personal representatives of the deceased pensioner member a lump sum which shall be calculated by deducting the amount mentioned in sub-paragraph (a) below from the amount mentioned in sub-paragraph (b) below:
 - (a) the total of any pensions payable under article K2 (by direction of the Trustees under article K2.3) for the benefit of any eligible child or children of the deceased pensioner member, if the annual sum payable under article K2.2 (after the death of the pensioner member) in respect of each eligible child were to continue during the period ending on the pensioner member's children's prospective pension end date for that child;
 - (b) the amount which would have been payable to the deceased pensioner member if the annual amount of the pension to which they were entitled under article F1 or CARE Rule 3 (including an early retirement pension or an ill-health pension payable by virtue of article H1 or CARE Rule 7, J1 or J2 or CARE Rule 8) were to have been paid to them during the remainder of the pensioner member's five-year period after their death.

M4. Guarantees where no survivors

1. Where a pensioner member dies within the pensioner member's five-year period and is not survived by their spouse nor by any eligible child or children, paragraph 2 shall apply.
2. There shall be paid to the personal representatives of the deceased pensioner member a lump sum calculated as if the annual amount of the pension to which they were entitled under article F1 or CARE Rule 3 (including an early retirement pension or an ill-health pension payable by virtue of article H1 or CARE Rule 7, J1 or J2 or CARE Rule 8) were to be paid to them during the remainder of the pensioner member's five-year period after their death.
3. This article shall not apply if a gratuity is granted under article L2.

M5. Remarriage or cohabitation of surviving spouse

1. If during a deceased pensioner member's five-year period:
 - (a) the surviving spouse of that deceased pensioner member remarries or cohabits with another person; and
 - (b) the Trustees direct that the surviving spouse's pension be paid or restored under article K1.3 or 4,

the Trustees may direct that payments under article M2.2 shall continue until the end of the pensioner member's five-year period or until such earlier date as the Trustees thinks fit.
2. If during a deceased pensioner member's five-year period their surviving spouse remarries or cohabits with another person, the Trustees may direct that there be paid to the personal representatives of the deceased a lump sum calculated in accordance with article M4.2.

M6. Early termination of child's period of full-time education or training

1. If:
 - (a) a sum has been paid to the personal representatives of the surviving spouse of a deceased pensioner member under article M2.4 or to the personal representatives of a deceased pensioner member under article M3.2; and
 - (b) the period of full-time education or training of any eligible child of the deceased pensioner member has come to an end on a date earlier than the pensioner member's children's prospective pension end date for that child used in the calculation of that sum, the Trustees may pay a further sum to the said personal representatives calculated by deducting the amount mentioned in sub-paragraph (ii) below from the amount mentioned in sub-paragraph (i) below:
 - (i) the total of any pensions which would have been payable for the benefit of that child if the payments had continued until their pensioner member's children's prospective pension end date;
 - (ii) the total of the pensions which have been paid for their benefit.
2. In paragraph 1, "the period of full-time education or training" in respect of an eligible child means the period during which they are continuously engaged in full-time education or in training for any trade, profession or vocation.

M7. Deceased pensioner office holders

1. Articles M2 to M6 shall apply in relation to a deceased pensioner office holder and their surviving spouse and any eligible child or children as they apply in relation to a deceased pensioner member and their surviving spouse and eligible child or children but where those articles apply in relation to a deceased pensioner office holder:
 - (a) any reference to “pensioner member” shall be construed as a reference to “pensioner office holder”;
 - (b) any reference to “the pensioner member’s children’s prospective pension end date” shall be construed as a reference to “the pensioner officer holder’s children’s prospective pension end date”;
 - (c) any reference to “the pensioner member’s five-year period” shall be construed as a reference to “the pensioner office holder’s five-year period”; and
 - (d) any reference to article F1 or CARE Rule 3 or H1 or CARE Rule 7 shall be construed respectively as a reference to article F3 or CARE Rule 5 or H2 or CARE Rule 7.
2. In this Part:

“the pensioner office holder’s children’s prospective pension end date” means, in respect of any eligible child of a deceased pensioner office holder, the earlier of:

- (a) the date before that on which the child reaches the age of 17 or, in the case of a child falling within article K2.5(b), such later date as the Trustees may determine, being no later than the date before that on which the child reaches the age of 22; and
- (b) the end of the pensioner office holder’s five-year period;

“the pensioner office holder’s five-year period” means the period of five years beginning with the day on which they became entitled to receive a pension under article F2 (including an early retirement pension or an ill-health pension payable by virtue of articles H2, J1 or J2).

PART N

REFUNDS

Part N is to be administered in accordance with the requirements of the Finance Act 2004 by reference to participants who become entitled to short service refund lump sums. Deduction of tax on these refund lump sums shall be made in accordance with the requirements of the Finance Act 2004.

N1. Refund to contributor

These articles N1-N3 shall apply to the calculation of refunds for the purposes of calculating Pre-CARE benefits and CARE benefits.

1. Subject to paragraphs 3 and 5, contributions paid by a person and not previously refunded to them shall be refunded to them by the Trustees, with interest from the dates on which the contributions were paid respectively, if they request the Trustees to refund the contributions to them and, on the date of the request, the conditions specified in paragraph 2 are fulfilled in relation to them.
2. The conditions referred to in paragraph 1 are that:
 - (a) the person has ceased to be a participant;
 - (b) their aggregate period of reckonable service as a participating member is less than two years; and
 - (c) they have not become entitled to a pension under this Scheme.
3. If, after the refund of contributions to them under this article, the person becomes entitled to pay and pays contributions under article D1 or CARE Rule 2, they may:
 - (a) before the end of the period of three months beginning with the date on which they become so entitled; or
 - (b) after the end of that period, if the Trustees so allow, repay to the Trustees the sum so paid to them, with interest from the date on which it was paid to them; but in any tax year the amount of the repayment together with:
 - (i) the contributions made by them under article D1 or CARE Rule 2; and
 - (ii) any other,

shall not exceed the smaller of 15% of their salary as a member (or, as the case may be, their office holder's salary and their salary as a member) and 15% of the permitted maximum; and any sum to be paid to the Trustees under this paragraph may, if the Trustees so allow, be paid by instalments over such period, not exceeding three years, as the Trustees think fit.

4. Any amount (whether of principal or interest) paid by the participant to the Trustees under paragraph 3, shall be treated for the purposes of this article as if it were a contribution paid by them at the time when they make that payment.
5. The Trustees shall deduct from the amount of any contributions which may be repaid to a person in accordance with this article the amount certified under section 59(1)(d) of the Pension Schemes Act in respect of that person.

6. For the purpose of calculating a person's actual period of reckonable service as a participating member or office holder, no account shall be taken of any period in respect of which contributions paid by that person have been:
- (a) refunded to them under this article; and
 - (b) not subsequently repaid by them to the Trustees.

N2. Refund after death

Where a person has died:

- (a) without leaving a spouse or eligible child who is, or may become, entitled in respect of that person to receive a pension under article K1 or K2; and
- (b) in circumstances where the conditions specified in article N1.2(a) and (c) were fulfilled in relation to them, but where no gratuity under Part L is payable in respect of them,

the Trustees shall refund to their personal representatives the contributions paid by the participant and not previously refunded to them, with interest from the dates on which the contributions were paid respectively.

N3. Deduction of tax from refunds of contributions

On making any repayment of contributions (including interest on contributions) under article N1, the Trustees shall be entitled to deduct from the repayment any tax to which they may become chargeable under section 598(2) of the Taxes Act 1988 (charge to tax: repayment of employee's contributions) as amended by the Finance Act 2004.

PART P

TRANSFERS

Part P shall be administered in accordance with the requirements of the Finance Act 2004, such that the Trustees may only accept recognised transfers in accordance with the relevant provisions below where the other scheme is a registered pension scheme or qualifying recognised overseas pension scheme which complies with the requirements of section 169 of the Finance Act 2004.

P1. Transfers to other pension schemes

These articles P1-P6 shall apply (otherwise than where indicated) to the calculation of transfer payment for the purposes of calculating both Pre-CARE benefits and CARE benefits.

1. At the request of any person who:
 - (a) has been a participant but has ceased to be a member of the Assembly; and
 - (b) has not become entitled to a pension under this Scheme,

the Trustees may pay into or for the purposes of any one, or more than one, scheme or annuity to which this article applies, a sum or sums representing the transfer value of that person's accrued pension rights in the Fund (referred to in this article as a "transfer payment").
2. This article applies to any scheme or annuity which satisfies the requirements prescribed by regulations made under section 91(2) of the Pension Schemes Act.
3. There shall be deducted from any transfer payment made under paragraph 1 in pursuance of a request from any person:
 - (a) the amount of any contributions equivalent premium; or
 - (b) an amount sufficient to meet the liability in respect of the person's contracted-out rights.
4. The amount mentioned in paragraph 3(b) may not be deducted where:
 - (a) the transfer payment is made to a registered occupational pension scheme which is contracted out or an appropriate personal pension scheme; and
 - (b) that scheme's trustees or managers undertake to accept liability for the person's contracted-out rights.
5. Where the amount mentioned in paragraph 3(a) is deducted, if the Trustees think fit, that amount may be used in preserving the liability mentioned in paragraph 4(b) in the Fund, otherwise it may be used in paying the contributions equivalent premium.
6. A person may request the Trustees to make a transfer payment in respect of them at any time before a date:
 - (a) when calculating Pre-CARE benefits, not more than one year before the date on which they attain the age of 65 or where calculating CARE benefits, not more than one year before the date on which they attain normal retirement date; or

- (b) not more than six months after the date on which they cease to be a participant, whichever is the later.

Where the person has completed periods of reckonable service attributable to both Pre-CARE benefits and CARE benefits, the cut-off date for requesting a transfer payment shall be not more than one year before the date on which the person attains normal retirement date and not more than six months after the date on which they cease to be a participant, whichever is the later.

- 7. In this article “**contracted-out rights**”, in relation to a participant, means their section 5(2B) rights, as defined in regulation 1(2) of the Occupational Pension Schemes (Contracting-out) Regulations (Northern Ireland) 1996 [SR 1996 No. 493].

P2. Transfers to other pension schemes after opt-out

- 1. At the request of any person who:
 - (a) is an opted-out member; and
 - (b) has not become entitled to a pension under this Scheme,the Trustees shall pay into or for the purpose of any one, or more than one, scheme or annuity specified in article P1.2 a sum or sums representing the transfer value of that person’s accrued pension rights in the Fund.
- 2. Where a transfer value has been paid under this article in respect of a person who is an opted-out member and that person subsequently ceases to be a member of the Assembly, a transfer value may be paid under article P1 in respect of any pension rights accrued to or in respect of them which are preserved in this Scheme.
- 3. Article P1.3 to P1.5 shall apply for the purposes of this article.

P3. Transfers to overseas pension schemes

- 1. At the request of any person who:
 - (a) has been a participant but who has ceased to be a member of the Assembly; and
 - (b) has not become entitled to a pension under this Scheme,the Trustees shall pay into or for the purposes of any one, or more than one, fund or scheme to which this article applies a sum or sums representing the transfer value of that person’s accrued pension rights in the Fund.
- 2. This article applies to any overseas fund or scheme which is approved by the Trustees, provided that the Trustees shall before giving such approval consult and have regard

to the views of the HMRC and the Pensions Regulator as to the suitability of the fund or scheme for the purposes of this article.

3. At the request of any person:
 - (a) in respect of whom any sum has been paid under this article into or for the purposes of an overseas fund or scheme; and
 - (b) who is not at the time the request is made a member of the Assembly,

the Trustees may receive a sum out of, or out of moneys held for the purposes of, that fund or scheme, equal to the sum paid under this article together with interest thereon from the date of that payment at such a rate as may be agreed by the Trustees.
4. In this article “**overseas fund or scheme**” means a fund or scheme which is established outside the United Kingdom and wholly or primarily administered outside the United Kingdom.

P4. Effect of transfers out on reckonable service

Where any sums are paid by the Trustees under article P1, P2 or P3 in respect of any person, then:

- (a) for the purpose of calculating that person’s aggregate period of reckonable service as a participating member or their aggregate period of reckonable service as a participating office holder, no account shall be taken of any period before the date of that payment; and
- (b) for the purposes of articles N1 and N2 any contributions paid by them before that date shall be treated as not having been paid.

P5. Certification by the Actuary

For the purposes of articles P1, P2 and P3, any transfer value of the whole or part of a person’s accrued pension rights under this Scheme shall be such sum as shall satisfy the requirements prescribed under section 91(2) of the Pension Schemes Act and shall be certified by, or calculated in accordance with tables prepared by, the Actuary appointed under article Q1.

P6. Transfers from other pension schemes

The Trustees, with effect on and from 6 May 2016, shall not accept any applications for transfers into the scheme, including any which relate to pension sharing orders on divorce under Schedule 3.

PART Q

ACTUARIAL VALUATIONS

Q1. Appointment of an Actuary

1. The Trustees shall appoint a person to be the Actuary to the Scheme and may remove any person so appointed.
2. A person shall not be appointed under this article unless they are:
 - (a) the Government Actuary; or
 - (b) a Fellow of the Institute and Faculty of Actuaries who holds a current Scheme Actuary certificate issued by the Institute and Faculty of Actuaries.

Q2. Actuarial valuations

1. The Actuary shall prepare a report to the Trustees on the general financial position of the Scheme as at each reporting date.
2. In paragraph 1 "reporting date" means a date agreed with the Trustees, not being a date more than three years after the last report under this article.
3. Each report under this article shall:
 - (a) advise on the value of the liabilities of this Scheme compared to its assets; and
 - (b) make a recommendation as to the Consolidated Fund contributions to be paid into the Fund under article D3.
4. Each report under this article shall be laid before the Assembly within three months of its receipt by the Trustees.

PART R

PENSION SHARING ON DIVORCE

R1. Pension sharing

Schedule 3 shall apply where a pension sharing order as defined in Schedule 3 is received by the Trustees.

PART 5

MISCELLANEOUS AND SUPPLEMENTAL

S1. Non-assignability of benefits

Any benefit under this Scheme shall not be assignable or chargeable with debts or other liabilities.

S2. Payments due to deceased persons

1. Where on the death of any person there is due to the deceased or their personal representatives from the Trustees a sum which (if any part of it due by way of interest is disregarded) does not exceed the amount specified in any order for the time being in force under section 6 of the Administration of Estates (Small Payments) Act (Northern Ireland) 1967, probate or other proof of the title of the deceased's personal representatives may be dispensed with, and the Trustees may pay the whole or any part of that sum to those personal representatives or to the person, or to or among any one or more of any persons, appearing to the Trustees to be beneficially entitled to the personal or movable estate of the deceased.
2. Any person to whom a payment is made under paragraph 1, and not the Trustees, shall thereafter be liable to account for the amount paid to them under that paragraph.
3. If the Trustees receive notice in writing of any claim against the estate of the deceased at any time before they have made a full payment under paragraph 1, then, except where the sum to be paid appears to them to be *bona vacantia*, the Trustees shall not make any, or (as the case may be) any further, payment under that paragraph to any person other than the personal representatives of the deceased until the claim is satisfied or withdrawn.

S3. Payments due to persons suffering from mental disorder

Article 30 of the Mental Health (Northern Ireland) Order 1986 [1986 NI4] (which enables the pension of a person who is incapacitated by mental disorder from managing their own affairs to be applied for the benefit of their self or their dependants instead of being paid to them) shall apply in relation to a pension payable under this Scheme as it applies to a pension payable directly out of money appropriated by Act of the Assembly.

PART T

T1. Recovery of Tax Charges

This article shall apply to permit the Scheme's administrators to deduct from a member's benefits before payment such sums as will meet the tax due and payable by the Scheme administrator (including where liability is on a joint and several basis) in all the circumstances envisaged by the Finance Act 2004; including but not limited, to the lifetime allowance charge and the scheme sanction charge as respectively defined under sections 214 and 239 of the said Act and also to the annual allowance charge where the conditions in sections 237B-237E of the Finance Act 2004 have been met.

SCHEDULE 1

NORTHERN IRELAND ASSEMBLY MEMBERS' PENSION FUND

Management of Fund

1. The Trustees may appoint such person as they think fit to acquire assets for and dispose of assets of the Fund on their behalf and in accordance only with such instructions as to investment policy as the Trustees shall from time to time determine and lay down.
2. The Trustees shall review any acquisition or disposal of the assets of the Fund by such person as may be appointed under paragraph 1 and shall do so within six months of the date of any such acquisition or disposal.
3. Upon a review pursuant to paragraph 2, the Trustees may ratify the acquisition or disposal, or may take such other action in respect of it as they think fit.
4. The Trustees may invest the assets of the Fund in any investment whatsoever and wheresoever and may from time to time vary any such investment.

Accounts

5. The Trustees shall keep proper accounts and shall prepare in respect of each financial year of the Fund statements of account in such form and in such manner as the Comptroller and Auditor General for Northern Ireland may direct.
6. The Comptroller and Auditor General for Northern Ireland shall examine and certify every statement of account prepared under paragraph 5 and shall lay a copy of every such statement, together with their report on it, before the Assembly.

Indemnity for Trustees

7. Each Trustee shall be indemnified out of the Fund against all liabilities incurred in the performance or purported performance of their functions, except where the Trustee has acted dishonestly, in bad faith or recklessly.
8. There shall not be purchased out of the Fund any indemnity insurance covering any of the liabilities mentioned in paragraph 7 (including those where the exception applies).

SCHEDULE 2

PERCENTAGE ABATEMENT OF PENSION ENTITLEMENT

1. The pension to which a person is entitled by virtue of article H1 shall be abated, having regard to the person's age and the length of their qualifying period at the date of their application or, if later, such other date as may be there specified, from the date from which that pension is payable by the percentage specified in the table below.
2. With effect from 1 April 2012, the abatement provisions set out in this Schedule 2 shall only apply in calculating the pension entitlement of persons described under article H.1.1(a) who as at 1 April 2012 had met the qualifying period criteria in respect of that part of their pension accrued prior to 1 April 2012. All other pension entitlements under article H1 and H2 shall be calculated in accordance with the requirements of article H.1.5.

| Age pension brought into payment | Qualifying period (years) | | | | | |
|----------------------------------|---------------------------|------|------|------|------|------|
| | 20 or more | 19 | 18 | 17 | 16 | 15 |
| 65 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 64 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 6.0 |
| 63 | 0.0 | 0.0 | 0.0 | 0.0 | 6.0 | 11.5 |
| 62 | 0.0 | 0.0 | 0.0 | 6.0 | 11.5 | 16.4 |
| 61 | 0.0 | 0.0 | 6.0 | 11.5 | 16.4 | 21.0 |
| 60 | 0.0 | 6.0 | 11.5 | 16.4 | 21.0 | 25.2 |
| 59 | 6.0 | 11.5 | 16.4 | 21.0 | 25.2 | 29.1 |
| 58 | 11.5 | 16.4 | 21.0 | 25.2 | 29.1 | 32.7 |
| 57 | 16.4 | 21.0 | 25.2 | 29.1 | 32.7 | 36.1 |
| 56 | 21.0 | 25.2 | 29.1 | 32.7 | 36.1 | 39.2 |
| 55 | 25.2 | 29.1 | 32.7 | 36.1 | 39.2 | 42.1 |
| 54 | 29.1 | 32.7 | 36.1 | 39.3 | 42.1 | 44.8 |
| 53 | 32.7 | 36.1 | 39.3 | 42.1 | 44.8 | 47.2 |
| 52 | 36.1 | 39.3 | 42.1 | 44.8 | 47.2 | 49.4 |
| 51 | 39.3 | 42.1 | 44.8 | 47.2 | 49.4 | 51.4 |
| 50 | 42.1 | 44.8 | 47.2 | 49.4 | 51.4 | 53.3 |

Where the age or the qualifying period is not an exact number of years, the percentage abatement shall be obtained by interpolating first for the required age and secondly for the required qualifying period.

SCHEDULE 3

PENSION SHARING ON DIVORCE

Interpretation

1. In this Schedule:

“dependant” means a person who has been financially dependent on a member of the Scheme and who in the opinion of the Trustees ought properly to receive a benefit under the Scheme in the event of the member’s death whether or not the member has notified the Trustees that he or she wishes that person to be considered as a recipient of such benefits;

“ex-spouse” means an individual to whom a pension credit benefit has been or is to be allocated following a pension sharing order, agreement or equivalent provision;

“ex-spouse participant” is an ex-spouse who participates in the Scheme;

“pension credit” means a credit under section 29(1)(b) of the Welfare Reform and Pensions Act 1999 or under article 26(1)(b) of the Welfare Reform and Pensions (Northern Ireland) Order 1999;

“pension credit benefit” in relation to a scheme, means the benefits payable under the scheme to or in respect of a person by virtue of rights under the scheme attributable (directly or indirectly) to a pension credit;

“pension sharing order” means any order or provision as is mentioned in section 28(1) of the Welfare Reform and Pensions Act 1999 or article 25(1) of the Welfare Reform and Pensions (Northern Ireland) Order 1999.

Administration

2. If a participant’s benefits must be transferred to their ex-spouse as a result of a pension sharing order, the Trustees must comply with the requirements of the Welfare Reform and Pensions (Northern Ireland) Order 1999 when discharging their liability to the ex-spouse.
3. The Trustees may recover charges in respect of their costs in this regard in accordance with the Pensions on Divorce etc (Charging) Regulations (Northern Ireland) 2000.

Transfers-out

4. Subject to paragraph 4 below, the Trustees will transfer an ex-spouse's pension credit benefit to another registered pension scheme of the ex-spouse's choosing, in accordance with the Finance Act 2004. If the ex-spouse fails to provide sufficient information for the Trustees to transfer the ex-spouse's pension credit benefit to another registered pension scheme, the Trustees will (after receiving advice) transfer the ex-spouse's pension credit benefit to another arrangement of the Trustee's choosing.

Ex-spouse participant

5. Where the ex-spouse is an ex-spouse participant, the Trustees may decide that they should be provided with benefits from the Scheme. The Trustees must make provision for the pension credit benefit under the Scheme to be treated as provided separately from any benefits provided under the Scheme for the same individual as a participant or as the dependant of a participant.

Transfers-in

6. The Trustees shall not accept a transfer payment into the Scheme in respect of a pension sharing order.

Death of the ex-spouse

7. If the Trustees intend to discharge their liability to an ex-spouse under a pension sharing order by making a transfer payment to another pension arrangement, but the ex-spouse dies before the transfer payment can be made, the Trustees may instead use all or part of the intended transfer payment to provide benefits in respect of the ex-spouse under the Scheme. These benefits must comply with the Welfare Reform and Pensions (Northern Ireland) Order 1999, and any amount not used for this purpose will form part of the Scheme's assets.

SCHEDULE 4

CARE SECTION

Contents

1. Membership and effective date
2. Contributions
3. Entitlement of pensioner members
4. Entitlement of pensioner office holders
5. Amount payable to pensioner members
6. Amount payable to pensioner office holders
7. Early retirement
8. Ill-health pensions

1. **Membership and effective date**

- 1.1. Subject to such provisions of the Scheme which apply to Transitionally Protected Members ending on 6 May 2021, all participants shall be admitted to this CARE Section of the Scheme for the duration of their reckonable service in the Scheme on or after the CARE Commencement Date. The provisions as set out below shall hereinafter be referred to as the CARE Section Rules.
- 1.2. For the avoidance of doubt, a CARE participant who is a participating office holder and also a participating member in the Scheme on or after the CARE Commencement Date shall receive separate pension credits in respect of each such office based on the appropriate office holder's salary for each office as calculated under CARE Rule 4.

2. **Contributions**

- 2.1. Subject to the permitted maximum salary set out in article D2, each CARE participant shall be required to pay 9% of their CARE Salary.
- 2.2. If any salary from which a contribution is required to be made under this CARE Rule 2 is not drawn, the CARE participant shall be required to make their contribution on such lower salary as is actually drawn by that individual.
- 2.3. Any contributions payable from the Consolidated Fund (in respect of the Scheme as a whole) under article D3 shall be based on the actual CARE Salary drawn by a CARE participant.

3. **Entitlement of pensioner members**

- 3.1. A person who ceases to be a participating member in the CARE Section and who has reckonable service under Part E as a participating member in that section of the Scheme on or after the CARE Commencement Date shall be entitled to receive a pension under this CARE Rule 3 as from the time when the following conditions are fulfilled in respect of the individual:
 - (a) they are not a member of the Assembly; and
 - (b) they have attained or passed their normal retirement date.

4. **Entitlement of pensioner office holders**

- 4.1. Subject to the provisions of this Scheme, a person who:
 - (a) ceases to be a participating office holder in the CARE Section; and
 - (b) has reckonable service as a participating office holder in the CARE Section under Part E,

shall be entitled to receive a pension under this CARE Rule 4 as from the time when the conditions specified in paragraphs (a) and (b) of CARE Rule 3 are fulfilled in respect of them.

A person may be entitled to a pension under both CARE Rule 3 and this CARE Rule 4; and the amounts of the two pensions shall be cumulative.

5. **Amount payable to pensioner members**

- 5.1. Subject to article G1 (commutation), CARE Rule 7 (early retirement) and CARE Rule 8 (ill health), a person who satisfies the conditions in CARE Rule 3 above shall be entitled to receive a pension for life equal to the total of their CARE Pensions for each CARE Year comprised in that person's aggregate reckonable service as a CARE participant completed on and after the CARE Commencement Date (together with a proportionate amount for each completed day in any partial CARE Year).
- 5.2. For these purposes, a "**CARE Pension**" for a CARE Year will be one-fiftieth of the participating member's CARE Salary for that period adjusted by the Revaluation Factor.
- 5.3. The "**Revaluation Factor**" means, for each CARE Year, an increase over the period from the CARE Year in which the CARE benefits were earned to 1 April immediately preceding the date on which the CARE participant leaves reckonable service in the CARE Section, such increase being equal to the annual percentage increase in the Consumer Prices Index published on the previous September. A CARE participant who leaves reckonable service part way through a CARE Year, shall only be entitled to a pro-rated Revaluation Factor increase under this CARE Rule 5.3 which shall be applied at the date that the CARE participant leaves reckonable service. For the avoidance of doubt, no Revaluation Factor will be credited to a CARE participant on any 1 April after they have ceased to be in reckonable service under the CARE Section.
- 5.4. Where a CARE participant has also accrued Pre-CARE benefits as a pensioner member, his or her Pre-CARE benefits shall be calculated under article F3, such that the "relevant final salary" under paragraph 2 of that article shall be construed to mean, the last 12 months during which that person was a CARE participant, provided that the two periods of reckonable service were continuous. Where the aggregate period of reckonable service as a CARE participant was less than 12 months, the "relevant final salary" as referred to above shall be taken to mean the amount of a member's ordinary salary for the period which constituted that period of reckonable service multiplied by 365 and divided by the number of days in that period.

- 5.5. Where a CARE participant leaves reckonable service and subsequently rejoins the Scheme, his or her relevant terminal salary for the purposes of retaining the salary link to any accrued Pre-CARE benefits shall be determined as at the date of the first occasion on which he or she leaves reckonable service as a CARE participant.
- 5.6. For the avoidance of doubt, a CARE participant entitled to a pension under this CARE Rule 5 may receive a lump sum in place of part of their CARE Pension in accordance with article G1.

6. **Amount payable to pensioner office holders**

- 6.1. Subject to article G1 (commutation), CARE Rule 7 (early retirement) and CARE Rule 8 (ill health), a person who satisfies the conditions in CARE Rule 4 shall be entitled to receive a pension for life equal to the total of their CARE Pension for each CARE Year comprised in that person's aggregate reckonable service as (an office holder) CARE participant completed (together with a proportionate amount for each completed day in any partial CARE Year).
- 6.2. For these purposes, a "**CARE Pension**" for a CARE Year will be one fiftieth of the office holder's CARE Salary for that period adjusted by the Revaluation Factor as set out in CARE Rule 5.
- 6.3. Where a CARE participant has also accrued Pre-CARE benefits as an office holder, his or her Pre-CARE benefits shall be calculated under article F4, such that the "relevant final salary" under paragraph 5 of that article shall be construed to mean, the last 12 months during which that person was a CARE participant, provided that the two periods of reckonable service were continuous. Where the aggregate period of reckonable service as a CARE participant was less than 12 months, the "relevant final salary" as referred to above, shall be taken to mean the amount of a member's ordinary salary for the period (whether continuous or not) which constituted that period of reckonable service multiplied by 365 and divided by the number of days in that period.
- 6.4. Where a CARE participant leaves reckonable service and subsequently rejoins the Scheme, his or her relevant terminal salary for the purposes of retaining the salary link to accrued Pre-CARE benefits shall be determined as at the date of the first occasion on which he or she left reckonable service as a CARE participant.
- 6.5. For the avoidance of doubt, a CARE participant entitled to a pension under this CARE Rule 6 may receive a lump sum in place of part of their CARE Pension in accordance with article G1.

7. **Early retirement for members**

- 7.1. A person who ceases to be a CARE participant, may apply to receive an immediate pension under this CARE Rule 7 if they meet the following conditions:
- (a) they are neither a member of the Assembly nor an office holder;
 - (b) they are not a candidate for election to the Assembly; and
 - (c) they have reached the minimum pension age but not yet reached their normal retirement date.
- 7.2. The CARE participant must make an application for early retirement pension under this CARE Rule 7 in writing to the Trustees. The CARE participant shall then be entitled to receive a pension for life calculated in accordance with CARE Rule 5.1 (pensioner members) or CARE Rule 6.1 (office holders) but reduced in respect of each such tranche of pension to reflect early payment in accordance with CARE Rule 7.3 below.
- 7.3. The early retirement pension under this CARE Rule 7 shall be reduced by a factor determined by the Trustees, having taken actuarial advice from the Actuary appointed under article Q1, to reflect the longer period for which the pension is expected to be paid.
- 7.4. A CARE participant entitled to a pension under this CARE Rule 7 may receive a lump sum in place of part of their pension under this CARE Section in accordance with article G1.

8. **Ill-health pensions based on service as a CARE participant**

- 8.1. A CARE participant who because of ill health ceases to be a participating member before attaining normal retirement date may apply to the Trustees for an early pension under this CARE Rule 8 if at the time when they so cease ("the material time") they would have become entitled to receive a pension under CARE Rule 3 (pensioner members) but for their not having attained the normal retirement date.
- 8.2. A CARE participant who is a participating office holder who makes an ill-health application may apply to the Trustees for an early pension under this CARE Rule 8 if at the time when they so cease ("the material time") they would have become entitled to receive a pension under CARE Rule 4 (office holders) but for their not having attained the normal retirement date.

- 8.3. If on an application under CARE Rules 8.1 or 8.2 the Trustees are satisfied:
- (a) that the applicant does not intend to seek re-election to the Assembly;
 - (b) that their ceasing to be a participating member was a direct consequence of their ill health;
 - (c) that their ill health is such as would permanently prevent them from performing adequately the duties of a member of the Assembly and also permanently prevent them from performing any gainful work (as defined in article J2); and

that they will continue to be incapable of carrying out the occupation or of performing any gainful work, the applicant shall be entitled to receive a pension under CARE Rules 3 or 4 as the case may be, as from the material time.

- 8.4. A CARE participant who, if they were to cease to be a participating member at a particular time in the future because of ill health, would become entitled to make an application under CARE Rule 8.1 or CARE Rule 8.2, may make such an application before that time, specifying in it the time when they propose so to cease, and where on such an application the Trustees are satisfied that, if the applicant so ceases at the time specified therein, they will be entitled under CARE Rule 8.3 to receive a pension under CARE Rule 3 or CARE Rule 4 as appropriate as from that time, the Trustees shall give them notice in writing to that effect.
- 8.5. The annual amount of a pension payable under CARE Rule 3 to a person by virtue of this CARE Rule 8 shall (subject to Part G (commutation)) receive a CARE Pension for life calculated as the sum of:
- (a) the amount calculated as described in accordance with CARE Rule 5.2 (pensioner members) without abatement for early payment; plus
 - (b) an additional amount of the pension calculated as described in CARE Rule 5.2 but ignoring any pension attributable to reckonable service in the CARE Section as an office holder multiplied by the fraction below:

A/B

where

A is the number of whole or part CARE Years from the day after the member's reckonable service ceases to the date which is the earlier of attaining their normal retirement date or the end of their current mandate in the Assembly; and

B is the number of whole or part CARE Years of service in the CARE Section (whether continuous or otherwise) completed by the CARE participant or, if less, the number of years of his or her continuous reckonable service in the CARE Section.

- 8.6. Where the applicant had completed periods of reckonable service attributable to both Pre-CARE benefits and CARE benefits, the enhancement provided under CARE Rule 8.5 shall be determined on the date on which the application for an ill-health pension is made under CARE Rule 8.1.
- 8.7. The annual amount of a pension payable under CARE Rule 4 (office holders) to a person by virtue of this CARE Rule 8 shall (subject to Part G (commutation)) be calculated in accordance with CARE Rule 6 (office holders).
- 8.8. For the purposes of this Rule a person who has ceased to be a participating member in consequence of the dissolution of the Assembly shall be treated as having so ceased because of ill health if, but only if, they satisfy the Trustees that as a direct consequence of their ill health they did not seek re-election to the Assembly after the dissolution.
- 8.9. For the avoidance of doubt, the provisions of articles J3-J4 shall with due alteration for detail such that references to a pension shall be read to mean a CARE Pension apply equally for the purposes of calculating an ill-health pension for an applicant under the CARE Section.
- 8.10. For the avoidance of doubt, the provisions of article J2 shall with due alteration for detail such that references to a pension shall be read to mean a CARE Pension apply equally for the purposes of calculating an ill health pension under this CARE Rule for former members or office holders who have reckonable service in the CARE Section.
- 8.11. A CARE participant entitled to an ill-health pension under this CARE Rule 8 may receive a lump sum in place of part of his or her CARE Pension in accordance with article G1 (commutation).

