

SCHEDULE 3

PART I

COMMUTATION OF PENSIONS

1.—(1) In this Schedule, unless the context otherwise requires—

“Class A participant”, “Class B participant” and “Class C participant” have the meanings assigned to them in Schedule 2;

“N” means in respect of the pension of a person, the period in years and any fraction of a year of his actual reckonable service before the relevant date or (if earlier) his sixty-fifth birthday;

“NS” means in respect of the pension of a person, the lesser of 40 years and the period in years and any fraction of a year of his prospective actual reckonable service at the relevant date;

“pension” means a pension, expressed as an annual amount, under article 7; and “maximum pension” shall be construed accordingly;

“prospective actual reckonable service” means in respect of a person—

(a) at a date falling before his sixty-fifth birthday, his actual reckonable service before and after that date, assuming continuous actual reckonable service by him from that date until his sixty-fifth birthday;

(b) at a date falling on or after his sixty-fifth birthday, his actual reckonable service at his sixty-fifth birthday;

“retained benefits” has the meaning assigned to it in Schedule 2;

“retained lump sum benefits” means retained benefits which are payable as single payments whether by way of commutation of accrued pension rights, refund of contributions or otherwise.

(2) Any reference in this Schedule to the beginning of a period of actual reckonable service of a person means any such beginning on his becoming a participant other than after an interval in his actual reckonable service occurring on a dissolution of the European Parliament.

(3) Any reference in this Schedule to a person being or no longer being a participant shall be construed as a reference to whichever of those circumstances is applicable to the calculation of his pension.