STATUTORY INSTRUMENTS

1989 No. 946

The Teachers' Superannuation (Additional Voluntary Contributions) Regulations 1989

Elections in respect of death benefit cover

5.—(1) A person in pensionable employment may at any time elect to pay death benefit contributions to secure death benefit cover, that is to say the payment of a lump sum in the event of his dying while still paying those contributions.

(2) The notice of an election under paragraph (1) is to specify the amount to be secured, which must not be less than £5,000.

(3) A person making an election under paragraph (1) may at the same time, and a person paying death benefit contributions may at any time, elect that if the lump sum becomes payable the whole or a specified part of it ("the pension element") is to be applied by the Secretary of State to the purchase from the Company of a pension or pensions for one or more dependants.

(4) A person making an election under paragraph (3) is to notify the Secretary of State in writing, as soon as is reasonably practicable–

(a) of the name of every person for whom a pension is to be provided,

(b) if more than one pension is to be provided, of the proportion of the pension element that is to be applied to the purchase of each of them, and

(c) in respect of every pension to be provided, whether the annual rate of the pension–

(i) is to be fixed, or

(ii) is to vary in accordance with the Index, or

(iii) is to increase yearly by a specified percentage or, if lower than that percentage, by any increase in the Index for the year in question.

(5) A person who has continued to pay death benefit contributions up to his 60th birthday but does not then retire may elect to pay further contributions to secure the continuance to his 61st birthday of the death benefit cover, including any pension element, in force immediately before his 60th birthday; and so long as he has not retired further elections may be made annually in respect of years commencing on his 61st and subsequent birthdays.

(6) Any continued death benefits cover secured by an initial or further election under paragraph (5) lapses if the person retires during the year in question.