



Dated 25-02-2013.

Trust Deed


**adopting replacement provisions governing the
Hutchinson Pension Scheme Second Generation**

SIGNED as a deed, and delivered when dated, by 25-02-2013 .
Equip4work Ltd
acting by

Director Signature: 
Name : MARTIN HUTCHINSON

Director/ Secretary Signature: 
Name : C.B. HUTCHINSON.


SIGNED as a deed, and delivered when dated, by
CAROLE HUTCHINSON in the presence of:

 (signature)

25.02.2013

Witness Signature: C. Treeby
Name : CRAIG TREEBY
Address : EDMISTON HOUSE
NETHERMILL
PARKGATE
DUMFRIES
DA1 3NG

SIGNED as a deed, and delivered when dated, by
DEREK HUTCHINSON in the presence of:

 (signature)

25.02.2013.

Witness Signature: C. Treeby
Name : CRAIG TREEBY
Address : EDMISTON HOUSE
NETHERMILL
PARKGATE
DUMFRIES
DA1 3NG

SIGNED as a deed, and delivered when dated, by
HAYLEY HUTCHINSON in the presence of:

~~Hayley Hutchinson~~ (signature)
25.02.2013.

Witness Signature: C. Treeby
Name : CRAIG TREEBY
Address : EDMISTON HOUSE
 NETHERMILL
 PARKGATE
 DUMFRIES
 DG1 3NG

SIGNED as a deed, and delivered when dated, by
MARTIN HUTCHINSON in the presence of:

Martin Hutchinson (signature)
25.02.2013

Witness Signature: C. Treeby
Name : CRAIG TREEBY
Address : EDMISTON HOUSE
 NETHERMILL
 PARKGATE
 DUMFRIES
 DG1 3NG

SIGNED as a deed, and delivered when dated, by
MICHAEL HUTCHINSON in the presence of:

Michael Hutchinson (signature)
25.02.2013

Witness Signature: C. Treeby
Name : CRAIG TREEBY
Address : EDMISTON HOUSE
 NETHERMILL
 PARKGATE
 DUMFRIES
 DG1 3NG

Parties

Equip4work Ltd (05209361) whose registered office is situate at Ryefield Lodge, Bury Road, Bamford, Rochdale, Lancashire, OL11 4AU (in this deed called the Principal Employer)

Carole Hutchinson, Derek Hutchinson, Hayley Hutchinson, Martin Hutchinson and Michael Hutchinson of c/o Equip4work Ltd, Ryefield Lodge, Bury Road, Bamford, Rochdale, Lancashire, OL11 4AU (in this deed called the 'Trustees')

Recitals

Hutchinson Pension Scheme Second Generation (in this deed called the 'Scheme') is a pension scheme which is currently governed by definitive trust deed and rules dated 21 March 2009 and all supplemental deeds (in this deed called the 'Existing Provisions').

It is intended to replace the Existing Provisions in their entirety.

The power of alteration and amendment is set out in 3.1 of the Existing Provisions.

Operative provisions

Each Trustee who is a member by his execution of this deed gives his consent as a member to any and all modifications made by this deed, and confirms that he has had a reasonable opportunity to make representations to the other Trustees about the modifications, and that he is aware that the consent requirements apply in his case in respect of the modifications. Words given a specific meaning for the purposes of section 67 of the Pensions Act 1995 shall have the same meaning in this clause.

Pursuant to clause 3.1 of the Existing Provisions, those Existing Provisions shall cease to have effect and the Scheme shall be governed by the attached Rules with effect from the date of this deed:

PROVIDED THAT:

3.1 the power in Rule 3.1 (Power of Amendment) may be exercised by the Principal Employer with the consent of all the Trustees.

3.2 the power in Rule 4.1 (Trustees Appointment and Removal) may be exercised by the Principal Employer with the consent of all the Trustees.

The provisions of this deed shall have effect on and from its date.

IN WITNESS OF WHICH this document is executed as a deed and is delivered on the date stated above.

2011 Scheme Rules

The new tax regime was introduced from 6th April 2006, which is now commonly known as "A-day". Major changes to that tax regime have effect from 6th April 2011 (which we will call "B-day").

The earliest draft of the Finance Bill circulated by HMRC includes a clause that directly authorises scheme trustees to pay the new forms of benefit available from B-day, but the rules of the pension scheme must reflect that set out in the Finance Bill, which have just received Royal Assent.

The purpose of scheme rules is to set out clearly and precisely the right framework for benefits: exactly what choices a member has, when he can exercise them, what death benefits are payable and when, and to give adequate safeguards for trustees. For example:

- carefully drafted scheme rules will give trustees certainty as to how to deal with a member's fund on death where potentially both a guarantee on the member's pension and separate lump sum death benefits / dependants' pensions are payable; that are tax benefits associated with pension guarantees, which are not subject to a 55% tax charge.
- carefully drafted scheme rules will ensure trustees can impose appropriate conditions on a member seeking flexible drawdown, e.g. ensuring any outstanding scheme expenses have been met if the arrangement is being completely "emptied", ensuring appropriate evidence is shown that the minimum income requirement is met.

The trustees derive most of their powers, and the protections they need in the exercise of those powers from the trust deed. They should not agree to do something which is not permitted by the trust deed. There are many reasons for this, for example:

- it is likely to be a breach of trust.
- any third parties involved in the scheme, e.g. banks lending in connection with property purchase, will need to be satisfied that the trustees have the power to do what they want to do.

As examples, the new rules will reflect the following changes to the tax regime from B-day:

- defer taking any lump sum or pension indefinitely, not just until 75;

- pay out the member's whole fund as an "authorised" lump sum on death at any age, not just before 75;
- draw unlimited amounts as "flexible drawdown" where the minimum income requirement is met;
- protection against accidental triggering of penal tax charges once flexible drawdown taken;
- changes to the overall language of the tax legislation, e.g. "unsecured pension" and "alternatively secured pension" become simply "drawdown";
- ability to make tax-free payments to charity on death at any age.

Over the 5 years since A-day, other improvements to scheme rules have been devised and these will be included at the same time, e.g:

- clearer scope for reallocating funds tax-free within the scheme to "unconnected" beneficiaries (including "common law" partners) on a member's death (this becomes potentially attractive in drawdown at any age, as the 35% tax on lump sum payments out of schemes is rising to 55%);
- potential for a member to allocate funds for dependant's pensions, where that would be a tax-efficient way of keeping within the lifetime allowance;
- strengthened wording re investment powers;
- new wording to ensure that any members who transfer out aren't able to prevent themselves being removed as a trustee;
- measures to protect against accidental loss of enhanced protection (and, in the future, "fixed" protection of a £1.8m lifetime allowance) where further contributions are made.

For schemes established prior to 5th April 2010, we will recommend adoption of the new rules. There will be a small charge to cover the cost for provision of the B-day rules for schemes established prior to 5th April 2010.