

Dated 9 JULY

2014

HAYLING OAKS LTD
SIMON PATRICK COLE
ROWANMOOR TRUSTEES LIMITED

**DEED OF APPOINTMENT AND OF
AMENDMENT**
relating to the Hayling Oaks Ltd
Executive Pension Scheme

ADDLESHAW GODDARD

This Deed of Appointment and of Amendment is made on 9 JULY

2014

Between

- (1) **Hayling Oaks Ltd** (Company No. 09085644), whose registered office is at Richmond House 38 High Street Hurstpierpoint BN6 9RG (**Principal Employer**); and
- (2) **Simon Patrick Cole** of Flat 2 Westfield Oaks 15 Westfield Avenue Hayling Island PO11 9AQ (**Member Trustee**)
- (3) **Rowanmoor Trustees Limited** (Company No. 1846413) whose registered office is at Rowanmoor House 46-50 Castle Street Salisbury SP1 3TS (**Continuing Trustee**).

Whereas

- (A) This deed is supplemental to the interim deed dated the 19th day of June 2014 (**Interim Deed**) by which the Hayling Oaks Ltd Executive Pension Scheme (**Scheme**) was established.
- (B) The Principal Employer is the current principal employer of the Scheme and the Continuing Trustee is the present trustee of the Scheme.
- (C) By the amendment power contained in clause 9 of the Interim Deed, the trustee of the Scheme by deed with the consent of the Principal Employer may subject to the requirements set out in that clause alter, add to, delete or replace all or any of the trusts, powers and provisions of the Scheme. Changes may be retrospective, immediate or prospective.
- (D) In accordance with the amendment power contained in the Interim Deed the Principal Employer and the Continuing Trustee of the Scheme wish to formally amend the provisions of the Scheme as set out below.
- (E) By the provisions of clause 5.3 of the Scheme's definitive deed (as adopted by this deed), the Principal Employer may by deed appoint new or additional trustee of the Scheme or remove any trustee of the Scheme.
- (F) The Principal Employer wishes to appoint the Member Trustee as trustee of the Scheme with effect from the date of this deed and the Member Trustee has agreed so to act.

Operative Part

- 1 In exercise of their powers under the power of amendment contained in the Interim Deed the Continuing Trustee hereby alters the provisions of the Scheme as set out below with effect from the dates specified in paragraph (d) of this clause and the Principal Employer hereby consents to such alteration:
 - (a) the Interim Deed is, subject to paragraphs (b) to (d), replaced in its entirety with the new trust deed and rules annexed to this deed as the governing documentation of the Scheme;
 - (b) this deed of amendment shall not operate to render invalid any act done in relation to the Scheme prior to the Effective Date where such act was valid prior to the Effective Date;

(c) this deed of amendment shall not operate to render any act or failure to act on the part of the Continuing Trustee prior to the Effective Date a breach of trust where such act or failure to act did not constitute a breach of trust immediately prior to the Effective Date;

(d) the alterations to the provisions of the Scheme effected by this deed shall take effect from the Effective Date, save that clauses 13 to 15 shall operate for the benefit of the Continuing Trustee and, where applicable, the administrator of the Scheme with effect from the date of the Scheme's establishment.

2 The Principal Employer, in exercise of the power conferred on it by the provisions of clause 5.3 of the Scheme's definitive deed (as adopted by this deed) (the **Definitive Deed**) and all other powers it enabling hereby appoints the Member Trustee as trustee of the Scheme with effect from the Effective Date and the Member Trustee agree to act as trustee of the Scheme with effect from the Effective Date.

3 The parties to this deed do not intend that any term of this deed should be enforceable by virtue of the Contracts (Rights of Third Parties) Act 1999 by any person who is not a party to this deed, except any future trustee of the Scheme enforcing a term of this deed in his position as a trustee of the Scheme. This does not affect any rights apart from that Act.

4 In this deed (including the recitals) "**Effective Date**" means the date of this deed.

Executed as a deed by the parties or their duly authorised representatives but not delivered until the date of this Deed.

Executed as a deed by
Hayling Oaks Ltd
acting by two directors or by a director and its
secretary or sole director if permitted by the
Memorandum and Articles of Association

)
) Director
)
) Director/Secretary

[Handwritten signature]

Executed as a deed by
Simon Patrick Cole
In the presence of

)
)
)

[Handwritten signature]

Signature of witness

Name

Address

[Handwritten signature]
ROBERT RADFORD
27 WEST LANE HAYLING
HANTS PO1105H

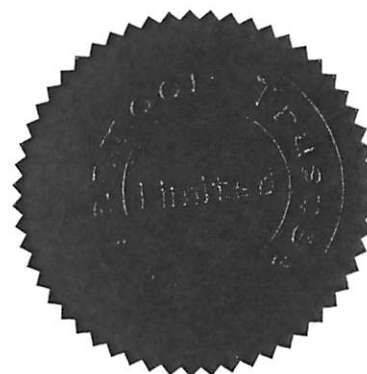
The common seal of
Rowanmoor Trustees Limited
was affixed to this deed in the presence of

)
)
)

Authorised Signatory

Authorised Signatory

[Handwritten signature]
[Handwritten signature]



Dated

9 JULY 2014

DEFINITIVE TRUST DEED AND RULES
relating to the Hayling Oaks Ltd
Executive Pension Scheme

ADDLESHAW GODDARD

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It is agreed

1 Definitions and Interpretation

1.1 Words and expressions used in this Definitive Deed shall have the following meanings:

1993 Act means the Pension Schemes Act 1993

1995 Act means the Pensions Act 1995

Accumulated Credit means, in relation to any Member, Deferred Pensioner or, if applicable, Pensioner subject to the following provisions of this definition (Person) that part of the Fund which is determined by the Trustees subject to the following provisions of this definition as relating to the relevant Person at that time, having regard to:

- (a) the contributions paid into the Scheme on behalf of the Person by the Employers and (if relevant) by the Person;
- (b) any transfer amounts paid into the Scheme on behalf of the Person;
- (c) the income and capital position of the Fund (after allowing for expenses and other deductions); and
- (d) any other matters which the Trustees consider appropriate.

Nothing in this definition shall confer on any person any right to any specific assets of the Fund which may be allotted to him on a notional basis for the sole purpose of determining the value of his Accumulated Credit from time to time. The Trustees may, in determining the Accumulated Credit in respect of a Person, have regard to the advice of an Actuary, but nothing in this definition shall oblige the Trustees to take the advice of an Actuary when determining any Accumulated Credit.

The Trustees shall in exercising their powers to determine the Accumulated Credit in respect of a Person exercise them in such manner that they are satisfied that their determination will not result in an Unauthorised Payment, or in an Unauthorised Payment being treated as having been made. Without prejudice to the generality of the foregoing, the Trustees shall exercise their powers in a manner which they are satisfied will not give rise to an Unauthorised Payment, or to an Unauthorised Payment being treated as having been made, pursuant to:

- (a) section 172 of the FA 2004 (Assignment);
- (b) section 172A of the FA 2004 (Surrender);
- (c) section 172B of the FA 2004 (increase in rights of connected person on death);
- (d) section 172C of the FA 2004 (alteration of unallocated employer contributions); or
- (e) section 174 of the FA 2004 (Value Shifting)

Actuary means a Fellow of the Institute or Faculty of Actuaries or a firm of such fellows or a corporate body having a director or employee who is such a Fellow

A-day means 6 April 2006

Administrator means the scheme administrator within the meaning of section 270 of the FA 2004

Adviser means an Actuary, Auditor, fund manager, legal adviser, investment or pensions consultant, administrator, broker, medical consultant, Custodian or any other professional adviser

Announcement means the announcement or letter from or on behalf of a participating Employer to a Member setting out details of Membership of and the benefits provided by the Scheme

Annuity Protection Lump Sum Death Benefit has the same meaning as in paragraph 16 of Schedule 29 of the FA 2004

Approval and Approved means approval of the Scheme by the Revenue and treatment as an exempt approved scheme under Chapter 1 Part XIV of the Taxes Act

Arrangement means an arrangement within the meaning of section 152 of the FA 2004

Associated Employer means any person whose participation in the Scheme is or would be acceptable to the Revenue and would not prejudice Registration

Auditor means a Member of The Institute of Chartered Accountants in England and Wales or The Institute of Chartered Accountants in Scotland or the Association of Certified and Corporate Accountants or a firm whose partners are members of one or more of the said bodies

AVCs mean any contributions paid by a Member pursuant to Rule 4

AVC Account means the total value of a Member's or former Member's AVCs together with any investment yield or bonuses earned on them but after the deduction of any charges made by the AVC provider

Beneficiary means a person entitled or prospectively entitled to a benefit under the Scheme

Cessation Date means the date referred to in the first part of clause 26.2 at which all of the Members employed by the relevant Employer at the relevant date become Deferred Pensioners

Charity Lump Sum Death Benefit has the same meaning as in paragraph 18 of Schedule 29 of the FA 2004

Child means in relation to any person a child under age eighteen or over that age and currently in receipt of full-time education or vocational training. This expression includes:

- (a) a step-child
- (b) a legally adopted child
- (c) a child to whom the person in question stood in loco parentis immediately prior to his death
- (d) a child conceived but not yet born
- (e) an illegitimate child.

Commencement Date means the date on which the Scheme commenced

Custodian means a person who has the custody of cash, securities and/or any other document of title relating to the Fund

Death Benefit Beneficiary means:

- (a) a Member or Beneficiary's Spouse or dependant ("dependant" for the purposes of this definition meaning any person, who at the time of the Member's or Beneficiary's death was in the Trustees' opinion dependent or financially interdependent on him);
- (b) his Children;

- (c) his brothers or sisters (whether of the whole or half blood);
- (d) his other ascendants or descendants;
- (e) his personal representatives;
- (f) any person named in any written expression of wish form made by the Member or Beneficiary; or
- (h) anyone who is themselves a beneficiary under the Member or Beneficiary's will.

Deferred Pensioner means:

- (a) a former Member who remains entitled to deferred retirement benefits; and
- (b) who is not yet a Pensioner

(or a person who is designated as such by the Trustees as a result of their receiving a transfer payment into the Scheme in respect of him under Rule 17

Definitive Deed means this Definitive Deed and includes the Rules and schedules attached to it, as amended from time to time

Dependant has the same meaning as in paragraph 15 of Schedule 28 of the FA 2004 and shall include a person who was married to the member when the member first became entitled to a pension under the Scheme

Dependants' Annuity has the same meaning as in paragraph 17 of Schedule 28 of the FA 2004

Dependants' Drawdown Pension has the meaning given in paragraph 18 of Schedule 28 of the FA 2004

Dependants' Income Withdrawal has the same meaning as in paragraph 21 of Schedule 28 of the FA 2004

Dependants' Scheme Pension has the same meaning as in paragraph 16 of Schedule 28 of the FA 2004

Dependants' Short –term Annuity has the same meaning as in paragraph 20 of Schedule 28 of the FA 2004

Disclosure Requirements means the disclosure requirements under the Occupational Pension Schemes (Disclosure of Information) Regulations 1996 / 1655 and (where the context requires) the Occupational Pension Schemes (Winding Up Notices and Reports etc) Regulations 2002/459

Drawdown Pension Fund has the meaning given in paragraph 8 of Schedule 28 of the FA 2004

Drawdown Pension Fund Lump Sum Death Benefit has the meaning in paragraph 17 of Schedule 29 of the FA 2004

Eligible Person means a person invited to join the Scheme in accordance with Rule 1.1

Employer-Related Investment has the meaning given in section 40 of the 1995 Act

Employers means collectively the Principal Employer and any Associated Employers participating in the Scheme from time to time pursuant to clause 24. Where the Principal Employer is the only Employer participating in the Scheme then Employers should be read as singular. In relation to a Member or former Member, "Employer" means the Employer by whom he is or was last employed

FA 2004 means the Finance Act 2004

Fiscal Year means any year ending upon 5 April

Flexible Drawdown Conditions has the meaning in section 165(3B) of the FA 2004

Flexible Drawdown Declaration means a declaration for the purposes of section 165(3A) of the FA 2004, or where the context so requires, section 167(2A) of the FA 2004

Fund means the monies, assets, property and investments held for by or on behalf of the Trustees on the trusts of and for the purposes of the Scheme and which from time to time constitute the fund of the Scheme. It includes (but is not limited to) contributions from Employers and Members, assets accepted or acquired by the Trustees for the Scheme and any resulting investment gains, returns or interest. This expression includes where appropriate any part of the Fund

Ill-health Condition in the context of determining whether the Ill-health Condition is met has the same meaning as in paragraph 1 of Schedule 28 of the FA 2004

Income Withdrawal has the same meaning as in paragraph 7 of Schedule 28 of the FA 2004

Independent Trustee means Rowanmoor Trustees Limited or any person substituted for it under clause 5 being in all cases a person who is not connected with the Principal Employer, an Associated Employer participating in the Scheme nor any person who has joined the Scheme as a Member in respect of whom there is an Accumulated Credit under the Scheme. For the purposes of this definition, "connected" has the same meaning as in regulation 2 of The Retirement Benefits Schemes (Restriction on Discretion to Approve) (Small Self-administered Schemes) Regulations 1991

Insurer means an insurance company, EC company or friendly society as described in section 659B of the Taxes Act

Lifetime Allowance Excess Lump Sum means a lifetime allowance excess lump sum within the meaning of paragraph 11 of Schedule 29 of the FA 2004

Lifetime Annuity has the same meaning as in paragraph 3 of Schedule 28 of the FA 2004

Lump Sum Death Benefit and Lump Sum Death Benefit Rule have the same meaning as in section 168 of the FA 2004

Member means save as otherwise provided a person who has joined the Scheme in accordance with Rule 1 (or any equivalent provision in force prior to Rule 1) but who has not ceased to be a Member under Rule 2 (or any equivalent provision in force prior to Rule 2) nor started to receive a pension derived from the Scheme nor become a Deferred Pensioner or Pensioner or otherwise ceased to participate in the Scheme. Where used in clause 27 and in Rules 6-13 inclusive, Rule 15 and Rule 17, "Member" includes any person who has joined the Scheme as a Member in respect of whom there is an Accumulated Credit under the Scheme

Membership means participation in the Scheme as a Member

Member Trustees means the trustees of the Scheme other than the Independent Trustee

Normal Minimum Pension Age means:

- (a) before 6 April 2010, 50, and
- (b) on and after that date, 55

save that if paragraph 21 of Schedule 36 of the FA 2004 would operate to modify the meaning of the term "normal minimum pension age" for the purposes of Part 4 of the FA 2004 (except for section 218(6) and paragraph 19 of Schedule 36) in relation to a Member (which for this purpose shall have the same meaning as in Rule 7) the meaning of Normal Minimum Pension Age for the purposes of these Rules shall also be so modified in relation to that Member

Pension means a pension payable in respect of the Scheme. Unless the context otherwise requires, it includes a scheme pension, lifetime annuity or drawdown pension (as those terms are defined in Part 1 of Schedule 28 of the FA 2004)

Pension Commencement Lump Sum means a pension commencement lump sum within the meaning of paragraph 1 of Schedule 29 of the FA 2004

Pension Conditions in the context of any matter being required to comply with the Pension Conditions means:

- (a) that the action will not prejudice the Scheme's Registration;
- (b) that the Trustees are satisfied that the action will not result in the Scheme making or being treated as making an Unauthorised Payment; and
- (c) that the action is consistent with compliance with the Pension Rules

Pension Death Benefit has the same meaning as in section 167 of the FA 2004

Pension Death Benefit Rules means the pension death benefit rules set out in section 167 of the FA 2004

Pension Rules means the pension rules set out in section 165 of the FA 2004

Pensionable Salary means in relation to a Member his total annual emoluments paid in any period of 12 months as appropriate

Pensionable Service means service for the Principal Employer or an Associated Employer in respect of which benefits (other than benefits payable solely on death before retirement) accrue under the Scheme

Pensioner means a former Member in respect of whom all or part of an Accumulated Credit has been used to secure him a Pension in accordance with the Definitive Deed

person means an individual, employer, firm or organisation

Personal Pension Scheme means a personal pension scheme approved under Chapter IV Part XIV of the Taxes Act

Preservation Requirements means the Occupational Pension Schemes (Preservation of Benefit) Regulations 1991 as amended by the Occupational Pension Schemes (Preservation of Benefit) Amendment Regulations 1993, and the provisions of Chapters I, II and IV of the 1993 Act relating to the rights of a former Member on termination of his Membership

Principal Employer means the person named as the principal employer (however such term is expressed) in the document by which the Scheme was established or such other person as may have been substituted as principal employer pursuant to the provisions governing the Scheme at the relevant time. For the avoidance of doubt, the Principal Employer may be a partnership, sole trader or company or any other body or organisation which can legally constitute an employer

Recognised Transfer has the same meaning as in section 169 of the FA 2004

Refund of Excess Contributions Lump Sum means a refund of excess contributions lump sum within the meaning of paragraph 6 of Schedule 29 of the FA 2004

Registration means the status of being a registered pension scheme in accordance with section 150(2) of FA 2004 and **Registered Pension Scheme** has a corresponding meaning

Relevant Benefits has the meaning given in section 612 of the Taxes Act

Relevant Date means the date of retirement, leaving Pensionable Service or death as the case may be

Relevant Uncrystallised Funds has the same meaning as in paragraph 15 of Schedule 29 of the FA 2004

Revenue means HM Revenue & Customs

Rules means the rules of the Scheme attached to and forming part of this Definitive Deed as amended from time to time

Scheme means pension scheme referred to in the deed by which this Definitive Deed was adopted

Scheme Pension has the same meaning as in paragraph 2 of Schedule 28 of the FA 2004

Serious Ill-health Lump Sum means a serious ill-health lump sum within the meaning of paragraph 4 of Schedule 29 of the FA 2004

Short Service Refund Lump Sum means a short service refund lump sum within the meaning of paragraph 5 of Schedule 29 of the FA 2004

Short-term Annuity has the same meaning as in paragraph 6 of Schedule 28 of the FA 2004

Spouse means the wife or husband of the relevant individual. In the case of polygamous marriages it means such wife or husband as the Trustees shall decide. Where the context requires wife or husband shall mean widow or widower

Taxes Act means the Income and Corporation Taxes Act 1988 and any statutory amendment modification or re-enactment thereof

Trivial Commutation Lump Sum Death Benefit has the same meaning as in paragraph 20 of Schedule 29 of the FA 2004

Trust Corporation means a trust corporation as defined in the Trustee Act 1925

Trustees means the Member Trustees and the Independent Trustee collectively for the time being appointed

Unauthorised Payment means an unauthorised payment within the meaning of section 160(5) of the FA 2004

Unsecured Pension Fund in respect of an Arrangement has the same meaning as in paragraph 8 of Schedule 28 of the FA 2004

Winding-up Lump Sum means a winding-up lump sum within the meaning of paragraph 10 of Schedule 29 of the FA 2004

Winding-up Lump Sum Death Benefit means a winding-up lump sum death benefit within the meaning of paragraph 21 of Schedule 29 of the FA 2004

- 1.2 Unless the context requires otherwise any reference to a clause is a clause of the Definitive Deed.
- 1.3 The headings to this Definitive Deed have been inserted for ease of reference only. They are not to affect its construction or interpretation.
- 1.4 Words in the singular include the plural and vice versa. Words in the masculine gender include the feminine and vice versa unless the context otherwise requires.
- 1.5 Any reference to a statute, statutory instrument or other legislative provision includes any amendment or re-enactment of it (including any provisions which, whilst not technically an

amendment or re-enactment, cover substantially the same subject matter) for the time being in force and any regulations made under it. This includes sections of the Taxes Act which have been re-enacted or amended by the Income Tax (Earnings and Pensions) Act 2003. Any reference to a particular section or part of a statute or statutory instrument will be read to include reference to any other relevant section or part of the statute or statutory instrument.

- 1.6 Each of the Employers and the Trustees in making any decision or in giving or withholding their agreement or consent or in exercising or not exercising any power in relation to the Scheme shall comply with:
- (a) any requirements of the Revenue to maintain Registration of the Scheme;
 - (b) the Preservation Requirements (and in doing so the Trustees may make any decision necessary to ensure that the Scheme complies with the Preservation Requirements and any such decision shall be deemed to be incorporated into the provisions of the Scheme, provided that the Trustees may vary or revoke any such decision).
- 1.7 Except where the Definitive Deed provides otherwise, the Trustees in making any decision or in giving or withholding their agreement or consent or in exercising or not exercising any power or discretion under the Scheme shall do so (to the extent permissible by law) at their absolute and unfettered discretion and the Trustees shall not be obliged to give any person any reason or justification for the same.
- 1.8 Where the Scheme makes references to months, it shall be counted in complete calendar months and each calendar month shall be counted as 1/12th of a year. Where the Scheme makes reference to a week it shall mean any period of 7 consecutive days.
- 1.9 Subject to section 67 of the 1995 Act, in the event of any conflict between the Definitive Deed and any explanatory Scheme literature or Scheme announcements the Definitive Deed shall prevail and be overriding.
- 1.10 Except where expressly provided otherwise, the Trustees shall have full power to determine conclusively any questions or matters of doubt concerning the Scheme or the construction of the governing provisions of the Scheme and any such determination will be binding on all interested parties. For the avoidance of doubt any question concerning termination or winding up of the Scheme shall be determined by the Independent Trustee and the Member Trustees.
- 1.11 The Trustees shall exercise their powers in a manner which they are satisfied will not give rise to an Unauthorised Payment, or to an Unauthorised Payment being treated as having been made.
- 1.12 It is intended that the Scheme's provisions regarding trustee decision-making shall be such as to fall within the scope of the exemptions available to small schemes under:
- (a) regulation 12(1) of the Occupational Pension Schemes (Investment) Regulations 2005;
 - (b) regulation 2(d) of the Occupational Pension Schemes (Member-nominated Trustees and Directors) Regulations 2006;
 - (c) regulation 3(h) of the Occupational Pension Schemes (Scheme Administration) Regulations 1996;

and any analogous statutory exemption for small schemes. If any provision of this Definitive Deed would but for this clause cause the scheme to fall outside the scope of the relevant exemption then it shall be restricted but only so far as is necessary to ensure that the Scheme benefits from the relevant exemption.

2 Establishment of Scheme

- 2.1 The Principal Employer has established the Scheme with effect from the Commencement Date. The purpose of the Scheme is to provide benefits consistent with the Scheme's Registration.

The Scheme shall be operated as a registered pension scheme within the meaning of section 150(2) of the FA 2004 for as long as the Revenue allows.

- 2.2 This Definitive Deed shall subject to the provisions of the deed of amendment by which it was introduced, constitute the governing provisions of the Scheme.
- 2.3 The Trustees shall hold the Fund on irrevocable trusts in accordance with the Definitive Deed.

3 Scheme Administrator

- 3.1 Rowanmoor Group plc will be the sole Administrator with effect from the Commencement Date.

- 3.2 The person appointed as the Administrator may at any time resign by giving 30 days' written notice to this effect to the Principal Employer (or, if the Principal Employer has ceased to exist, to the Trustees). The Administrator may also, if applicable, resign in accordance with clause 5.3. Where the resignation of a person who is the Administrator would result in the Scheme having no Administrator, the Member Trustees shall act as the Administrator until such time (if any) as a replacement Administrator is appointed pursuant to clause 3.3.

- 3.3 The Principal Employer may at any time remove the current Administrator by giving 30 days' written notice to him to this effect. The Member Trustees (or, where applicable, such of them as have not resigned as Administrator) shall then act as the Administrator unless and until a new person is appointed by the Principal Employer as a replacement Administrator. If the Principal Employer exercises its power under this clause 3.3 to remove the current Administrator, the Administrator shall forthwith inform the Independent Trustee, which may then elect to resign as a trustee of the Scheme with effect from the date on which the Administrator ceases to be the Administrator pursuant to this clause, in which case the requirement under clause 5.3 for the Independent Trustee to give 30 days' written notice shall not apply. If the Independent Trustee intends to resign as a trustee pursuant to this clause 3.3, it shall give written notice of such fact to the Principal Employer or, if the Principal Employer has ceased to exist or its powers have vested in the Trustees by operation of the Scheme's provisions, to the Member Trustees.

- 3.4 The appointment of the Administrator shall subject to clause 3.6 be on such terms and conditions (including as to remuneration) as may be agreed between the Principal Employer and the Administrator from time to time in writing. The fees charged by the Administrator shall be an expense of the Scheme for the purposes of clause 15.

- 3.5 Where by virtue of clause 3.1 or clause 3.3 the Trustees (or, where applicable, such of them as have not resigned or been removed) are required to act as Administrator they shall take such action as may be necessary in order to become the Administrator including (without prejudice to the generality of the foregoing) making the "required declaration" in accordance with section 270 of the FA 2004.

- 3.6 To the extent that any terms and conditions agreed pursuant to clause 3.4 involve payments being made by the Fund, the following provisions shall apply:

- (a) no payment shall be made to or in respect of a member (as that term is used in section 164 of the FA 2004) unless the Trustees are satisfied that the whole of such payment will be a scheme administration member payment within the meaning of section 171 of the FA 2004 or will otherwise be an authorised member payment pursuant to section 164 of the FA 2004; and
- (b) no payment shall be made to or in respect of a sponsoring employer (as that term is used in section 175 of the FA 2004) unless the Trustees are satisfied that the whole of such payment will be a scheme administration employer payment within the

meaning of section 180 of the FA 2004 or will otherwise be an authorised employer payment within the meaning of section 175 of the FA 2004.

- 3.7 Where a person has resigned as Administrator in accordance with clause 3.1 or been removed as Administrator in accordance with clause 3.3 but continues to have a liability pursuant to section 271(4) of the FA 2004, he shall, subject to clause 3.6, be entitled to recover out of the Fund the amount for which he is liable by virtue of section 271(4) of the FA 2004 together with any fees, costs and expenses which he incurs in connection with the Scheme (including without prejudice to the generality of this clause 3.7 any actuarial, legal or other professional fees, costs and expenses) by reason of his continuing liability under section 271(4) of the FA 2004.

4 Constitution of the Fund

- 4.1 The Scheme shall be constituted by contributions made by the Employers and any contributions payable by the Members in accordance with the Rules and by any other assets held by the Scheme pursuant to the Definitive Deed and Rules and by income arising on and capital accretions to the same.
- 4.2 Each Employer shall, in respect of their employees who are Members, arrange for the collection from those Members of any contributions they are required to pay in accordance with the Definitive Deed. These shall be paid to the Trustees (or as the Trustees shall direct), together with any contributions which the Employers are required to pay under the Definitive Deed, in accordance with the 1995 Act. All contributions so paid shall form part of the Fund.

5 Appointment and removal of Trustees

- 5.1 The minimum number of Trustees is two except where a Trust Corporation or a corporate trustee is willing to act as the Scheme's sole Trustee.
- 5.2 If the number of Trustees falls below the minimum required, the Principal Employer shall within 30 days of this happening appoint such additional Trustees as are necessary to meet the minimum required under this clause (subject always to the requirement for the Scheme to have an Independent Trustee). If the Principal Employer does not do this within thirty days of the number of Trustees falling below the minimum required, the remaining Trustee (if any) may by deed appoint additional Trustees. Pending such appointment the Independent Trustee may continue to operate the Scheme as if the requirement for the minimum number of Trustees was met.
- 5.3 The Principal Employer may by deed appoint new or additional Trustees or remove any Trustee. If the Principal Employer has ceased to exist, the power to appoint and remove Trustees contained in this clause 5.3 may be exercised by the Trustees. The Principal Employer (or, where applicable, the Trustees) shall exercise its powers under this clause 5.3 in such manner as to ensure that the Scheme has an Independent Trustee. If the Principal Employer exercises its power under this clause 5.3 to remove the Independent Trustee, the Independent Trustee shall forthwith inform the Administrator, which may then elect to resign as Administrator of the Scheme with effect from the date on which the Independent Trustee ceases to be the Independent Trustee of the Scheme, in which case the requirement under clause 3.1 for the Administrator to give 30 days' written notice shall not apply. If the Administrator elects to resign as Administrator pursuant to this clause 5.3, it shall forthwith give written notice of such fact to the Principal Employer or, if the Principal Employer has ceased to exist or its powers have vested in the Trustees by operation of the Scheme's provisions, to the Member Trustees.
- 5.4 A Trustee may retire at any time by giving 30 days' written notice to the other Trustees and, where the Principal Employer is still in existence, to the Principal Employer. The Trustee shall then on expiry of the notice period cease to hold office and shall be discharged from the trusts of the Scheme even if this would result in the number of remaining Trustees being less than the minimum stated in clause 5.1 or in there being no Independent Trustee.
- 5.5 An Independent Trustee may resign in accordance with clause 3.3.

- 5.6 A retiring Trustee shall execute such documents and take such further action as may reasonably be required by the Principal Employer and the other Trustees to implement his retirement or removal and to vest the Fund in the continuing Trustees with effect from the date he ceases to be a Trustee. Should he fail to do so the remaining Trustees may execute such documents and act on his behalf as his attorney. Each of the Trustees irrevocably authorises and appoints their co-Trustees as such for this purpose.
- 5.7 Where a Trustee retires or is removed from acting as a Trustee, he shall be discharged from the trusts of the Scheme.
- 5.8 On the Independent Trustee or Administrator resigning or being removed from office, the Member Trustees shall take all reasonable steps to procure that the Independent Trustee or Administrator as appropriate ceases to be the registered owner or holder of any part of the Fund as soon as reasonably practicable.

6 Appointment and removal of Advisers

- 6.1 The Trustees shall appoint Advisers in accordance with section 47 of the 1995 Act to carry out any functions prescribed by that section 47. The Trustees may also instruct Advisers from time to time to carry out such further work in connection with the Scheme as they think appropriate.
- 6.2 Subject to section 47 of the 1995 Act and clause 6.4 any appointment made pursuant to this clause 6 shall be on such terms and conditions (including as to remuneration) as the Trustees think appropriate. The fees charged by Advisors shall be an expense of the Scheme for the purposes of clause 15.
- 6.3 The power to remove, replace or vary the terms of appointment of any Adviser shall be vested in the Trustees.
- 6.4 To the extent that any terms and conditions agreed pursuant to clause 6.2 involve payments being made by the Fund, the following provisions shall apply:
- (a) no payment shall be made to or in respect of a member (as that term is used in section 164 of the FA 2004) unless the Trustees are satisfied that the whole of such payment will be a scheme administration member payment within the meaning of section 171 of the FA 2004 or will otherwise be an authorised member payment pursuant to section 164 of the FA 2004; and
 - (b) no payment shall be made to or in respect of a sponsoring employer (as that term is used in section 175 of the FA 2004) unless the Trustees are satisfied that the whole of such payment will be a scheme administration employer payment within the meaning of section 180 of the FA 2004 or will otherwise be an authorised employer payment within the meaning of section 175 of the FA 2004.

7 General powers of the Trustees

- 7.1 Without prejudice to the rest of the Definitive Deed and subject to clause 7.2 the Trustees shall have the following general powers (not being inconsistent with the Definitive Deed or maintaining Scheme Registration or contrary to law):
- (a) all such powers and discretions as they may from time to time require for the running of the Scheme;
 - (b) to take any action or make any arrangement relating to the Scheme;
 - (c) to authorise any one or more Trustees to sign any document on their behalf;
 - (d) to enter into agreements and give undertakings, indemnities or guarantees which are binding on them which they decide are necessary and proper for the purposes of the Scheme; and
 - (e) to compromise or settle any matter, claim or proceedings.

- 7.2 Nothing in clause 7.1 shall authorise the Trustees to make an Unauthorised Payment or take any action which will result in an Unauthorised Payment being treated as having been made.

8 Trustee meetings

- 8.1 Subject to section 32 of the 1995 Act, the Trustees shall determine the frequency of their meetings. Reasonable notice shall be given to the Trustees of any forthcoming meeting having due regard to the urgency of any business to be discussed.

- 8.2 Unless the Trustees agree otherwise:

- (a) notice should be given of the date, the time and place of the meeting and an agenda or summary of the matters to be discussed;
- (b) the meetings should be held at a time and venue reasonably convenient to all the Trustees; and
- (c) if the notice is given in writing it should be sent to the last known address of each Trustee no later than 10 days before the meeting; and if the notice is given by telephone it should be given in accordance with clause 8.1 and direct to the Trustees concerned and not any other person.

- 8.3 The quorum for a meeting of the Trustees shall be the Independent Trustee and all of the Member Trustees. Any decisions taken at an inquorate meeting shall not be valid decisions of the Trustees. A meeting of the Trustees may be held by video or telephone conference (or a combination of the two) and any Trustee participating in a meeting via telephone or video conference link shall be deemed to be present at the meeting for the purposes of ascertaining whether the meeting is quorate.

- 8.4 Decisions at Trustee meetings must be unanimous. If the Trustees cannot reach a unanimous decision on any matter (excluding decisions relating to the termination or winding up of the Scheme) the matter shall be referred to an expert unanimously appointed by the Trustees whose determination shall be binding on the Trustees. The costs of any such expert shall be an expense of the Scheme for the purposes of clause 15.

- 8.5 Any written resolution signed by all the Trustees shall be binding and effective as if it had been passed at a quorate Trustees meeting. The resolution may be made by a number of identical copies, whether or not of the same date, each signed by one or more Trustees provided that each Trustee has signed a copy.

- 8.6 Subject to this clause 8:

- (a) the meetings, procedures and decisions of a corporate Trustee shall also be regulated by its governing documents; and
- (b) the Trustees may make such rules or adopt such procedures for the conduct of their business as they decide.

- 8.7 As soon as reasonably possible after a meeting, minutes of the matters discussed and decisions made are to be circulated to all the Trustees. The Trustees shall keep minutes and other records in accordance with section 49 of the 1995 Act.

9 Delegation

- 9.1 Subject to section 34 of the 1995 Act, clause 1.12, clause 9.3 and clause 9.5 the Trustees may delegate and / or authorise the sub-delegation of all or any of their powers, duties, trusts or discretions (including this power to delegate) to any person, on such terms and conditions and for such periods and at such remuneration (if any) as they shall decide. Any such delegation and / or sub-delegation may be revoked by the Trustees at any time.

- 9.2 Such delegation and / or sub-delegation may be made to:

- (a) a committee of one or more Trustees (subject to clause 1.12);

- (b) an Adviser;
 - (c) such other person (including an Employer) as the Trustees shall decide.
- 9.3 Any decision, power or discretion relating to the termination or winding up of the Scheme may only be exercised unanimously by all the Trustees.
- 9.4 Any remuneration for a Trustee or delegate under clause 9.1 above shall be an expense of the Scheme in accordance with clause 15.
- 9.5 To the extent that any terms and conditions agreed pursuant to clause 9.1 involve payments being made by the Fund, the following provisions shall apply:
- (a) no payment shall be made to or in respect of a member (as that term is used in section 164 of the FA 2004) unless the Trustees are satisfied that the whole of such payment will be a scheme administration member payment within the meaning of section 171 of the FA 2004 or will otherwise be an authorised member payment pursuant to section 164 of the FA 2004; and
 - (b) no payment shall be made to or in respect of a sponsoring employer (as that term is used in section 175 of the FA 2004) unless the Trustees are satisfied that the whole of such payment will be a scheme administration employer payment within the meaning of section 180 of the FA 2004 or will otherwise be an authorised employer payment within the meaning of section 175 of the FA 2004.
- 10 Employment of agents, staff and nominees**
- 10.1 Subject to the following provisions of this clause 10 the Trustees may employ or appoint such agents, employees, nominees or other persons on such terms and conditions including as to remuneration and for such periods as they decide, to transact any business of the Scheme or administer the Scheme or for any other purpose consistent with the purposes of the Scheme. This may include the payment of pensions and other benefits and any such payment made in good faith by the agent shall operate as a discharge to the Trustees.
- 10.2 Agents may include any employees or officers of the Independent Trustee, Administrator or an Employer.
- 10.3 Any agent, employee or nominee (apart from a Trustee) may, if he is acting in good faith, comply with the directions of the Trustees without being obliged to ascertain that those directions comply with the Definitive Deed.
- 10.4 Any remuneration payable under clause 10.1 above shall be an expense of the Scheme in accordance with clause 15.
- 10.5 Any employment or appointment pursuant to clause 10.1 above shall be made subject to a written agreement between the Trustees and the relevant person setting out the terms and conditions of the employment or appointment unless the Trustees agree otherwise.
- 10.6 To the extent that any terms and conditions agreed pursuant to clause 10.1 involve payments being made by the Fund, the following provisions shall apply:
- (a) no payment shall be made to or in respect of a member (as that term is used in section 164 of the FA 2004) unless the Trustees are satisfied that the whole of such payment will be a scheme administration member payment within the meaning of section 171 of the FA 2004 or will otherwise be an authorised member payment pursuant to section 164 of the FA 2004; and
 - (b) no payment shall be made to or in respect of a sponsoring employer (as that term is used in section 175 of the FA 2004) unless the Trustees are satisfied that the whole of such payment will be a scheme administration employer payment within the meaning of section 180 of the FA 2004 or will otherwise be an authorised employer payment within the meaning of section 175 of the FA 2004.