▼B

ANNEX VIII

Pension scheme

CONTENTS

CHAPTER 1

General provisions

Article 1

1. Where the medical examination made before an official takes up his duties shows that he is suffering from sickness or invalidity, the appointing authority may, in so far as risks arising from such sickness or invalidity are concerned, decide to admit that official to guaranteed benefits in respect of invalidity or death only after a period of five years from the date of his entering the service of the ►**M128** Union ◄.

The official may appeal against such decision to the Invalidity Committee.

2. An official on ‘leave for military service’ shall cease to benefit from the guarantees in respect of invalidity or death arising directly from an accident sustained, or sickness contracted, by reason of the military service. The foregoing provisions shall not affect the entitlement of survivors to pension on the basis of rights acquired by the official on the date when he is placed on ‘leave for military service’.

▼B

CHAPTER 2

Retirement pension and severance grant

Section 1

RETIREMENT PENSION

Article 2

A retirement pension shall be payable on the basis of the total number of years of pensionable service acquired by the official. Each year of service reckoned as provided in Article 3 shall entitle him to one year of pensionable service and each complete month to one-twelfth of a year of pensionable service.

The maximum number of years of pensionable service which may be taken into account for the calculation of retirement pension rights shall be ►M112 the number necessary to achieve the maximum pension, within the meaning of the second paragraph of Article 77 of the Staff Regulations ◄.

▼M112

Article 3

Provided that the servants concerned have paid their shares of the pension contributions in respect of the periods of service concerned, the following shall be taken into account for the purpose of calculating years of pensionable service within the meaning of Article 2:

(a) the period of service as an official of one of the institutions in one of the administrative statuses set out in Article 35(a), (b), (c), and (e) and (f) of the Staff Regulations. However, officials covered by Article 40 of the Staff Regulations shall be subject to the conditions laid down in the last sentence of the second subparagraph of paragraph 3 thereof;

(b) periods of entitlement to the allowance ►M131 under Articles 41, 42c and 50 ◄ of the Staff Regulations, up to a maximum of five years;

(c) periods of entitlement to an invalidity allowance;

(d) periods of service in any other capacity in accordance with the Conditions of Employment of other servants. However, where members of the contract staff within the meaning of those Conditions of Employment become officials, the years of pensionable service they have acquired as members of the contract staff shall, up to the number of years of actual service, entitle them to a number of years of pensionable service as officials calculated on the basis of the ratio between the last basic salary received as a member of the contract staff and the first basic salary received as an official. The surplus contributions, if any, corresponding to the difference between the number of years of pensionable service calculated and the number of years of actual service, shall be reimbursed to the person concerned on the basis on the last basic salary received as a member of the contract staff. This provision shall, with the necessary changes, apply where officials become members of the contract staff.

Article 4

1. An official who having previously completed a period of activity in the service of one of the institutions either as an official, as a member of the temporary staff or as a member of the contract staff resumes active employment with a ►M128 Union ◄ institution shall acquire further pension rights. He may request that, in accordance with Article 3 of this Annex, for the purpose of calculating his pension rights, the whole of the period of service as an official, a member of the temporary staff or a member of the contract staff for which contributions have been paid be taken into account, subject to:

▼M112

(a) repayment of the severance grant paid under Article 12, plus compound interest at a rate of ►M123 3,1 % ◄ per annum. Where Article 42 or 112 of the Conditions of Employment of other servants has been applied in the case of the official concerned, the latter shall also be required to repay the amount paid under that Article, plus compound interest at the abovementioned rate;

(b) having an amount set aside for this purpose, before calculation of the credited contribution years provided for in Article 11(2) and providing the official has requested and obtained the application of that Article after resuming service, equal to the part of the amount transferred to the ►M128 Union ◄ pension scheme that corresponds to the actuarial equivalent calculated and transferred to the scheme of origin pursuant to Article 11(1) or Article 12 (1) (b), plus compound interest at a rate of ►M123 3,1 % ◄ per annum.

Where Article 42 or 112 of the Conditions of Employment of other servants has been applied in the case of the official concerned, the calculation of the amount to be set aside shall also take account of the amount paid under those Articles, plus compound interest at ►M123 3,1 % ◄ per annum.

Where the amount transferred to the ►M128 Union ◄ scheme is insufficient to make up the pension rights covering the previous period of employment in full, the official shall be authorised, on request, to make the amount up to that defined at point (b) of the first paragraph.

2. The interest rate specified in paragraph 1 may be revised in accordance with the rules laid down in Article 10 of Annex XII.

▼M131

Article 5

Notwithstanding the provisions of Article 2 of this Annex, officials who remain in service after pensionable age shall be entitled to an increase of their pension equal to 1,5 % of the basic salary taken into account for the calculation of their pension per year worked after that age, with the proviso that the total of their pension plus the increase does not exceed 70 % of their final basic salary as referred to in the second or third paragraph, as the case may be, of Article 77 of the Staff Regulations.

Such increase shall likewise be payable in the event of death of an official who has remained in the service after pensionable age.

▼B

Article 6

▼M23

The minimum subsistence figure for the purpose of calculating pension benefits shall correspond to the basic salary of an official in ►M112 at ►M131 the first step of grade AST 1 ◄ ◄.

▼M112

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▼**M112**

Article 8

Actuarial equivalent of the retirement pension means the capital value of the benefits accruing to the official by reference to the mortality table referred to in Article 9 of Annex XII and subject to ►**M123** 3,1 % ◄ interest per annum, which rate may be revised in accordance with the rules laid down in Article 10 of Annex XII.

▼**M131**

Article 9

An official leaving the service before reaching pensionable age may request that his retirement pension:

(a) be deferred until the first day of the calendar month following that in which he reaches pensionable age; or

(b) be paid immediately, provided that he is not less than 58 years of age. In that case, the retirement pension shall be reduced by an amount calculated by reference to the official's age when he starts to draw his pension.

The pension shall be reduced by 3,5 % for every year before the one in which the official would become entitled to a retirement pension within the meaning of Article 77 of the Staff Regulations. If between the age at which entitlement to a retirement pension is acquired within the meaning of Article 77 of the Staff Regulations and the age of the person concerned at the time, the difference exceeds an exact number of years, an extra year shall be added to the reduction.

▼**M112**

Article 9a

For the purposes of determining the reduced pension of officials who have acquired pension rights exceeding the equivalent of 70 % of their final basic salary and who request immediate payment of their retirement pension in accordance with Article 9, the reduction under Article 9 shall be applied to a notional figure corresponding to the years of pensionable service rather than to an amount capped at 70 % of the final basic salary. In no case, however, may the reduced pension thus calculated exceed 70 % of the last basic salary within the meaning of Article 77 of the Staff Regulations.

▼**B**

Article 10

The right to receive payment of retirement pension shall have effect from the first day of the calendar month following that in which the official, whether automatically or at his own request, becomes eligible for that pension; he shall continue to receive his remuneration until his pension becomes payable.

▼B

Article 11

▼M83

1. An official who leaves the service of the ►M128 Union ◄ to:

— enter the service of a government administration or a national or international organization which has concluded an agreement with the ►M128 Union ◄;

— pursue an activity in an employed or self-employed capacity, by virtue of which he acquires pension rights under a scheme whose administrative bodies have concluded an agreement with the ►M128 Union ◄,

shall be entitled to have the actuarial equivalent of his retirement pension rights ►M112 updated to the actual date of transfer, ◄ in the ►M128 Union ◄ transferred to the pension fund of that administration or organization or to the pension fund under which he acquires retirement pension rights by virtue of the activity pursued in an employed or self-employed capacity.

2. An official who enters the service of the ►M128 Union ◄ after:

— leaving the service of a government administration or of a national or international organization; or

— pursuing an activity in an employed or self-employed capacity;

▼M112

shall be entitled, after establishment but before becoming eligible for payment of a retirement pension within the meaning of Article 77 of the Staff Regulations, to have paid to the ►M128 Union ◄ the capital value, updated to the date of the actual transfer, of pension rights acquired by virtue of such service or activities.

In such case the ►M131 appointing authority of the institution ◄ in which the official serves shall, taking into account the official's basic salary, age and exchange rate at the date of application for a transfer, determine by means of general implementing provisions the number of years of pensionable service with which he shall be credited under the ►M128 Union ◄ pension scheme in respect of the former period of service, on the basis of the capital transferred, after deducting an amount representing capital appreciation between the date of the application for a transfer and the actual date of the transfer.

Officials may make use of this arrangement once only for each Member State and pension fund concerned;

▼M56

3. Paragraph 2 shall also apply to an official who is reinstated after a period of secondment under the second indent of Article 37 (1) (b) of the Staff Regulations and to an official who is reinstated following expiry of a period of leave on personal grounds under Article 40 of the Staff Regulations.

▼B

Section 2

SERVERANCE GRANT

▼M112

Article 12

▼M131

1. An official aged less than the pensionable age whose service terminates otherwise than by reason of death or invalidity and who is not entitled to an immediate or deferred retirement pension shall be entitled on leaving the service:

(a) where he has completed less than one year's service and has not made use of the arrangement laid down in Article 11(2), to payment of a severance grant equal to three times the amounts withheld from his basic salary in respect of his pension contributions, after deduction of any amounts paid under Articles 42 and 112 of the Conditions of Employment of Other Servants;

(b) in other cases, to the benefits provided under Article 11(1) or to the payment of the actuarial equivalent of such benefits to a private insurance company or pension fund of his choice, on condition that such company or fund guarantees that:

(i) the capital will not be repaid;

(ii) a monthly income will be paid from age 60 at the earliest and age 66 at the latest;

(iii) provisions are included for reversion or survivors' pensions;

(iv) transfer to another insurance company or other fund will be authorised only if such fund fulfils the conditions laid down in points (i), (ii) and (iii).

2. By way of derogation from point (b) of paragraph 1, officials under pensionable age who, since taking up their duties, have, in order to establish or maintain pension rights, paid into a national pension scheme, a private insurance scheme or a pension fund of their choice which satisfies the requirements set out in paragraph 1, and whose service terminates for reasons other than death or invalidity without their qualifying for an immediate or deferred retirement pension, shall be entitled, on leaving the service, to a severance grant equal to the actuarial value of their pension rights acquired during service in the institutions. In those cases the payments made in order to establish or maintain their pension rights under the national pension scheme in application of Articles 42 or 112 of the Conditions of Employment of Other Servants shall be deducted from the severance grant.

▼M112

3. Where an official's service has been terminated by removal from his post, the severance grant to be paid or, as the case may be, the actuarial equivalent to be transferred shall be determined by reference to the decision taken in accordance with Article 9(1)(h) of Annex IX.

▼B

CHAPTER 3

▼M112

Invalidity allowance

▼B

Article 13

►M112 1. ◄ Subject to the provisions of Article 1 (1), an official aged less than sixty-five years who at any time during the period in which he is acquiring pension rights is recognised by the Invalidity Committee to be suffering from total permanent invalidity preventing him from performing the duties corresponding to a post in his career bracket, and who is obliged on these grounds to end his service with ►M15 the ►M128 Union ◄ ◄, shall be entitled, for so long as such incapacity persists, ►M23 to ►M112 invalidity allowance ◄ as provided in Article 78 of the Staff Regulations ◄.

▼M112

2. Persons in receipt of an invalidity allowance may not engage in gainful employment without the prior authorisation of the Appointing Authority. Any income from such gainful employment which, in combination with the invalidity allowance, exceeds the final total remuneration received while in active service as determined on the basis of the salary scale in force on the first day of the month in which the allowance is to be paid shall be deducted from the invalidity allowance.

The recipient of the allowance shall be required to provide on request any written proof which may be requested and to notify his or her institution of any factor that may affect entitlement to the allowance.

▼B

Article 14

▼M62

The right to receive payment of ►M112 invalidity allowance ◄ shall have effect from the first day of the calendar month following the official's retirement under Article 53 of the Staff Regulations.

▼M23

When ►M62 the former official ◄ ceases to satisfy the requirements for payment of the ►M112 allowance ◄ he must be reinstated in the first post corresponding to his career bracket which falls vacant in his category or service, provided that he satisfies the requirements for that post. If he declines the post offered to him, he shall retain his right to reinstatement when the next vacancy corresponding to his career bracket occurs in his category or service subject to the same proviso; if he declines a second time, he may be required to resign ►M112 ————— ◄.

Where ►M62 a former official ◄ in receipt of ►M112 invalidity allowance ◄ dies, entitlement to ►M112 allowance ◄ shall cease at the end of the calendar month during which he died.

▼B

Article 15

While ►M62 a former official ◄ drawing invalidity ►M112 allowance ◄ is aged less than ►M131 the pensionable age ◄, the institution may have him medically examined periodically to ascertain that he still satisfies the requirements for payment of the pension.

▼M112

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▼**B**

CHAPTER 4

Survivor's pension

Article 17

►**M23** Where an official dies having one of the administrative statuses set out in Article 35 of the Staff Regulations ►**M112** the surviving spouse ◄ shall be entitled ◄, ►**M112** provided that the couple were married ◄ for at least one year at the time of his death and subject to the provisions of Article 1 (1) and Article 22, to a ►**M112** survivor's pension ◄ equal to ►**M5** 60 % ◄ of the retirement pension which the official would have been paid if he had qualified, irrespective of length of service ►**M62** or of age ◄, for such pension at the time of death.

The duration of the marriage shall not be taken into account if there are one or more children of the marriage or of a previous marriage of the official provided that ►**M112** the surviving spouse ◄ maintains or has maintained those children, or if the official's death resulted either from physical disability or sickness contracted in the performance of his duties or from accident.

▼**M56**

Article 17a

Subject to Article 1 (1) and Article 22, ►**M112** the surviving spouse ◄ of a former official who was removed from his post orwhose service was terminated by virtue of Regulation (EEC, Euratom, ECSC) No 259/68, (Euratom, ECSC, EEC) No 2530/72 or (ECSC, EEC, Euratom) No 1543/73 and who died whilst in receipt of a monthly allowance under Article 50 of the Staff Regulations or under one of the abovementioned Regulations shall be entitled, ►**M112** provided that the couple were already married before the official left the service of an institution and that the marriage had lasted at least one year ◄, to a ►**M112** survivor's pension ◄ equal to 60 % of the retirement pension to which ►**M112** the spouse ◄ would have been entitled if he had qualified, irrespective of length of service or of age, for such pension at the time of death.

The amount of the ►**M112** survivor's pension ◄ provided for in the first paragraph shall not be less than the amount provided for in the second paragraph of Article 79 of the Staff Regulations. The amount of the ►**M112** survivor's pension ◄ shall in no case, however, exceed the amount of the first payment of the retirement pension to which the former official would have been entitled assuming that, had he stayed alive and exhausted his rights to one or other of the abovementioned allowances, he would have been entitled to a retirement pension.

The duration of the marriage specified in the first paragraph shall not be taken into account if there are one or more children of a marriage contracted by the official before he left the service, provided that ►**M112** the surviving spouse ◄ maintains or has maintained such dependent children within the meaning of Article 2 (2) of Annex VII.

Nor shall the duration of the marriage be taken into account if the former official's death occurs in one of the circumstances described in the second paragraph of Article 17.

▼M112

Article 18

Where a former official was in receipt of retirement pension the surviving spouse shall be entitled, provided that the couple were already married before the official left the service of an institution and that the marriage had lasted at least one year, and subject to the provisions of Article 22, to a survivor's pension equal to 60 % of the retirement pension which he was receiving at the time of his death. The minimum survivor's pension shall be 35 % of the last basic salary; the amount of the survivor's pension shall in no case, however, exceed the amount of the retirement pension which the spouse was receiving at the time of death.

The duration of the marriage shall not be taken into account if there are one or more children of a marriage contracted by the official before he left the service, provided that the surviving spouse maintains or has maintained those children.

▼M23

Article 18a

►M112 The surviving spouse ◄ of a former official who left the service before reaching the ►M131 pensionable age ◄ and requested that his retirement pension be deferred until the first day of the calendar month following that during which he reached the ►M131 pensionable age ◄ shall be entitled, ►M112 provided that the couple were already married before the official left the service of an institution and that the marriage had lasted at least one year. ◄, and subject to the provisions of Article 22, to a ►M112 survivor's pension ◄ equal to 60 % of the retirement pension which would have been payable to ►M112 the spouse ◄ at the ►M131 pensionable age ◄. The minimum ►M112 survivor's pension ◄ shall in no case, however, exceed the amount of the retirement pension to which the official would have been entitled at the ►M131 pensionable age ◄.

The duration of the marriage shall not be taken into account if there are one or more children of a marriage contracted by ►M62 the former official ◄ before he left the service provided that ►M112 the surviving spouse ◄ maintains or has maintained those children.

▼M112

Article 19

Where a former official was in receipt of invalidity allowance the surviving spouse shall be entitled, subject to the provisions of Article 22 of this Annex, provided that the couple were married when the official became eligible for the allowance, to a survivor's pension equal to 60 % of the invalidity allowance which the spouse was receiving at the time of death.

The minimum survivor's pension shall be 35 % of the final basic salary; the amount of the survivor's pension shall in no case, however, exceed the amount of the invalidity allowance which the spouse was receiving at the time of death.

▼B

Article 20

►M62 For the purpose of Articles 17a, 18, 18a, and 19 ◄ the duration of the marriage shall not be taken into account where the marriage, though contracted after termination of the official's service, has lasted at least five years.

Article 21

1. The orphan's pension provided for in Article 80 ►M62 first, second and third paragraphs ◄ of the Staff Regulations shall for the first orphan be equal to eight tenths of the survivor's pension to which the official's ►M62 or that of a former official in receipt of ►M112 a retirement pension or invalidity allowance ◄ ◄ the ►M112 surviving spouse ◄ would have been entitled, the reductions set out in Article 25 being disregarded.

▼M23

It shall not be less than the minimum subsistence figure, subject to the provisions of Article 22.

▼B

2. The pension shall be increased, for each dependent child after the first, by an amount equal to twice the dependent child allowance.

▼M23

Orphans shall be entitled to education allowance in accordance with Article 3 of Annex VII.

▼B

3. The total amount of pension and allowance calculated in this way shall be divided equally among the orphans entitled.

Article 22

Where an official leaves ►M112 a surviving spouse ◄ and also orphans of a previous marriage or other persons entitled under him, the total pension, calculated as if for ►M112 a surviving spouse ◄ having all these persons dependent on her, shall be apportioned among the various persons concerned in proportion to the pensions which would have been payable to each category of them if treated separately.

Where an official leaves orphans of different marriages, the total pension, calculated as though all the children were of the same marriage, shall be apportioned among the various persons concerned in proportion to the pensions which would have been payable to each category of them if treated separately.

For the purposes of calculating this apportionment, children of a previous marriage of either spouse who are recognised as dependants within the meaning of Article 2 of Annex VII to the Staff Regulations shall be included in the category of children of the marriage to the official ►M62 or former official in receipt of ►M112 a retirement pension or invalidity allowance ◄ ◄.

In the case envisaged in the second paragraph, ascendants who are recognized as being dependants as provided in Article 2 of Annex VII to the Staff Regulations shall be treated in the same way as dependent children and, for the purpose of calculating the apportionment, included in the category of descendants.

▼M62

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▼B

Article 24

The right to receive payment of survivor's pension shall have effect from the first day of the calendar month following that in which the official ►M62 or former official in receipt of ►M112 a retirement pension or invalidity allowance ◄ ◄ died. ►M23 However, where the payment provided for in Article 70 of the Staff Regulations is made on the death of the official or of the person entitled to a pension, such right shall take effect on the first day of the fourth month following that in which death occurred. ◄

The right to receive payment of survivor's pension shall cease at the end of the calendar month in which the recipient of the pension dies or ceases to satisfy the requirements for payment of the pension. ►M112 Similarly the right to an orphan's pension shall cease if the recipient ceases to be regarded as a dependent child within the meaning of Article 2 of Annex VII. ◄

▼B

Article 25

Where the difference in age between the deceased official ►M62 or former official in receipt of ►M112 a retirement pension or invalidity allowance ◄ ◄ and his surviving spouse, less the length of time they have been married, is more than ten years, the survivor's pension, calculated in accordance with the preceding provisions, shall be subject to a reduction, per full year of difference, amounting to:

— 1 % for the years between ten and twenty;

— 2 % for the years twenty up to but not including twenty-five;

— 3 % for the years twenty-five up to but not including thirty;

— 4 % for the years thirty up to but not including thirty-five;

— 5 % for the years from thirty-five upwards.

Article 26

►M112 A surviving spouse's ◄ entitlement to survivor's pension shall cease on remarriage. ►M112 He or she shall be entitled ◄ to immediate payment of a capital sum equal to twice the annual amount of her survivor's pension, provided that the second paragraph of Article 80 of the Staff Regulations does not apply.

▼M112

Article 27

The divorced spouse of an official or a former official shall be entitled to a survivor's pension, as defined in this Chapter, provided that, on the death of the former spouse, he/she can justify entitlement on his/her own account to receive maintenance from him by virtue of a court order or as a result of an officially registered settlement in force between himself/herself and his/her former spouse.

The survivor's pension may not, however, exceed the amount of maintenance paid at the time of death of the former spouse, the amount having been ►M131 updated ◄ in accordance with the procedure laid down in Article 82 of the Staff Regulations.

The divorced spouse's entitlement shall cease if he or she remarries before the former spouse dies. Article 26 shall apply in the event of remarriage after the death of the former spouse.

▼B

Article 28

▼M62

Where the deceased official leaves more than one ►M112 divorced spouse ◄ entitled to survivor's pension or one or more ►M112 divorced spouses ◄ and ►M112 a surviving spouse ◄ entitled to a survivor's pension, that pension shall be divided in proportion to the respective duration of the marriages. The provisions of the second and third paragraphs of Article 27 shall apply.

▼B

If any of the persons entitled to pension dies or renounces ►M112 his or her share, that share ◄ shall accrue to the shares of the other persons, except where there are orphans' rights under the second paragraph of Article 80 of the Staff Regulations.

▼B

Reductions in respect of difference in age, as provided in Article 25, shall be applied separately to pensions divided in accordance with this Article.

Article 29

Where under Article 42 ►M112 the divorced spouse ◄ ceases to be entitled to a pension, the total pension shall be payable ►M112 to the surviving spouse ◄, provided the second paragraph of Article 80 of the Staff Regulations does not apply.

CHAPTER 5

Provisional pensions

Article 30

The spouse of persons recognised as dependants of an official ►M62 having one of the statuses listed in Article 35 of the Staff Regulations ◄ whose whereabouts are unknown for more than one year may provisionally receive the survivor's pension to which they would be entitled under this Annex.

Article 31

The spouse or persons recognised as dependants ►M62 of a former official ◄ in receipt of ►M112 retirement pension or invalidity allowance ◄ whose whereabouts are unknown for more than one year may provisionally receive the survivor's pension to which they would be entitled under this Annex.

▼M62

Article 31a

The spouse or persons recognized as dependants of a former official within the meaning of Article 18a of Annex VIII, or of a former official entitled to an allowance either under Article 50 of the Staff Regulations ►M112 or under Regulation (EEC) No 1857/89 [1], Regulation (EC, Euratom) No 1746/2002 [2], Regulation (EC, Euratom) No 1747/2002 [3] or Regulation (EC, Euratom) No 1748/2002 [4] ◄ may, if the former official's whereabouts are unknown for more than one year, provisionally receive a survivor's pension to which they would be entitled under this Annex.

▼B

Article 32

The provisions of Article 31 shall apply to persons recognised as a dependant of a person in receipt of or entitled to a survivor's pension whose whereabouts are unknown for more than one year.

Article 33

Provisional pensions under Articles 30, 31 ►M62 , 31a ◄ and 32 shall be converted into definitive pensions when the death of the official ►M62 or former official ◄ has been duly confirmed or he has been legally declared missing, presumed dead.

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[1] OJ L 181, 28.6.1989, p. 2. Regulation as amended by Regulation (EC, ECSC, Euratom) No 2458/98 (OJ L 307, 17.11.1998, p. 1).
[2] OJ L 264, 2.10.2002, p. 1.
[3] OJ L 264, 2.10.2002, p. 5.
[4] OJ L 264, 2.10.2002, p. 9.

▼B

CHAPTER 6

Pension increases in respect of dependent children

Article 34

The provisions of the second paragraph of Article 81 of the Staff Regulations shall apply to persons in receipt of a provisional pension.

▼M112

Articles 80 and 81 of the Staff Regulations shall also apply to children born less than 300 days after the death of the official or former official in receipt of a retirement pension or invalidity allowance.

▼M23

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▼B

Article 35

▼M23

The award ►M112 of a retirement or survivor's pension or of an invalidity allowance ◄ or of a provisional pension shall not entitle the pensioner to expatriation allowance.

▼B

CHAPTER 7

Section 1

FUNDING OF THE PENSION SCHEME

Article 36

Salaries ►M112 and invalidity allowances ◄ shall in all cases be subject to deduction of the contribution to the pension scheme provided for in Articles 77 to 84 of the Staff Regulations.

Article 37

An official on secondment shall continue to pay the contribution referred to in the preceding Article on the basis of the salary carried by his step and grade. This shall also apply, up to a maximum of five years as provided in Article 3, to officials receiving the allowance provided for in respect of non-active status or retirement in the interests of the service ►M39 and to officials on leave on personal grounds who are continuing to acquire further pension rights on the conditions laid down in Article 40 (3) of the Staff Regulations. ◄.

All benefits to which any such official or those entitled under him may be entitled under this pension scheme shall be calculated on the basis of such salary.

Article 38

Contributions properly deducted shall not be refunded. Contributions wrongly deducted shall not confer the right to receive a pension; they shall be reimbursed without interest at the request of the official concerned or of those entitled under him.

▼M112

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▼B

Section 2

CALCULATION OF PENSION

Article 40

▼M23

The institution in which the official was serving at the time when his active employment ended shall be responsible for calculating the amount of ►M112 retirement, or survivor's or provisional pension or invalidity allowance ◄. A detailed statement of the calculation shall be communicated to the official or to those entitled under him and to the ►M128 European Commission ◄, which is the paying agency, at the same time as the decision awarding the pension.

▼M112

A retirement pension or invalidity allowance shall not be paid concurrently with the salary payable from the general budget of the European Union or by one of the agencies nor with the allowance payable under Articles 41 and 50 of the Staff Regulations. Similarly, they shall be incompatible with any remuneration derived from a post in one of the institutions or agencies.

▼B

Article 41

The amount of pension may at any time be calculated afresh if there has been error or omission of any kind.

They shall be liable to modification or withdrawal if the award was contrary to the provisions of the Staff Regulations or of this Annex.

Article 42

Where an official ►M62 or former official in receipt of ►M112 a retirement pension or invalidity allowance ◄ ◄ dies and those entitled under him do not apply for their pension ►M112 or allowance ◄ within one year from the date of his death, they shall lose their entitlement, save where *force majeure* is duly established.

Article 43

►M62 A former official ◄ or those entitled under him in favour of whom benefits arise under this pension scheme shall furnish such written proof as may be required and inform the institution referred to in the second paragraph of Article 45 of any facts liable to affect their entitlement.

Article 44

Where an official has been ►M112 temporarily ◄ deprived, in whole or in part, of his pension rights ►M112 under Article 9 of Annex IX ◄, he shall be entitled to claim reimbursement in proportion to the amount by which his pension has been reduced of the pension contributions he has paid.

Section 3

PAYMENT OF BENEFITS

Article 45

Benefits under this pension scheme shall be paid monthly in arrears.

▼B

These benefits shall, ►M15 on behalf of the ►M128 Union ◄ ◄, be provided by the institution designated by the budgetary authorities; no other institution may, under any description whatsoever, pay out of its own funds benefits provided for under this pension scheme.

▼M112

For pensioners residing in the European Union, benefits shall be paid in euro into a bank in the ►M131 European Union. ◄

For pensioners residing outside the European Union, pensions shall be paid, in euro into a bank ►M131 in the European Union or ◄ in the country of residence. The pension may by way of exception be paid ►M131 ————— ◄ in foreign currency in the country of residence of the pensioner, converted at the most up-to-date exchange rates used for the implementation of the general budget of the European Union.

This Article shall apply by analogy to the recipients of an invalidity allowance.

▼M62

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▼B

Article 46

Any sums due from an official ►M62 or former official in receipt ►M112 of a retirement pension or invalidity allowance ◄ ◄ to ►M15 the ►M128 Union ◄ ◄ at the date when a benefit is payable under this pension scheme shall be deducted from the amount of his benefit or from the benefits payable to those entitled under him. The deduction may be spread over a number of months.

▼M62

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▼B

CHAPTER 8

Transitional provisions

Article 48

An official to whom the Staff Regulations are applied pursuant to the transitional provisions shall be entitled to pension rights computed from the date of his joining the temporary joint provident scheme of the institutions of the ►M128 Union ◄.

If an official so requests, his pension rights shall, notwithstanding any provisions to the contrary in the Staff Regulations, be computed from the date on which he entered the service of an institution of ►M128 the European Union ◄ in any capacity whatever. Where during the whole or part of his previous service he had not contributed under the provident scheme, he shall be entitled, by payment in instalments, to buy in the pension rights for which he had been unable to contribute. The amounts contributed by the official, together with the corresponding amounts contributed by the institution, shall be deemed to have been standing to the official's credit under the temporary provident scheme at the date of entry into force of these Staff Regulations.

▼B

Article 49

Where an official has exercised his option to withdraw from his account with the temporary joint provident scheme of the institutions of the ►M128 Union ◄ sums which he was required to contribute in his country of origin in order to maintain his pension rights there, his pension rights shall, in respect of the period when he was a member of the temporary provident scheme, be reduced in proportion to the sums withdrawn from his account.

The preceding paragraph shall not apply where an official has asked, within three months of the Staff Regulations being applied to him, to be allowed to repay those sums plus compound interest at the rate of 3·5 % per annum.

Article 50

An official to whom the Staff Regulations are applied pursuant to the transitional provisions shall be entitled, if he leaves the service at the age of sixty-five years without having completed the ten years required under the first paragraph of Article 77 of the Staff Regulations, to opt for payment of a grant calculated in accordance with Article 12 of this Annex or for a proportionately reduced pension calculated in accordance with the second paragraph of Article 77 of the Staff Regulations.

Article 51

This pension scheme shall apply to the widow of and those entitled under any servant of the ►M128 Union ◄ who died while in active employment before the entry into force of the Staff Regulations and to any servant of the ►M128 Union ◄ who, before the entry into force of the Staff Regulations, was suffering from total permanent invalidity within the meaning of Article 78 of the Staff Regulations, subject to the transfer to the ►M128 Union ◄ of the amounts standing to his credit under the temporary joint provident scheme of the institutions of the ►M128 Union ◄. The ►M128 Union ◄ shall assume the liability for payment of the benefits provided for in this pension scheme.