

## SCHEDULES

### SCHEDULE 16

#### REQUIREMENTS AS TO PRESERVATION OF BENEFIT UNDER OCCUPATIONAL PENSION SCHEMES

##### PART I

###### *Basic principle as to short service benefit*

- 6 (1) A scheme must provide so that where a member's service in relevant employment is terminated before normal pension age and—
- (a) he has attained the age of 26 ; and
  - (b) he has at least 5 years' qualifying service,
- he is entitled to benefit (calculated in accordance with the following provisions of this Schedule and there referred to as "short service benefit "), consisting of or comprising benefit of any description which would have been payable under the scheme as long service benefit, whether for himself or for others.
- (2) Subject to the following sub-paragraph, short service benefit must be made payable as from normal pension age or, if in the member's case that age is earlier than 60, then from the age of 60.
- (3) Short service benefit payable on or in respect of the member's death after normal pension age must be made payable as from his death or within such time thereafter as long service benefit payable on or in respect of his death would be payable.
- (4) In applying sub-paragraphs (2) and (3) above, no regard is to be had to the operation of any scheme rule, taking effect at any time after termination of the member's pensionable service, as to what is normal pension age under the scheme.
- (5) A scheme must not provide for payment of short service benefit in the form of a lump sum at any time before normal pension age, except in such circumstances as may be prescribed.