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## SCHEDULES

### SCHEDULE 5

#### OCCUPATIONAL PENSION SCHEMES

##### PART I

###### APPROVED SCHEMES : CONDITIONS AS RESPECTS BENEFITS

###### *Employee's benefits*

- 1 The benefits payable to the employee must consist only of benefits payable on or after retirement at a specified age not earlier than 60 or later than 70, or on earlier retirement through incapacity.

###### *Overall limit on employee's benefits*

- 2 (1) The aggregate value of the relevant benefits payable to an employee on or after retirement, after 40 or more years' service, expressed as an annual amount payable for his life after retirement, must not exceed two-thirds of his final remuneration.
- (2) The aggregate value of the relevant benefits payable to an employee on or after his retirement, after less than 40 years' service, so expressed, must not exceed the limit in sub-paragraph (1) above reduced by multiplying by the number of years' service and dividing by 40.

###### *Limit on employee's lump sum benefits*

- 3 The aggregate value of the relevant benefits payable to an employee on or after retirement, excluding any pension which is not commutable, must not exceed three-eighths of his final remuneration for each year of service up to a maximum of 40.

###### *Death after retirement: widow's pension*

- 4 The annual amount of any pension payable to the widow of an employee who dies after retirement must not exceed one-half of the employee's pension.

###### *Death after retirement: other provisions*

- 5 (1) Subject to the following provisions of this paragraph, and except in the case of an employee who dies before retirement, benefits payable otherwise than to the employee must consist only of a pension payable to the employee's widow which is not commutable.
- (2) Where the employee dies after retirement, but so that less than 5 years' pension has become payable to him, sub-paragraph (1) above shall not prevent the making of

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payments not exceeding in all the value of the pension for the remaining part of the 5 years.

- (3) An employee may surrender part of his pension to provide a pension for his widow of an amount not exceeding the reduced pension retained by the husband, and the limit in paragraph 4 above shall be applied without regard to any pension so surrendered.

*Death before retirement*

- 6 The aggregate value of benefits payable where the employee dies before retirement must not exceed twice his final remuneration.

*Pensions*

- 7 Pensions must not be capable of being assigned or, subject to paragraph 5(3) above, of being surrendered.

*Meaning of "final remuneration"*

- 8 In this Part of this Schedule "final remuneration" means the highest average annual remuneration of any 3 consecutive years in the last 10 years' service.