

DATED

03 April 2014

DEFINITIVE TRUST DEED AND RULES

THE MILL CPE EXECUTIVE PENSION SCHEME

between

- (1) **MILL CPE (LONDON) LIMITED**
and
- (2) **CHRISTOPHER GREGORY ORR and**
ZEYNEP DEVRIM AYHAN

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THIS TRUST DEED is dated

03 April 2014

PARTIES:

- (1) MILL CPE (LONDON) LIMITED (Company No. 06356578) whose registered office is at 11A Bell Yard Mews Bermondsey Street London SE1 3TN ('the Principal Employer') and
- (2) CHRISTOPHER GREGORY ORR and ZEYNEP DEVRIM AYHAN both of Flat 2 The Paragon 43 Searles Road Southwark London SE1 4YL ('the Trustees')

RECITALS:

- A The Principal Employer has decided to establish THE MILL CPE EXECUTIVE PENSION SCHEME ('the Scheme') under irrevocable trusts to provide Relevant Benefits as a small self-administered defined contribution pension scheme with effect from the Commencement Date for its Employees and directors.
- B This Scheme is to be established in a way that will allow it to be registered with HM Revenue and Customs under the Finance Act 2004 Section 153.
- C The Trustees have agreed with the Principal Employer to be the first Trustees of the Scheme.
- D This is the Trust Deed of the Scheme, and the Schedules to this Trust Deed which form part of it are as follows:
 - (i) Schedule 1 setting out the Rules;
 - (ii) Schedule 2 setting out the types of property that cannot be invested in without the triggering of an unauthorised payment charge.

OPERATIVE PART:

1 DEFINITIONS AND INTERPRETATION

- 1.1 In this Trust Deed and in the Schedules to it (unless the context otherwise requires):

1.1.1 'Active Member' means a Member in Pensionable Service who is paying Member's contributions under Rule 9;

1.1.2 'Beneficiary' means a person (other than a Member) absolutely or contingently entitled to benefit under the Scheme;

1.1.3 'Civil Partner' means a person who is the civil partner of a Member within the meaning of the Civil Partnership Act 2004;

1.1.4 'Commencement Date' means;

03 April 2014

1.1.5 'Dependant' means a person who, at the relevant date, was neither a Member's Partner nor a Member Child, but in the opinion of the Trustees:

1.1.5.1 he was financially dependent on the Member;

1.1.5.2 he was dependent on the Member because of physical or mental impairment; or

1.1.5.3 his financial relationship with the Member was one of mutual dependence;

1.1.6 'Disclosure Regulations' means the Occupational Pension Schemes (Disclosure of Information) Regulations 1996;

1.1.7 'Earmarking Order' means a court order made under the Matrimonial Causes Act 1973 Section 23 by virtue of the Matrimonial Causes Act 1973 Section 25B or Section 25C;

1.1.8 'Employee' means an employee (including a director) of an Employer;

1.1.9 'Employer' means in relation to an Employee, that Employer of which he is an Employee or a director;

1.1.10 'Employers' means the Principal Employer and Participating Employers;

- 1.1.11 Ex-Partner' means in relation to a Relevant Member, a former Partner and any former Partner of an Ex-Partner Member:
- 1.1.11.1 to whom a Pension Credit has been or is to be allocated following a Pension Sharing Order; or
- 1.1.11.2 who benefits from an Earmarking Order;
- 1.1.12 'Ex-Partner Child' means any child of an Ex-Partner, including a stepchild or legally adopted child, who:
- 1.1.12.1 has not reached the age of 23 years; or
- 1.1.12.2 has reached the age of 23 years and in the opinion of the Trustees was at the relevant date dependent on the Member because of physical or mental impairment, and shall apply only to a child or children of the Ex-Partner's last marriage or civil partnership, but the Trustees may include any other child of the Ex-Partner who was, in the opinion of the Trustees, wholly or partially financially dependent on the Ex-Partner or dependent on the Ex-Partner because of disability, and 'Ex-Partner Children' shall be interpreted accordingly;
- 1.1.13 'Fund' means the assets of the Scheme;
- 1.1.14 'Incapacity' means physical or mental impairment causing a Member to become permanently incapable of carrying on his occupation;
- 1.1.15 'Insurer' means:
- 1.1.15.1 a person who has permission under the Financial Services and Markets Act 2000 Part IV to effect or carry out contracts of long term insurance;
- 1.1.15.2 a friendly society enabled under regulations made under the Pension Schemes Act 1993 Section 162 to conduct approved group insurance business; or

- 1.1.15.3 an EEA firm of the kind mentioned in the Financial Services and Markets Act 2000 Schedule 3 Paragraph 5(d), which has permission under Paragraph 15 of that Schedule (as a result of qualifying for authorisation under Paragraph 12 of that Schedule) to effect or carry out contracts of long term insurance;
- 1.1.16 'Member' means an Employee duly admitted to membership of the Scheme who is either accruing benefits or has accrued benefits under the Scheme and to whom or in respect of whom a pension or other benefits are payable from the Scheme, excluding an Ex-Partner Member;;
- 1.1.17 'Member Child' means a Member's child, (other than an Ex-Partner Member's child) including a stepchild or legally adopted child, who:
- 1.1.17.1 has not reached the age of 23 years; or
- 1.1.17.2 has reached the age of 23 years and in the opinion of the Trustees was at the relevant date dependent on the Member because of physical or mental impairment, and shall apply only to a child or children of the Member's last marriage or civil partnership, but the Trustees may include any other child of the Member who was, in the opinion of the Trustees, wholly or partially financially dependent on the Member or dependent on the Member because of disability, and 'Member Children' shall be interpreted accordingly;
- 1.1.18 'Member's Account' means the individual account of each Member as provided in clause 14;
- 1.1.19 'Normal Retirement Date' means a Member's 65th birthday;
- 1.1.20 'Participating Employer' means an Employer that has been admitted to participation in the Scheme;
- 1.1.21 'Partner' means in relation to any Member the Spouse or Civil Partner of that Member;

- 1.1.22 'Pension Credit' means a credit under the Welfare Reform and Pensions Act 1999 Section 29(1)(b);
- 1.1.23 'Pension Credit Benefits' means the benefits of an Ex-Partner Member granted under Rule 24;
- 1.1.24 'Pension Credit Rights' means rights to future benefits under the Scheme which are attributable (directly or indirectly) to a Pension Credit;
- 1.1.25 'Pensionable Salary' means in respect of a Member:
- 1.1.25.1 for any Scheme Year, his annual rate of Salary at 1 April in that Scheme Year; and
- 1.1.25.2 if the Member's Pensionable Service for any Scheme Year does not include a day which falls on 1 April, then his annual rate of Salary at the date his Pensionable Service starts in that Scheme Year;
- 1.1.26 'Pensionable Service' means, subject to the Rules, the period of service which the Member completes as an Active Member, and any period of service that was not full-time service shall only count as Pensionable Service in accordance with the following formula:
- years and months of part-time service x part-time working hours / full-time working hours;
- 1.1.27 'Pension Sharing Order' means any order or provision as is mentioned in the Welfare Reform and Pensions Act 1999 Section 28(1);
- 1.1.27 'Principal Employer' means MILL CPE (LONDON) LIMITED (registered in England No. 06356578), or any other company or other Employer substituted as Principal Employer;
- 1.1.28 'Qualifying Independent Trustee' means a person who is independent in relation to the Scheme for the purposes of the Pensions Act 1995 Section 23 and is registered in the register maintained by the Regulator in accordance with the Occupational

Pension Schemes (Independent Trustee) Regulations 2005 or with any other regulations made under the Pensions Act 1995 Section 23(4).

- 1.1.29 'Registered Occupational Pension Scheme' means an occupational pension scheme (other than the Scheme) registered, deemed to be registered or seeking registration by HM Revenue and Customs under the Finance Act 2004 Part 4 and a public sector scheme;
- 1.1.30 'Registered Pension Scheme' means a Registered Occupational Pension Scheme or a Registered Personal Pension Scheme;
- 1.1.31 'Registered Personal Pension Scheme' means a pension scheme (other than an occupational pension scheme) registered, deemed to be registered or seeking registration by HM Revenue and Customs under the Finance Act 2004 Part 4;
- 1.1.32 'Registration' means registration of the Scheme by HM Revenue and Customs under the Finance Act 2004 Part 4;
- 1.1.33 'the Regulator' means the Pensions Regulator;
- 1.1.34 'Relevant Benefits' has the meaning in the Income Tax (Earnings and Pensions) Act 2003 Section 393B(1), subject only to the exclusions contained in the Income Tax (Earnings and Pensions) Act 2003 Section 393B(3)(a), (b);
- 1.1.35 'Relevant Member' means a Member or an Ex-Partner Member in relation to whom, or whose pension rights under the Scheme, a Pension Sharing Order or an Earmarking Order has been made;
- 1.1.36 'Residential Property' has the meaning given in Schedule 2;
- 1.1.37 'Rules' means the rules of the Scheme in Schedule 1;
- 1.1.38 'Salary' means in relation to a Member and at any date, his basic salary (or, for a Member participating in an Employer's profit-related pay scheme, the 'shadow

salary' that would be paid to the Member if the profit-related pay scheme had not been introduced), excluding bonuses, commissions and other fluctuating emoluments as determined by the Employer and notified to the Trustees;

- 1.1.39 'Scheme' means THE MILL CPE EXECUTIVE PENSION SCHEME;
- 1.1.40 'the Scheme Administration Regulations' means the Occupational Pension Schemes (Scheme Administration) Regulations 1996;
- 1.1.41 'Scheme Year' means each year ending on 31 March or such other date as the Trustees, with the consent or at the direction of the Principal Employer, select;
- 1.1.42 'Spouse' means the husband or wife of a Member;
- 1.1.43 'Surviving Civil Partner' means a person who was the Civil Partner of a Member at the time of that Member's death;
- 1.1.44 'Survivor' means the Widow, Widower or Surviving Civil Partner of a Member;
- 1.1.45 'Tax Year' means each year ending on 5 April;
- 1.1.46 'Taxable Property' has the meaning given in Schedule 2;
- 1.1.47 'Transfer Scheme' means a Registered Pension Scheme, a qualifying recognised overseas pension scheme as defined in the Finance Act 2004 Section 169 or any other arrangement approved by HM Revenue and Customs for the purposes of a transfer;
- 1.1.48 'Trust Deed' means this trust deed and the Schedules to it;
- 1.1.49 'Trustees' means the trustee or trustees for the time being of the Scheme;

- 1.1.50 'Widow' and 'Widower' mean the widow and the widower of a Member respectively , and if a Member has married under a law that allows polygamy and on the day of the Member's death has more than one Spouse, none of them will qualify as a Widow or Widower (however, if only one Spouse survives, that Survivor will be the Widow or Widower).
- 1.2 The following applies in the interpretation of the Trust Deed and the Rules:
- 1.2.1 References to a person include a company, corporation or other body that has a legal personality.
- 1.2.2 Words, except the words 'male', 'female', 'widower' and 'widow', importing one gender are to be construed as importing any other gender.
- 1.2.3 Words importing the singular are to be construed as importing the plural and vice versa.
- 1.2.4 The lists of contents in the Trust Deed and the Rules and the short titles to clauses and Rules are not to be taken into account in interpretation.
- 1.2.5 Punctuation is not to be taken into account in interpretation.
- 1.2.6 Unless the contrary is expressly stated in the Trust Deed and the Rules, the Trust Deed prevails over the Rules.
- 1.2.7 References to Acts of Parliament or statutory instruments include amendments to them.
- 1.2.8 References to the Trust Deed and the Rules include amendments to them.
- 1.2.9 The Schedules to the Trust Deed form part of the Rules.

2 ESTABLISHMENT OF THE SCHEME

2.1 Establishment

The Principal Employer establishes the Scheme under irrevocable trusts with effect from the Commencement Date.

2.2 Purpose

The purpose of the Scheme is to provide Relevant Benefits for the Members and Beneficiaries.

2.3 Name of Scheme

The Scheme shall be known as 'THE MILL CPE EXECUTIVE PENSION SCHEME'.

3 OPERATION OF THE SCHEME

3.1 Effect of Trust Deed and Rules

The Trust Deed and Rules shall govern the Scheme from the Commencement Date.

3.2 Preservation and equal treatment

The Scheme shall be operated in accordance with the requirements concerning the preservation of benefits for Members under the Pension Schemes Act 1993 Part IV Chapter I and the sex equality and maternity equality rules in the Equality Act 2010 Section 67 and Section 75.

4 THE FUND

The Trustees shall hold the Fund on irrevocable trusts for the purposes of the Scheme.

5 COVENANTS BY EMPLOYERS

5.1 Covenants by the Principal Employer

The Principal Employer covenants with the Trustees that:

- 5.1.1 it will discharge all the duties and obligations imposed on it under the Scheme or by law, in its capacity both as an Employer and as the Principal Employer so long as it fulfils that role; and
- 5.1.2 it will exercise its powers and discretions to ensure that the Scheme is operated in conformity with the sex equality and maternity equality rules in the Equality Act 2010 Section 67 and Section 75, including, but not restricted to, the terms on which a person becomes a Member and the terms on which Members are treated.

5.2 Covenant by a Participating Employer

An Employer shall not be admitted to the Scheme as a Participating Employer unless it covenants with the Trustees that it will discharge the duties imposed on an Employer by the Trust Deed and the Rules or otherwise imposed on it by law.

6 THE TRUSTEES

6.1 Appointment of Trustees

The Trustees are appointed as the first trustees of the Scheme.

6.2 Administration and management

- 6.2.1 The administration and management of the Scheme are vested in the Trustees.
- 6.2.2 The Trustees are the administrators of the Scheme for the purpose of the Finance Act 2004 Section 270.

6.3 Matters of doubt

The Trustees shall decide matters of doubt arising in connection with the Scheme, other than matters to be determined by the Employers, and the decision of the Trustees or the Employer on any matter to be decided by them shall (except for manifest error) be conclusive.

7 APPOINTMENT, REMOVAL AND RESIGNATION OF TRUSTEES

7.1 Number of Trustees

The number of Trustees shall be:

7.1.1 at least 2 individuals; or

7.1.2 a corporate Trustee (which need not be a trust corporation as defined by the Trustee Act 1925), and a corporate Trustee may act as the sole Trustee of the Scheme.

7.2 Appointment and removal of Trustees

7.2.1 Subject to clause 7.1, the Principal Employer may remove a Trustee (with or without appointing a replacement) and may appoint a new Trustee in place of any Trustee or appoint additional Trustees, and all appointments and removals shall be made by deed.

7.3 Trustees' power to fill vacancies

The Trustees may, on giving 10 days' written notice to the Principal Employer, exercise the power under clause 7.2 to appoint a new Trustee if:

7.3.1 all the Trustees are individuals; and

7.3.2 the number of Trustees has fallen below 2; and

- 7.3.3 the Principal Employer has not within one month of the date it did so appointed a new Trustee to bring the number of Trustees up to 2.

7.4 Resignation of Trustees

- 7.4.1 Notwithstanding clause 7.1, a Trustee may resign by giving one month's written notice to the Principal Employer and the other Trustees.

- 7.4.2 The Principal Employer may execute a deed confirming a Trustee's resignation, but it need not be executed by the resigning Trustee.

7.5 Execution of documents

A Trustee who resigns or is removed from office shall execute all documents and do all things necessary to give effect to his resignation or removal and the vesting of the Fund in the other Trustees, but need not execute a deed for this purpose.

7.6 Trustees fall below minimum

Subject to clause 7.3, if all the Trustees are individuals and the number of Trustees has fallen below the minimum required by clause 7.1.1, the Trustees may continue to exercise the powers or discretions vested in them so long as there are 2 Trustees.

8 REMUNERATION OF TRUSTEES

A Trustee, or a director of a corporate Trustee, may receive remuneration for his services to the Scheme on the terms as are agreed between him and the Principal Employer, and it shall be treated as an expense of the Scheme under clause 19.

9 TRUSTEES' LIABILITY AND INDEMNITY

9.1 Exoneration of Trustees

A Trustee, or a director or employee of a corporate Trustee, shall not be personally liable for any breach of trust or other duty under the Scheme, including but not

restricted to any injustice to a Member or Beneficiary arising from maladministration, except when it is caused by:

- 9.1.1 fraudulent or other dishonest conduct;
- 9.1.2 a wilful act or omission, unless it was based on legal advice that the act or omission was in the best interests of the Members and Beneficiaries;
- 9.1.3 negligence, but only if he is in the business of providing trustee services for a fee; or
- 9.1.4 breach of any duty to take care or exercise skill in the performance of investment functions when liability cannot be excluded or restricted under the Pensions Act 1995 Section 33.

9.2 Trustees' indemnity from Employers

The Trustees, or the directors or employees of a corporate Trustee, shall be jointly and severally indemnified by the Employers in respect of all liabilities incurred (including those referred to in clause 9.5), but this indemnity shall not extend to:

- 9.2.1 anything caused by any of the matters referred to in clauses 9.1.1–9.1.2 or 9.1.3; or
 - 9.2.2 the extent there is insurance under clause 9.4 to provide the indemnity;
- and the Principal Employer shall determine the proportions in which the indemnity is to be borne by each of the Employers.

9.3 Indemnity out of the Fund

If or to the extent that the Employers are unable to indemnify the Trustees, or the directors or employees of a corporate Trustee, under clause 9.2, the Trustees shall be indemnified out of the Fund in respect of:

- 9.3.1 all liabilities incurred by them in the execution (or professed execution) of the trusts of the Scheme;

- 9.3.2 the exercise (or professed exercise) of their powers and discretions under the Scheme; and
- 9.3.3 all actions, proceedings, costs, expenses, claims and demands (including complaints to the Pensions Ombudsman) in respect of any matter or thing done or omitted in any way relating to the Scheme;

except that this indemnity shall not extend to anything caused by the matters referred to in clauses 9.1.1–9.1.4, or any liabilities or premiums under clause 9.5, and shall not apply to the extent that there is insurance under clause 9.4 that will provide the indemnity.

9.4 Insurance

Subject to clause 9.5 and the consent of the Principal Employer, the Trustees may insure the Scheme against any liability for breach of trust or other duty, or injustice arising from their maladministration, except when it is excluded by clause 9.1, and the cost of the insurance shall be an expense of the Scheme under clause 19.

9.5 Fines and penalties

The Trustees shall not be indemnified out of the Fund in respect of:

- 9.5.1 fines or civil penalties if this is prohibited under the Pensions Act 2004 Section 256; or
- 9.5.2 the payment of premiums under a policy of insurance if the risk includes the imposition of any fines or civil penalties referred to in clause 9.5.1.

10 TRUSTEES' MEETINGS AND RESOLUTIONS

10.1 Position of corporate Trustee

- 10.1.1 A corporate Trustee may exercise its powers and discretions, and discharge its duties under the Scheme, by its board of directors or by any of its duly authorised officers, employees or agents in accordance with its constitution.

- 10.1.2 A corporate Trustee may attend a Trustees' meeting by one or more of its directors or duly authorised officers, employees or agents, and it shall have only one vote on business to be decided at the meeting.

10.2 Meetings of Trustees

- 10.2.1 If one or more of the Trustees are individuals, they may, subject to the provisions of clauses 10.2.3–10.2.6, conduct business in whatever way they consider fit.
- 10.2.2 In particular, the Trustees may conduct business at a meeting or by telephone conference, video link, the Internet or any other form of electronic or digital media as they consider appropriate, in which case the use of one or more of these methods of communication between the Trustees shall constitute a Trustee meeting at the place where the majority of the Trustees are personally present.
- 10.2.3 Unless a decision of the Trustees is required as a matter of urgency, each Trustee shall be given at least 10 business days' notice of a Trustee meeting sent to his last known address specifying the date, time and place of the meeting.
- 10.2.4 The chairman of a Trustee meeting shall be appointed by agreement between the Trustees present at the meeting or (in default of agreement) by lot from among the Trustees present.
- 10.2.5 All business brought before a Trustees' meeting shall be decided by all of the Trustees present and voting.
- 10.2.6 All of the Trustees present at a Trustees' meeting shall form a quorum.

10.3 Decisions of a sole corporate Trustee

Any decisions made by a sole corporate trustee in its capacity as such must be made by all of the directors of the company who are Members.

10.4 Written Trustee resolutions

10.4.1 A resolution in writing signed by all of the Trustees of which due notice has been given to each Trustee shall be as valid as if it had been passed at a Trustees' meeting.

10.4.2 Such a resolution may consist of one or more documents in similar form each signed by one or more of the Trustees.

10.5 Records of Trustee meetings

The Trustees, or the directors of a sole corporate Trustee, shall in accordance with the Scheme Administration Regulations Regulation 13 keep records of all their meetings.

11 PERSONAL INTERESTS OF TRUSTEES AND DIRECTORS

11.1 Trustees' personal interest

11.1.1 No decision or exercise of a power by the Trustees, or the directors of a corporate Trustee, shall be invalidated on the ground that any Trustee, or director of the corporate Trustee, had a personal interest in the decision or in the exercise of the power.

11.1.2 A Trustee, or a director of a corporate Trustee, must disclose any such personal interest in writing to the other Trustees and to the Principal Employer, who may take such action as they think fit.

11.2 Retention of benefits

A Trustee, or a director of a corporate Trustee, who is a Member and Ex-Partner Member may retain all benefits and exercise all rights to which he is entitled under the Scheme and shall not be liable to account to the Scheme for any benefits which he receives from the Scheme.

12 POWERS OF THE TRUSTEES

Subject to the powers, discretions and consents conferred on the Principal Employer or the Participating Employers by the Trust Deed and the Rules or by law, the Trustees shall have all the powers necessary for the implementation of the Scheme, and, unless otherwise provided in the Trust Deed and the Rules, they may exercise their powers as they think fit.

13 DELEGATION AND APPOINTMENT OF ADVISERS

13.1 General power to delegate

The Trustees may delegate and may authorise the sub-delegation of any of their powers and discretions under the Scheme to any person or to a committee composed of such persons as they may decide, on such terms as they think fit, and they may at any time revoke any delegation made by them.

13.2 General power to appoint advisers

The Trustees may appoint and obtain advice (whether directly or indirectly) from any professional adviser on any terms they think fit, and unless exempted by regulations, if they require legal advice or a custodian of assets of the Scheme, they shall appoint a legal adviser or custodian in accordance with the Pensions Act 1995 Section 47.

13.3 Duty to appoint auditor

Unless exempted by regulations, the Trustees shall in accordance with the Pensions Act 1995 Section 47 appoint an auditor on such terms as they think fit.

13.4 Duty to appoint an investment manager

13.4.1 Unless exempted by Regulations, the Trustees shall with the consent of the Principal Employer, in accordance with the Pensions Act 1995 Section 47 appoint an investment manager of the Fund, or 2 or more investment managers of separate parts of the Fund, and delegate to them decisions about the investment of the Fund.

- 13.4.2 If exempted by regulations, the Trustees may nevertheless with the consent of the Principal Employer delegate their investment function in accordance with the Pensions Act 1995 Section 34.

13.5 Investment Adviser

The Trustees shall appoint an investment adviser to provide proper investment advice in accordance with the Pensions Act 1995 Section 36 and shall consider that advice.

14 MEMBERS' ACCOUNTS

14.1 Trustees' duty to keep Members' Accounts

The Trustees shall open and maintain a Member's Account for each Member until the earlier of:

- 14.1.1 the date the Member's benefits become payable under the Scheme;
- 14.1.2 the date the Member's benefits are transferred to or bought out of the Scheme; or
- 14.1.3 the date of the Member's death.

14.2 Composition of a Member's Account

Subject to clause 14.3, a Member's Account shall comprise:

- 14.2.1 Member's contributions paid by him under Rules 9-10;
- 14.2.2 Employer's contributions paid in respect of the Member under Rule 8;
- 14.2.3 assets transferred to the Fund on behalf of the Member under clause 22; and
- 14.2.4 any other sums credited to his Member's Account by the Trustees.

14.3 Deductions from a Member's Account

The Trustees may deduct the following amounts from a Member's Account:

- 14.3.1 expenses relating to the management or administration of a Member's Account;
- 14.3.2 the cost of purchasing annuities to secure pensions and benefits for or in respect of the Member;
- 14.3.3 lump sums paid under Rule 12.1 to the Member on his retirement;
- 14.3.4 premiums required for the purposes of insuring benefits payable under Rules 14 and 16;
- 14.3.5 any sum paid under clause 23 as a transfer from the Fund on behalf of the Member; and
- 14.3.6 any other sum which the Trustees are entitled to deduct from the Member's Account under the Trust Deed or the Rules.

14.4 Annual statements

The Trustees shall, in accordance with the Disclosure Regulations, provide each Member with a written statement after the end of each Scheme Year showing amounts credited to or deducted from his Member's Account under clause 14.2 and clause 14.3 during that Scheme Year and the total value of his Member's Account at the end of that Scheme Year.

15 INVESTMENT OF THE FUND

15.1 General power of investment

Subject to clauses 15.2–15.4, the Trustees may invest or apply the Fund as if they were absolutely and beneficially entitled to the Fund, including, but not restricted to, the power to invest or apply the Fund in any manner or in any place in the world or

in anything which would not be regarded as an authorised trustee investment by law, provided that this does not prejudice continuing Registration.

15.2 Restrictions on powers of investment

The Trustees shall not, whether in exercise of their powers of investment or otherwise:

15.2.1 acquire or hold (whether directly or indirectly) an interest in any Taxable Property;

15.2.2 convert or adapt any property held by the Scheme so that the property becomes Residential Property; or

15.2.3 do anything else which may result in the Scheme being treated as:

15.2.3.1 having made an unauthorised payment under the Finance Act 2004 Section 174A;
or

15.2.3.2 having made a scheme chargeable payment under the Finance Act 2004 Section 185A or Section 185F.

15.3 Further restrictions on powers of investment

The Trustees shall not, in the exercise their powers of investment in clause 15.1:

15.3.1 carry on a trading activity which would prejudice Registration;

15.3.2 make any loans to an Employer which are not authorised employer loans within the meaning of the Finance Act 2004 Section 179;

15.3.3 make any payments to acquire shares in an Employer which are not scheme administration employer payments within the Finance Act 2004 Section 180; or

15.3.4 make any loans to a Member or a Beneficiary.

15.4 Investment advice

The Trustees shall exercise their powers of investment in accordance with the Pensions Act 1995 Section 36.

16 PROVISION OF INFORMATION

16.1 Provision of information to professional advisers

The Principal Employer and the Trustees shall provide to any of their professional advisers all books, accounts, records and information as they reasonably require for the performance of their duties.

16.2 Member's right to information

The Trustees shall, in accordance with the Pension Schemes Act 1993 Section 113 and the Pensions Act 1995 Section 41 (together with any relevant regulations made under those Sections, including the Disclosure Regulations), provide documents and other information to Members, prospective Members and Beneficiaries of the Scheme.

17 TRUSTEES' DUTIES ON DIVORCE ETC OF A MEMBER

17.1 Trustee's duties in divorce etc cases

17.1.1 If a Member is a party to proceedings for divorce, nullity of marriage, dissolution or nullity of civil partnership, or judicial separation, the Trustees shall deal with the Member's accrued rights or entitlements in accordance with any Earmarking Order or Pension Sharing Order and in accordance with the Divorce etc (Pensions) Regulations 2000 ('**the Divorce Regulations**') or the Dissolution etc (Pensions) Regulations 2005 ('**the Dissolution Regulations**') as the case may be.

17.1.2 Further details on the Trustees' powers and duties relating to the implementation of Pension Sharing Orders may be found in Rules 24–26.

17.2 Provision of information about financial relief relating to divorce etc

17.2.1 At the request of a Member's Partner, the Trustees shall provide the information about the Member's benefits and rights which is prescribed by the Pensions on Divorce etc (Provision of Information) Regulations 2000 Regulation 2 (the '**Divorce Information Regulations**'), including the Pension Credit Benefits which may be granted on implementation of a Pension Sharing Order.

17.2.2 At the request of the Member or in response to an order of the court, the Trustees shall provide the estimated cash equivalent or value of the Member's rights and such other information about the Member's benefits and rights as is prescribed by the Divorce Information Regulations Regulation 2, including the Pension Credit Benefits which may be granted on implementation of a Pension Sharing Order.

17.3 Provision of information in connection with the making of an Earmarking Order

The Trustees shall, within 21 days beginning with the day that they receive an Earmarking Order, issue to the party with pension rights and the other party a notice which includes the information set out in the Divorce Information Regulations Regulation 10.

17.4 Other notices relating to Earmarking Orders

17.4.1 If the party with pension rights elects to transfer his accrued rights under clause 25 and at that time those rights are subject to an Earmarking Order, the Trustees shall give the notices required by the Divorce Regulations Regulation 4 or by the Dissolution Regulations Regulation 4, as the case may be, to the trustees of the receiving scheme and to the other party within the period provided by the Pension Schemes Act 1993 Section 99 for the Trustees to carry out what the party with pension rights requires and before the expiry of 21 days after the Trustees have made all required payments to the person responsible for the new arrangement.

17.4.2 If the value of the party with pension rights' accrued rights which are subject to an Earmarking Order is reduced significantly, other than by a transfer of all of the rights of the party with pension rights under clause 25 or a change in interest rates or market conditions, the Trustees shall give the notice required by the Divorce

Regulations Regulation 5 or by the Dissolution Regulations Regulation 5, as the case may be, to the other party within 14 days of the reduction.

- 17.4.3 If an Earmarking Order ceases to have effect by reason of marriage, remarriage, formation of a subsequent civil partnership or otherwise, or any of the particulars supplied by the other party under the Family Procedure Rules 2010 rule 9.33 or rule 9.34 for enabling the Trustees to provide information, documents or representations to the court to enable it to decide what, if any, requirement should be imposed on the other party, or to comply with any order imposing such a requirement, ceases to be accurate, the other party shall give the Trustees notice in writing of the same in accordance with the Divorce Regulations Regulation 6 or in accordance with the Dissolution Regulations Regulation 6, as the case may be, within 14 days of the occurrence of the fact.

17.5 Charges

- 17.5.1 Subject to the provisions of the Pensions on Divorce etc (Charging) Regulations 2000 ('the **Charging Regulations**') and of clause 18.5.2, the Trustees may make a charge to cover their reasonable administrative expenses incurred in connection with the provision of information under clause 18.2 (in certain circumstances) or clause 18.3, in connection with their compliance with an Earmarking Order or in connection with any description of pension sharing activity specified in the Charging Regulations Regulation 5.
- 17.5.2 The Trustees must have informed the party with pension rights or the other party (as the case may be) of their intention to recover those costs and provided a written schedule of charges in accordance with the Charging Regulations Regulation 2 and Regulation 6.
- 17.5.3 The Trustees may from time to time revise the scale of such charges and the manner in which the charges are to be recovered.

18 AMENDMENT OF THE SCHEME

- 18.1 Subject to clause 18.2, the Principal Employer may with the consent of the Trustees by deed amend the Trust Deed (including this clause 18) and any Schedules to the

Trust Deed (including the Rules), and amendments may be made retrospectively in so far as permitted by law.

18.2 The power of amendment in clause 18.1 shall not be exercised in any way that would or might:

18.2.1 change the object of the Scheme to provide Relevant Benefits for Members or Beneficiaries;

18.2.2 contravene the Pensions Act 1995 Sections 67–67F; or

18.2.3 prejudice continuing Registration.

19 EXPENSES OF THE SCHEME

The expenses of the Scheme shall be paid by the Trustees out of the Fund, unless the Principal Employer agrees to meet all or part of the expenses.

20 ADMINISTRATION

20.1 Records of receipts and payments

Unless exempted by regulations, the Trustees shall, in accordance with the Scheme Administration Regulations Regulation 12, keep books and records relating to the administration of the Scheme, and the books and records shall be retained for at least 6 years from the end of the Scheme Year to which they relate.

20.2 Trustees' separate bank account

Unless exempted by regulations, the Trustees shall, in accordance with the Pensions Act 1995 Section 49(1), keep any money they receive in a separate account with an institution that has permission to accept deposits under the Financial Services and Markets Act 2000 Part IV or any other deposit taker within the meaning of the Pensions Act 1995 Section 49(8A).

20.3 Employer's separate bank account

If an Employer receives money from the Trustees for the purpose of paying benefits to a Member and Ex-Partner Member and they are not paid to the Member and Ex-Partner Member within 2 working days of receipt by the Employer, it shall, in accordance with the Pensions Act 1995 Section 49(5), pay it into a separate bank account at an institution that has permission to accept deposits under the Financial Services and Markets Act 2000 Part IV or any other a deposit taker within the meaning of the Pensions Act 1995 Section 49(8A).

21 FUNDING

21.1 Records of contributions

The Trustees shall, in accordance with the Scheme Administration Regulations Regulation 12, keep records of all contributions or payments to the Scheme, identifying the nature or purpose of the contributions or payments and the dates on which they were paid.

22 TRANSFERS TO THE FUND

22.1 The Trustees may with the consent of the Principal Employer accept a transfer of assets into the Fund in respect of any person from a Transfer Scheme on the terms agreed between the Trustees and the trustees of the Transfer Scheme and provide benefits for the person concerned under the Scheme in respect of the transfer.

22.2 The benefits provided shall satisfy the statutory requirements on transfers in the Pension Schemes Act 1993 Part IV Chapter IV, preservation of benefits in the Pension Schemes Act 1993 Part IV Chapter I and revaluation under the Pension Schemes Act 1993 Part IV Chapter II.

22.3 A transfer of assets may only be made under clause 22.1 if it does not prejudice Registration.

23 TRANSFERS FROM THE FUND

23.1 Power to make transfers out

Subject to each Member's or Beneficiary's entitlement to a cash equivalent transfer payment in accordance with the Pension Schemes Act 1993 Part IV Chapter IV, the Trustees may, with the consent of the Principal Employer, make a transfer of assets from the Fund representing the entitlement or accrued rights of a Member or Beneficiary to a Transfer Scheme as is agreed by the Trustees and the Principal Employer.

23.2 Terms of transfer out

23.2.1 A transfer out may only be made with the written consent of the Member or other person in respect of whom it is made, unless such consent is not required under the Occupational Pension Schemes (Preservation of Benefit) Regulations 1991.

23.2.2 A transfer out must:

23.2.2.1 satisfy the requirements on preservation of benefits in the Pension Schemes Act 1993 Part IV Chapter I; and

23.2.2.2 constitute a recognised transfer within the meaning of the Finance Act 2004 Section 169 and satisfy any other requirements of HM Revenue and Customs in relation to a Registered Pension Scheme.

24 PARTICIPATING EMPLOYERS

24.1 Admission of a Participating Employer

The Principal Employer may admit to participation in the Scheme any Employer whose admission as such would not prejudice Registration, on the condition that it executes a deed of adherence covenanting that it will discharge the duties imposed on it by the Scheme.

24.2 Withdrawal of Participating Employer

A Participating Employer shall cease to participate in the Scheme if:

- 24.2.1 it gives not less than 3 months' written notice to the Trustees terminating its liability to pay contributions to the Scheme, and the notice expires without being withdrawn; or
- 24.2.2 its continued participation in the Scheme would prejudice Registration.

25 SUBSTITUTION OF NEW PRINCIPAL EMPLOYER

Subject to Registration not being prejudiced, the Principal Employer shall be released from all its obligations as Principal Employer if another Employer (whether or not it is a Participating Employer) agrees with the Principal Employer and the Trustees to be substituted as a new Principal Employer and executes a deed undertaking all the obligations of the Principal Employer under the Scheme.

26 CESSATION OF CONTRIBUTIONS

The Principal Employer may, on behalf of itself or any of the Participating Employers, give one month's notice in writing to the Trustees to reduce or suspend its contributions to the Scheme.

27 TERMINATION AND WINDING UP OF THE SCHEME

27.1 Notice

The Scheme shall be terminated if the Principal Employer gives the Trustees 3 months' notice in writing and that notice expires without being withdrawn.

27.2 Liquidation

The Trustees shall terminate the Scheme if the Principal Employer ceases to trade or goes into liquidation, unless:

27.2.1 the Principal Employer ceases to trade or goes into liquidation for the purpose of reconstruction or amalgamation with any other company, in which case the Trustees may make such arrangements as they think fit for the continuation of the Scheme by any company resulting from or involved in the reconstruction or amalgamation; or

27.2.2 another person agrees to take over the role of the Principal Employer in relation to the Scheme.

27.3 Reopening

The Trustees and the Principal Employer may reopen the Scheme at any time before the Trustees decide to wind up the Scheme.

27.4 Winding up

27.4.1 The Trustees may decide to wind up the Scheme at any time after the Scheme terminates.

27.4.2 The Regulator may direct that the Scheme be wound up.

28 APPLICATION OF FUND ON WINDING UP

28.1 Expenses

In applying the Fund on winding up of the Scheme, the Trustees shall first reserve out of the Fund the amount required to meet the expenses of the Scheme.

28.2 Application of the Fund in winding up

The Trustees shall apply each Members' Account as follows:

28.2.1 in the purchase of an annuity contract or insurance policy from an Insurer in accordance with the terms set out in Rule 20; or

28.2.2 in making a transfer payment from the Fund under clause 23 , but without the need for the consent of the Principal Employer; or

28.2.3 in payment of a winding-up lump sum in accordance with the Finance Act 2004 Section 164, Section 166 and Schedule 29 Paragraph 10.

28.3 Excess assets

If there are any excess assets in the Scheme after securing the Members' benefits under clause 28.2, the Trustees shall pay them to the Principal Employer, subject to the requirements of the Pensions Act 1995 Section 76.

29 COMPLIANCE WITH REVENUE REQUIREMENTS

Nothing in this Trust Deed and the Schedules to it shall require the Trustees to make a payment from the Scheme that would be an unauthorised payment within the meaning of the Finance Act 2004 Section 160 and Section 164.

30 NOTICES

30.1 Notices to Trustees or an Employer

When notice is to be given to or served on the Trustees or an Employer, it shall (unless otherwise provided by the Scheme) be given or served in writing and delivered or sent by prepaid first-class post to:

30.1.1 the Trustees at the registered office of the Principal Employer; or

30.1.2 an Employer at its registered office;

and a notice served by post shall be deemed to have been given 2 days after it was posted.

30.2 Notice to Members and Beneficiaries

The Trustees may give notice to a Member or Beneficiary:

- 30.2.1 by serving it personally or sending it by prepaid first-class post to his last known address, and notice served by post shall be deemed to have been given 2 days after it was posted; or
- 30.2.2 in the case of an Active Member, by exhibiting it in any office or place of business of his Employer.

31 DURATION OF THE SCHEME

The Scheme shall continue until the earlier of the following events:

- 31.1 the Scheme is wound up under clause 27.4; or
- 31.2 the Scheme ceases to be excepted from the application of the rule against perpetuities under the Perpetuities and Accumulations Act 2009, in which event it shall continue until the expiration of the period of 125 years beginning with the Commencement Date.

32 GOVERNING LAW

This Trust Deed and the Rules are to be governed and interpreted in accordance with the laws of England and Wales.

SCHEDULE 1

The Rules of THE MILL CPE EXECUTIVE PENSION SCHEME

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UNDER THE SCHEME

PART I: INTERPRETATION

1 DEFINITIONS AND INTERPRETATION

1.1 Definitions and interpretation

The definitions and the provisions on interpretation set out in clause 1 of the Trust Deed apply in the Rules.

1.2 Benefits as defined in the Rules

Subject to any overriding legal requirements, Members and Beneficiaries shall be bound by the Trust Deed and the Rules and shall not have any right or claim to a pension or benefits except as provided by the Trust Deed and the Rules.

PART II: MEMBERSHIP

2 MEMBERSHIP

2.1 Conditions for membership eligibility

Subject to Rule 2.3, an Employee may join the Scheme as an Active Member if he:

2.2 has not reached the age of 75 years;

2.3 is not contributing to another Registered Occupational Pension Scheme or a Registered Pension Scheme; and

2.4 is a permanent Employee (as determined by the Employer).

2.5 Membership at the Principal Employer's discretion

Subject to Registration not being prejudiced, the Principal Employer may direct the Trustees that an Employee who does not satisfy the conditions in Rule 2.1 is eligible to join the Scheme on such terms as the Principal Employer and the Trustees agree.

2.6 Closure of Scheme

The Principal Employer may, notwithstanding clause 18 of the Trust Deed (amendment of the Scheme), by notice in writing to the Trustees direct that membership of the Scheme shall be closed to new entrants as specified in the notice and may by notice in writing to the Trustees revoke any notice previously given under this Rule 2.3.

3 ADMISSION TO SCHEME

3.1 Evidence for admission

An Employee who is eligible to join the Scheme and who wishes to become an Active Member shall apply for membership by completing an application form provided by the Trustees and shall supply to the Trustees such evidence and information they may reasonably require in relation to his becoming an Active Member including but not restricted to evidence as to his age, health and marital status.

3.2 Unsatisfactory evidence and information

If an Employee fails to supply any evidence and information required by the Trustees under Rule 3.1. or the evidence and information supplied is incorrect, they may refuse to admit the Employee as an Active Member or modify or restrict the benefits provided for, or in respect of, him, in such manner as they agree with the Principal Employer and as is notified in writing to the Employee.

3.3 Date membership commences

An Employee who has applied to join the Scheme as an Active Member shall become an Active Member on the first day of the month following the date on which he applied to become an Active Member.

3.4 Failure to join when eligible

An Employee who is eligible to join the Scheme under Rule 2.1 or Rule 2.2 and who fails to become an Active Member within 6 months of first becoming eligible to join the Scheme or notifies the Trustees or his Employer that he does not wish to become an Active Member may only apply for such membership with the agreement of the Principal Employer and the Trustees.

4 CEASING TO BE AN ACTIVE MEMBER

4.1 Cessation of Active Membership

A Member shall cease to be an Active Member if:

- 4.1.1 he ceases to be an Employee; or
- 4.1.2 he ceases to be resident in the United Kingdom, unless the provisions of Rule 7 provide that he may continue to be an Active Member; or
- 4.1.3 while an Employee, he gives one month's written notice to the Trustees that he will cease to be an Active Member or exercises his right to opt out of the Scheme in accordance with the Pensions Act 2008 Section 8; or
- 4.1.4 his Pensionable Service ceases in accordance with Rule 11.4; or
- 4.1.5 the Principal Employer notifies the Trustees in writing that he shall cease to be an Active Member in circumstances in which this is permitted by the provisions of the Pensions Act 2008 Part 1.

4.2 Effect of Member ceasing to be an Active Member

When a Member ceases to be an Active Member under Rule 4.1, the provisions of Rule 17 shall apply.

4.3 Readmission of Employee as an Active Member

An Employee who ceases to be an Active Member under Rule 4.1.3 may be readmitted as an Active Member only with the consent of his Employer.

5 MATERNITY, PATERNITY AND ADOPTION LEAVE ARRANGEMENTS

5.1 Definitions used in Rule 5

The following definitions apply in this Rule 5:

- 5.1.1 'Additional Adoption Leave' means Adoption Leave to which an Active Member has the right under the Employment Rights Act 1996 Section 75B, and the nature of which is set out in the Paternity and Adoption Leave Regulations Regulation 20;
- 5.1.2 'Additional Maternity Leave' means Maternity Leave to which an Active Member has the right under the Employment Rights Act 1996 Section 73, and the nature of which is set out in the Maternity and Parental Leave Regulations Regulations 6(3), 7(4);

- 5.1.3 'Additional Paternity Leave' means Paternity Leave to which an Active Member has the right under the Employment Rights Act 1996 Section 80AA or Section 80BB, and the nature of which is set out in the Additional Paternity Leave Regulations Regulation 4 and Regulation 14;
- 5.1.4 'the Additional Paternity Leave Regulations' means the Additional Paternity Leave Regulations 2010;
- 5.1.5 'Adoption Leave' means a period of absence from work by an Active Member to which he or she has a contractual or statutory right for reasons of adopting a child in the United Kingdom;
- 5.1.6 'Enhanced Paternity Leave' means a period of absence from work to which an Active Member is entitled under the terms of his employment contract but which is not Ordinary Paternity Leave or Additional Paternity Leave;
- 5.1.7 'Maternity Leave' means a period of absence from work by an Active Member to which she has a contractual or statutory right for reasons of pregnancy, confinement or childbirth;
- 5.1.8 'the Maternity and Parental Leave Regulations' means the Maternity and Parental Leave etc Regulations 1999;
- 5.1.9 'Ordinary Adoption Leave' means Adoption Leave to which an Active Member has the right under the Employment Rights Act 1996 Section 75A, and the nature of which is set out in the Paternity and Adoption Leave Regulations Regulations 15, 18;
- 5.1.10 'Ordinary Maternity Leave' means Maternity Leave to which an Active Member has the right under the Employment Rights Act 1996 Section 71, and the nature of which is set out in the Maternity and Parental Leave Regulations Regulations 4–7;
- 5.1.11 'Ordinary Paternity Leave' means Paternity Leave to which an Active Member has the right under the Employment Rights Act 1996 Sections 80A, 80B, and which is set out in the Paternity and Adoption Leave Regulations Regulations 4, 7, 8, 11;
- 5.1.12 'Parental Leave' means a period of absence from work by an Active Member to which he or she has the right under the Employment Rights Act 1996 Regulation 76, and the nature of which is set out in the Maternity and Parental Leave Regulations Part III;

- 5.1.13 'the Paternity and Adoption Leave Regulations' means the Paternity and Adoption Leave Regulations 2002;
- 5.1.14 'Paternity Leave' means a period of absence from work by an Active Member to which he has a contractual or statutory right for reasons of:
- 5.1.14.1 being the father of a child and having the responsibility or the main responsibility for the child's care, or
 - 5.1.14.2 being the husband, civil partner or partner of the mother or adopter of a child and having main responsibility (apart from any responsibility of the mother) for the child's care;
- 5.1.15 'Qualifying Adoption Leave' means Ordinary Adoption Leave together with any Additional Adoption Leave during which a Member receives from his or her Employer any contractual remuneration or any statutory adoption pay;
- 5.1.16 'Qualifying Maternity Leave' means Ordinary Maternity Leave (whether paid or unpaid), together with any Additional Maternity Leave during which an Active Member receives from her Employer any contractual remuneration or any statutory maternity pay;
- 5.1.17 'Qualifying Paternity Leave' means Ordinary Paternity Leave (whether paid or unpaid), together with any Additional Paternity Leave and Enhanced Paternity Leave during which an Active Member receives from his Employer any contractual remuneration or any statutory paternity pay;
- 5.1.18 'Unpaid Adoption Leave' means any Additional Adoption Leave during which a Member does not receive contractual remuneration or statutory adoption pay;
- 5.1.19 'Unpaid Maternity Leave' means any Additional Maternity Leave during which a Member does not receive contractual remuneration or statutory maternity pay; and
- 5.1.20 'Unpaid Paternity Leave' means any Additional Paternity Leave or Enhanced Paternity Leave during which a Member does not receive contractual remuneration or statutory paternity pay.

5.2 Qualifying Maternity Leave, Qualifying Paternity Leave and Qualifying Adoption Leave

- 5.2.1 An Active Member who is on Qualifying Maternity Leave, Qualifying Paternity Leave or Qualifying Adoption Leave shall continue as an Active Member and shall pay Members' contributions based on the contractual remuneration or statutory maternity pay, paternity pay or adoption pay which he or she receives during that period.

- 5.2.2 Any Member as referred to in Rule 5.2.1 shall accrue and be entitled to benefits under the Scheme on the same terms that would apply to him or her if he or she were not on Maternity Leave, Paternity Leave or Adoption Leave.

5.3 Unpaid Maternity Leave, Unpaid Paternity Leave and Unpaid Adoption Leave

Subject to the requirements of the Employment Rights Act 1996, the Maternity and Parental Leave Regulations, the Paternity and Adoption Leave Regulations and the Additional Paternity Leave Regulations, an Active Member who is on Unpaid Maternity Leave, Unpaid Paternity Leave or Unpaid Adoption Leave shall during that leave be entitled to benefit under the Scheme as follows:

- 5.3.1 Any lump sum death benefits shall be based on his or her Pensionable Salary at the date he or she went on Unpaid Maternity Leave, Unpaid Paternity Leave or Unpaid Adoption Leave.
- 5.3.2 If he or she pays Member's contributions in full under Rule 9 throughout the period of their Unpaid Maternity Leave, Unpaid Paternity Leave or Unpaid Adoption Leave, he or she shall accrue and be entitled to benefits under the Scheme on the same terms that would apply to him or her if he or she were not on Maternity Leave, Paternity Leave or Adoption Leave.
- 5.3.3 When Rule 5.3.2 does not apply, the Trustees and the Principal Employer may agree what contributions (if any) the Active Member should pay during the period of leave if they wish to be credited with benefits under the Scheme.

5.4 Pensionable Service during Maternity Leave, Paternity Leave or Adoption Leave

- 5.4.1 A Member's Pensionable Service shall continue to accrue, and the Employer shall continue to pay contributions under Rule 8, during any period of Qualifying Maternity Leave, Qualifying Paternity Leave or Qualifying Adoption Leave, but not during any period of Unpaid Maternity Leave, Unpaid Paternity Leave or Unpaid Adoption Leave unless the Member pays contributions in accordance with Rule 5.3.2 throughout that period, or the Trustees and the Principal Employer agree that the Member should be credited with benefits under Rule 5.3.3.
- 5.4.2 When:
- 5.4.2.1 a Member has a right to return to work at the end of Maternity Leave under the Maternity and Parental Leave Regulations Regulation 18, at the end of Paternity Leave under the Paternity and Adoption Leave Regulations Regulation 13, or at the end of Adoption Leave under the Paternity and Adoption Leave Regulations

Regulation 26, and does return to work in accordance with the relevant regulations;
and

- 5.4.2.2 the Member's Maternity Leave, Paternity Leave or Adoption Leave includes a period of Unpaid Maternity Leave, Unpaid Paternity Leave or Unpaid Adoption Leave,
- the Member's Pensionable Service before and after any period of Unpaid Maternity Leave, Unpaid Paternity Leave or Unpaid Adoption Leave which does not count as Pensionable Service shall be treated as continuous.

5.5 Members who do not return to work at end of Maternity Leave, Paternity Leave or Adoption Leave

If a Member does not return to work at the end of that Member's Maternity Leave, Paternity Leave or Adoption Leave, Rule 17 shall apply to that Member as from the date when his or her Pensionable Service ceases in accordance with Rule 5.4.

5.6 Parental Leave

Subject to the requirements of the Maternity and Parental Leave Regulations, an Active Member who commences Parental Leave shall during that leave be entitled to benefit under the Scheme as follows:

- 5.6.1 Any lump sum death benefits shall be based on his or her Pensionable Salary at the date he or she went on Parental Leave.
- 5.6.2 If he or she opts to pay Member's contributions in full throughout the Parental Leave, he or she shall continue to accrue benefits on the same terms that would apply to him or her if he or she had not been on Parental Leave.
- 5.6.3 When Rule 5.6.2 does not apply, the Trustees and the Principal Employer may agree what contributions (if any) the Member should pay during the period of leave if he or she wishes to be credited with benefits under the Scheme.
- 5.6.4 The Member's Pensionable Service shall not continue, nor shall the Employer continue to pay contributions under Rule 8, during any period of Parental Leave, unless the Employer pays the Member or the Member pays contributions in accordance with Rule 5.6.2 throughout that period, or the Trustees and the Principal Employer agree that the Member should be credited with benefits under Rule 5.6.3.
- 5.6.5 When the Member has a right to return to work at the end of Parental Leave under the Maternity and Parental Leave Regulations Regulation 18 and does return to work in accordance with those Regulations, the Member's Pensionable Service

before and after any period of Parental Leave which does not count as Pensionable Service shall be treated as continuous.

- 5.6.6 If a Member does not return to work at the end of his or her Parental Leave, Rule 17 shall apply to him or her as from the date when his or her Pensionable Service ceases in accordance with Rule 5.6.4.

6 TEMPORARY ABSENCE

6.1 Active Member during temporary absence

- 6.1.1 An Active Member who is temporarily absent from work shall, if his Employer has a definite expectation that he will return to work, remain an Active Member until the earliest of the following dates:
- 6.1.1.1 the Normal Retirement Date, or if the Member takes early retirement under either Rule 11.5.1.1 (pension on early retirement) or Rule 11.5.1.2 (pension on incapacity), the date of that retirement;
 - 6.1.1.2 the date of his death; or
 - 6.1.1.3 except when Rule 6.1.2 applies, the expiry of the period of 30 months beginning with the commencement of the temporary absence (subject to any extension under Rule 6.1.3).
- 6.1.2 This Rule 6.1.2 applies if the Active Member's absence is due to:
- 6.1.2.1 injury or illness; or
 - 6.1.2.2 service with the armed forces or secondment to a UK government department for work of national importance.
- 6.1.3 The Trustees may agree with the Active Member's Employer to extend the period referred to in Rule 6.1.1.3 to such longer period as they consider appropriate, provided this does not prejudice Registration.

6.2 Members' contributions

- 6.2.1 Subject to the consent of the Principal Employer, a Member may during a period of temporary absence pay Members' contributions in full under Rule 9 (either during or at the end of the temporary absence).
- 6.2.2 When Rule 6.2.1 does not apply, the Trustees and the Principal Employer may agree what contributions (if any) the Member should pay during or at the end of the

period of temporary absence if the Member wishes to be credited with benefits under the Scheme.

6.3 Maintenance of Pensionable Salary

If during a period of temporary absence under Rule 6.1 a Member's earnings are reduced or discontinued, his Pensionable Salary may, if his Employer decides, be deemed to be maintained at the level in force immediately before they were reduced or discontinued or be such amount as the Employer decides would have applied if the Member had not been absent.

6.4 Pensionable Service and temporary absence

6.4.1 A Member's Pensionable Service shall not continue, nor shall the Employer continue to pay contributions under Rule 8, during any period of temporary absence, unless:

6.5 the Member pays contributions in accordance with Rule 6.2.1 during or at the end of that period; or

6.6 the Trustees and the Principal Employer agree that the Member should be credited with benefits under Rule 6.2.2.

6.7 When Rule 6.4.1.2 applies, the Trustees and the Principal Employer may decide whether all or part of the period of temporary absence should count as Pensionable Service.

6.8 If a period of temporary absence counts as Pensionable Service, it shall be treated as continuous with the Member's Pensionable Service arising immediately on his return to work.

6.9 End of temporary absence

If a Member ceases to be an Active Member during temporary absence or does not return to work at the end of temporary absence, other than because of his death, his reaching the Normal Retirement Date or his taking early retirement under Rule 11.5.1.1 (pension on early retirement) or Rule 11.5.1.2 (pension on incapacity), Rule 17 shall apply to him.

7 OVERSEAS SERVICE

7.1 Service with an Employer outside the United Kingdom

Subject to Rule 7.3, a Member who is in service with an Employer outside the United Kingdom may continue as an Active Member.

7.2 Active Member in service with an overseas employer

Subject to Rule 7.3, a Member who is seconded to work outside the United Kingdom for an employer who is not resident in the United Kingdom may continue as an Active Member if either:

- 7.2.1 he has a definite expectation, evidenced in writing, that he will return to work in the United Kingdom with an Employer; or
- 7.2.2 he continues to be a relevant UK individual as defined in the Finance Act 2004 Section 189.

7.3 Work in another European Economic Area ('EEA') state

If the service in Rule 7.1, or the work in Rule 7.2, is carried out in an EEA state, the Active Member may only continue as an Active Member if he comes within the definition of a 'seconded worker' in the Occupational Pension Schemes (Cross-border Activities) Regulations 2005 Regulation 2(1).

7.4 Termination of overseas service

If a Member ceases to be an Active Member while on overseas service, Rule 17 shall apply to him.

PART III: CONTRIBUTIONS TO THE SCHEME

8 EMPLOYERS' CONTRIBUTIONS

Each Employer shall pay contributions to the Fund at the rates and at the dates set out in the schedule of payments prepared for the Scheme in accordance with the Pensions Act 1995 Section 87.

9 MEMBERS' CONTRIBUTIONS

- 9.1 Each Active Member may pay contributions to the Fund as agreed between the Trustees and the Principal Employer and notified to the Member from time to time.
- 9.2 An Active Member may elect, with the consent of the Trustees and the Principal Employer, to pay contributions in excess of those specified in Rule 9.1, provided that the Active Member's total pension input for any Tax Year (as defined in of the Finance Act 2004 Section 229) does not exceed his annual allowance for that year (as prescribed by the Finance Act 2004 Section 228).

9.3 If it appears to the Trustees that an Active Member's annual allowance has been or is likely to be exceeded in contravention of Rule 9.2, they may seek to prevent this by doing either or both of the following:

9.3.1 paying a refund of excess contributions lump sum to that Active Member in accordance with the Finance Act 2004 Section 166; or

9.3.2 reducing or waiving any future contributions which the Active Member would otherwise be required to make under Rule 9.1.

10 AVCs

10.1 Right of Active Members to pay AVCs

10.1.1 An Active Member may pay AVCs to the Fund to accrue benefits additional to those otherwise accruing for him under the Scheme, on the terms agreed between the Trustees and the Principal Employer, and notified to the Member in writing.

10.2 The AVCs shall be credited to the Member's Account and shall be accounted for separately by the Trustees.

10.3 Maximum and minimum AVCs

10.3.1 The maximum AVCs an Active Member may pay to the Fund in any Tax Year shall, together with Members' contributions (if any) under Rule 9, not exceed 100 % of his remuneration.

10.4 The Trustees may set a minimum amount of AVCs to be paid by an Active Member in a Tax Year.

10.5 Notices relating to AVCs

An Active Member shall give the Trustees 12 months' notice (or such shorter period as the Trustees may permit) of his intention to commence, vary or terminate payment of AVCs.

10.6 Payment of benefits secured by AVCs

The benefits secured for a Member in respect of his AVCs shall be secured on a money purchase basis and shall be:

10.7 of such value as is reasonable having regard to the amount of AVCs paid; and

10.8 payable at the same time as the benefits payable under the other Rules.

PART IV: PENSION BENEFITS

11 PENSION BENEFITS

11.1 Written statement of value of Member's Account on retirement

The Trustees shall in accordance with the Disclosure Regulations give a Member a written statement of the value of his Member's Account and the level of benefits it will secure if applied in any one or more of the ways specified in Rule 11.2.

11.2 Application of Member's Account on retirement

- 11.2.1 Rule 11.2.2 applies unless the relevant Member is retiring in the circumstances set out in either Rule 17.2 (Members who do not satisfy the 3 month Condition) or Rule 17.3 (Member with less than 2 years' Qualifying Service).
- 11.2.2 Subject to compliance with the Finance Act 2004 Part 4 Chapter 3 and to clause 30 of the Trust Deed, a Member may elect to have the value of his Member's Account at the Normal Retirement Date or other retirement date applied in one or more of the following ways:
 - 11.2.2.1 in providing a pension payable to the Member for life commencing on the Normal Retirement Date or other retirement date;
 - 11.2.2.2 in paying a lump sum (if any) to the Member under Rule 12;
 - 11.2.2.3 if the Member has exercised the option under Rule 13, on his death in providing a pension for life payable to one or more of his Dependants or Member Children.
- 11.2.3 If the Member is retiring in the circumstances set out in Rule 17.2 (Members who do not satisfy the 3 month Condition), that Member shall receive a contribution refund in accordance with that Rule.
- 11.2.4 Subject to compliance with the Finance Act 2004 Part 4 Chapter 3, if the Member is retiring in the circumstances set out in Rule 17.3 (Member with less than 2 years' Qualifying Service), that Member may elect either to take a cash transfer sum or a contribution refund in accordance with that Rule.

11.3 Retirement at Normal Retirement Date

A Member who intends to retire at the Normal Retirement Date may elect, in a written notice to the Trustees, to have the value of his Member's Account applied in one or more of the ways referred to in Rule 11.2 with effect from the Normal Retirement Date.

11.4 Retirement after Normal Retirement Date

A Member may with the consent of his Employer continue in service after the Normal Retirement Date, provided that he has given a written notice to the Trustees not later than one month before the Normal Retirement Date stating his desire to do so and electing to have the value of his Member's Account applied in one or more of the ways referred to in Rule 11.2 with effect from the intended date of his retirement.

11.5 Retirement before Normal Retirement Date

11.5.1 A Member may retire from service before the Normal Retirement Date:

11.5.1.1 at or after attaining his 55th birthday for any reason with the consent of his Employer; or

11.5.1.2 at any time on account of Incapacity, provided he has supplied Appropriate Medical Evidence of the fact.

11.5.2 A Member who wishes to retire in accordance with Rule 11.5.1 must elect, in a written notice to the Trustees, to have his Member's Account applied in one or more of the ways referred to in Rule 11.2 with effect from the intended date of his retirement.

11.5.3 When the Trustees have received Appropriate Medical Evidence that a Member has ceased to carry on his occupation because of Incapacity, and that, because of the Incapacity, the Member is also unable to make an election in accordance with Rule 11.5.2, they may treat the Member as having retired and make a decision to apply the Member's Account in one or more of the ways referred to in Rule 11.2.

11.5.4 For the purposes of this Rule 11.5, 'Appropriate Medical Evidence' means evidence from a registered medical practitioner within the Finance Act 2004 Schedule 28 Paragraph 1.

12 COMMUTATION OF PENSIONS

12.1 Pension commencement lump sum

A Member may, at any time but not later than one month before his pension comes into payment, in a written notice to the Trustees, elect to commute part of his pension for a lump sum payable out of his Members' Account not later than the date his pension comes into payment, subject to the following conditions:

12.1.1 The lump sum shall not, without the consent of the Trustees, exceed 25% of the Member's total pension rights or any other relevant permitted maximum under the Finance Act 2004.

12.1.2 All the other conditions set out in the Finance Act 2004 Schedule 29 Paragraphs 1–3 must be satisfied.

12.2 Trivial commutation lump sum

The Trustees may commute all of a Member's Account (including any AVCs) for a trivial commutation lump sum, subject to the following conditions:

12.2.1 On the nominated date (as defined in the Finance Act 2004 Schedule 29 Paragraph 7), the value of the Member's pension rights (as defined in that Paragraph) must not exceed £18,000.

12.2.2 All the other conditions set out in the Finance Act 2004 Schedule 29 Paragraphs 7–9A must be satisfied.

12.3 Serious ill-health lump sum

If the Trustees are satisfied on medical evidence that a Member is in exceptional circumstances of serious ill health so that his expectation of life is less than one year, and the Member consents (unless he is unable to consent due to the nature of his serious ill health) and all the other conditions set out in the Finance Act 2004 Schedule 29 Paragraph 4 are satisfied, the Trustees may commute all of his Member's Account (including any AVCs) for a lump sum.

13 PARTNER'S, CHILDREN'S AND DEPENDANT'S PENSION OPTION

13.1 Application of Member's Account to purchase pension for Dependants or Member Children

Subject to Rule 13.2 and the consent of the Trustees, a Member may exercise the option to have part of his Member's Account applied under Rule 11.2.3 in providing a pension for life payable to one or more of his Partner, Member Children or Dependants.

13.2 Conditions for application of Member's Account

The exercise of the option under Rule 13.1 must satisfy the following conditions:

13.2.1 The Member must give the Trustees at least 2 months' written notice before the earlier of the Normal Retirement Date or actual retirement (unless the Trustees

agree to vary the time for giving such notice) of his wish to apply a part of his Member's Account for the benefit of his Partner, Dependants or Member Children, and naming the Partner, Member Child or Dependant for whose benefit the option is being exercised.

- 13.2.2 The application of part of the Member's Account may only be made for the benefit of any one or more of the Member's Partner, Member Children or Member's Dependants as are living at the date on which the application is made.
- 13.2.3 The total amount of the pensions payable to Partner, Member Children and Dependants under this Rule 13 must not exceed the amount of the pension payable to the Member.

13.3 Revocation of option

The exercise of an option under Rule 13.1 shall be revoked before the Member's pension comes into payment in the following circumstances, unless the Trustees have already purchased a pension for the relevant Partner, Member Children or Dependants in accordance with the previous exercise of the option:

- 13.3.1 if the Member gives written notice to the Trustees and to the Partner, Member Child or Dependant for whose benefit the option was exercised that it is revoked;
- 13.3.2 if the Member dies before his pension comes into payment;
- 13.3.3 if a Partner, Member Child or Dependant for whose benefit the option was exercised dies before the Member's pension comes into payment, to the extent only that the exercise of the option is for the benefit of that Partner, Member Child or Dependant; or
- 13.3.4 to the extent only that the exercise of the option is for the benefit of the Member's Partner, if:
- 13.3.5 the Member's marriage to the Partner terminates by divorce or annulment;
- 13.3.6 the Member and the Partner are judicially separated; or
- 13.3.7 if the Member and the Partner are in civil partnership, that civil partnership is dissolved;

and from the date the exercise of the option is revoked, the pension payable to or in respect of the Member will be as if the option had not been exercised.

PART V: DEATH BENEFITS

14 LUMP SUM BENEFITS ON DEATH OF MEMBER

14.1 Active Members

Subject to Rule 14.5, if an Active Member dies before the Normal Retirement Date, the Trustees shall, in accordance with Rule 15, pay a lump sum death benefit in respect of him equal to:

- 14.1.1 that part of his Member's Account which represents his contributions (if any) paid under Rule 9 together with the income on them; and
- 14.1.2 the contributions (if any) paid by him and included in a transfer of assets under clause 25 of the Trust Deed; and
- 14.1.3 the AVCs (if any) paid by him under Rule 10 (unless otherwise agreed by the Trustees and the Member).

14.2 Members in service with Employers on or after Normal Retirement Date

Subject to Rule 14.5, if a Member dies in service with an Employer on or after the Normal Retirement Date and before his pension has started to be paid under the Scheme, the Trustees shall, in accordance with Rule 15, pay a lump sum death benefit in respect of him equal to the lump sum (if any) payable under Rule 14.1.

14.3 Early leavers

Subject to Rule 14.5, if a Member who is entitled to a pension under Rule 17.4 dies before the Normal Retirement Date and before his pension has started to be paid, the Trustees shall, in accordance with Rule 15, pay a lump sum death benefit in respect of him equal to:

- 14.3.1 that part of his Member's Account which represents his contributions (if any) paid under Rule 9 together with the income on them; and
- 14.3.2 the contributions (if any) paid by him and included in a transfer of assets under clause 25 of the Trust Deed; and
- 14.3.3 the AVCs (if any) paid by him under Rule 10 (unless otherwise agreed by the Trustees and the Member).

14.4 Retired Members

Subject to Rule 14.5, if a Member dies within 5 years of his pension commencing under the Scheme, the Trustees shall, in accordance with Rule 15, pay a lump sum death benefit in respect of him equal to the balance of the monthly instalments that would have been paid to

him between the date of his death and the fifth anniversary of his pension's commencing if he had survived until then.

14.5 Compliance with the Finance Act 2004

The Trustees may only pay a lump sum death benefit under this Rule 14 if:

- 14.5.1 the payment is authorised under the Finance Act 2004 Section 164;
- 14.5.2 the payment constitutes an uncrystallised funds lump sum death benefit within the meaning of the Finance Act 2004 Schedule 29 Paragraph 15; and
- 14.5.3 all the conditions contained in the Finance Act 2004 Schedule 29 Paragraph 15 are satisfied.

15 APPLICATION OF LUMP SUM DEATH BENEFITS

15.1 Named Class

'Named Class' in this Rule 15 means:

- 15.1.1 any Partner or former Partner of the Member;
- 15.1.2 any child, brother or sister of the Member or of his Partner or former Partner;
- 15.1.3 any parent, ancestor, descendant or collateral relative of the Member or of his Partner or former Partner;
- 15.1.4 any person who in the opinion of the Trustees was wholly or partly dependent on the earnings of the Member or towards whose maintenance and support the Member contributed before his death;
- 15.1.5 any person or charity named in a nomination signed by the Member and deposited with the Trustees before his death or named as a beneficiary under any will made by the Member (whether or not it has been proved); and
- 15.1.6 the Partner or issue or parent of any person referred to in Rules 15.1.1–15.1.5.

15.2 Lump sum discretionary trusts

A lump sum death benefit under the Scheme shall be payable at the discretion of the Trustees to one or more of the persons in the Named Class living at the Member's death in such shares as the Trustees may decide.

15.3 Trustees' powers under discretionary trusts

- 15.3.1 The Trustees may declare separate trusts of a lump sum death benefit for any person in the Named Class and may appoint themselves or separate trustees of the trusts, on such terms as they think fit.
- 15.3.2 The Trustees may deduct the expenses of establishing separate trusts from a lump sum death benefit to be held on such trusts.

15.4 Non-exercise of powers

- 15.4.1 If or to the extent that the Trustees have not exercised the power in Rule 15.2 within 2 years after the date of the Member's death, and after making proper enquiries the Trustees decide that there are no persons in the Named Class to be found, the Trustees will hold the benefit of all or any part of the lump sum which has not been paid under Rule 15.2 on trust to pay to the persons who would be entitled to benefit on Member dying intestate.
- 15.4.2 The Trust in favour of such Beneficiaries shall be deemed to be constituted and administered separately from the Trusts of the Scheme, and the Trustees may deduct expenses of establishing separate Trusts from a lump sum death benefit to be held on such Trusts.

16 SURVIVOR'S, CHILDREN'S AND DEPENDANTS' PENSIONS

16.1 Death of Active Member before Normal Retirement Date

Subject to Rule 16.5, if an Active Member dies before the Normal Retirement Date and is survived by a Partner, Member Children or Dependants, the Trustees may apply as much of the lump sum death benefit payable under Rule 14.1 as they consider appropriate in providing pensions for any one or more of his Survivor, Member Children or Dependants on such terms as the Trustees may decide.

16.2 Death in service with an Employer on or after Normal Retirement Date

Subject to Rule 16.5, if a Member dies in service with an Employer on or after the Normal Retirement Date but before being in receipt of a pension under the Scheme and is survived by a Partner, Member Children or Dependants, the Trustees may apply as much of the lump sum death benefit payable under Rule 14.2 as they consider appropriate in providing pensions for any one or more of his Survivor, Member Children or Dependants on such terms as the Trustees may decide.

16.3 Death of a Member who has left service with Employer

Subject to Rule 16.5, if a Member who has left service with an Employer with an entitlement to a pension under Rule 17.4 dies before being in receipt of a pension under the Scheme and is survived by a Partner, Member Children or Dependants, the Trustees may apply as much of the lump sum death benefit payable under Rule 14.3 as they consider appropriate in providing pensions for any one or more of his Survivor, Member Children or Dependants on such terms as the Trustees may decide.

16.4 Payment of Survivor's, Member Children's and Dependants' pensions

The payment of a Survivor's, Member Child's or Dependant's pension under this Rule 16 is subject to the following conditions:

- 16.4.1 The pension shall be payable in accordance with Rule 21.
- 16.4.2 The first instalment shall be paid on the first day of the month following the date of the Member's death, and the last instalment shall be:
- 16.4.3 in the case of a Survivor's or Dependant's pension, that paid on the first day of the month preceding the date of the Survivor's or Dependant's death; and
- 16.4.4 in the case of a Member Child's pension, that falling due on the first day of the month preceding the date on which the Member Child ceases to satisfy the definition of 'Member Child', or the death of that Member Child if earlier.

16.5 Compliance with the Finance Act 2004

The Trustees may only pay a payment under this Rule 16 if:

- 16.5.1 the payment is authorised under the Finance Act 2004 Section 164;
- 16.5.2 the payment constitutes a dependants' scheme pension within the meaning of the Finance Act 2004 Schedule 28 Paragraph 16; and
- 16.5.3 all the relevant conditions contained in the Finance Act 2004 Schedule 28 Paragraph 16 are satisfied.

PART VI: EARLY LEAVER BENEFITS

17 LEAVING PENSIONABLE SERVICE

17.1 Interpretation

In this Rule 17:

17.1.1 '2 Years' Qualifying Service' means 2 years (whether a single period of that duration or two or more periods, continuous or discontinuous, totalling 2 years) in which the Member was at all times employed:

17.1.1.1 in pensionable service (as defined in of the Pension Schemes Act 1993 Section 70(2)) under the Scheme;

17.1.1.2 in service in employment which was contracted out by reference to the Scheme; or

17.1.1.3 in linked qualifying service (as defined in the Pension Schemes Act 1993 Section 179) under another occupational pension scheme to which the Pension Schemes Act 1993 Part IV Chapter I applies;

17.1.2 'the 3 month Condition' is satisfied if the total of the following periods amounts to at least 3 months:

17.1.2.1 the period of the Member's pensionable service (as defined in the Pension Schemes Act 1993 Section 70(2)) under the Scheme;

17.1.2.2 any previous period of the Member's pensionable service (as so defined) under the Scheme;

17.1.2.3 any period throughout which the Member was employed in linked qualifying service (as defined in the Pension Schemes Act 1993 Section 179) under another occupational pension scheme to which the Pension Schemes Act 1993 Part IV Chapter I applies.

17.2 Members who do not satisfy the 3 month Condition

If a Member's Pensionable Service ends before Normal Retirement Date (other than by reason of death) and on that date the 3 month Condition is not satisfied, the Trustees shall refund to him that part of his Member's Account which represents his Member's contributions paid under Rule 9 and any AVCs paid under Rule 10, together with the income on them and his contributions included in any transfer to the Fund under clause 25 of the Trust Deed.

17.3 Member with less than 2 years' Qualifying Service

17.3.1 This Rule 17.3 applies when a Member's Pensionable Service ends before Normal Retirement Date (other than by reason of death) and on that date:

17.3.1.1 he has not completed 2 years' Qualifying Service;

17.3.1.2 the 3 month Condition is satisfied; but

17.3.1.3 the Member does not have 'relevant accrued rights to benefit under the scheme' (as defined in the Pension Schemes Act 1993 Section 101AA).

17.3.2 The Member will not be entitled to a preserved pension from the Fund, but the Trustees must within 3 months of that date provide the Member with written notice of his statutory rights to take a cash transfer sum or a contribution refund.

17.3.3 The notice referred to in Rule 17.3.2 must contain:

17.3.3.1 adequate information to explain the nature of the Member's right to a cash transfer sum or a contribution refund under the Pension Schemes Act 1993 Sections 101AA–101AI, the amount of both the cash transfer sum and contribution refund, and that the Member may exercise the right by notifying his chosen option to the Trustees in writing;

17.3.3.2 such other information as may be prescribed; and

17.3.3.3 details of the last date on which a Member may reply to the notice (being not earlier than 3 months from the date the Member receives the notice) ('the Reply Date').

17.3.4 If the Member notifies his chosen option to the Trustees in writing on or before the Reply Date, the Trustees must do what is necessary to carry out the Member's wishes without unjustifiable delay, and in any event within 3 months of the Member making his election:

17.3.4.1 if the Member chooses to take a cash transfer sum, his notification must specify whether it is to be used to acquire benefits or rights under another occupational or personal pension scheme, to purchase an annuity, or in another way permitted by the Pension Schemes Act 1993 Section 101AE;

17.3.4.2 if the Member chooses to take a contributions refund, he may require the Trustees to pay it directly to him, or to someone else at his direction.

17.3.5 If the Member fails to notify his chosen option to the Trustees in writing on or before the Reply Date (or within that period as extended by the Trustees at the Member's request), the Trustees may, within a reasonable period from the Reply Date or from the end of any further period allowed by them, pay to the Member a contribution refund.

17.3.6 When the Member receives a contribution refund under Rule 17.3.1, Rule 17.3.4 or Rule 17.3.5, the Trustees shall deduct any tax for which they are accountable.

17.3.7 The Member (and any Beneficiary claiming through him) shall have no further claim against the Scheme after the refund or cash transfer sum is paid to him.

17.4 Deferred pension for Member with 2 years' Qualifying Service or relevant accrued rights to benefit under the scheme

17.4.1 This Rule 17.4 applies when:

17.4.1.1 a Member's Pensionable Service ends before Normal Retirement Date (other than by reason of death);

17.4.1.2 the Member has completed at least 2 years' Qualifying Service or has 'relevant accrued rights to benefit under the scheme' (as defined in the Pension Schemes Act 1993 Section 101AA); and

17.4.1.3 the Member has not elected to receive his pension before Normal Retirement Date in accordance with Rule 11.5.

17.4.2 Unless the Member gives notice to the Trustees under Rule 18 (cash equivalent), he will be entitled to a preserved pension in accordance with the Pension Schemes Act 1993 Section 73(1), in which case on retirement in accordance with Rule 17.4.3, his Member's Account shall be applied in securing a pension or other benefit in any one or more of the ways as specified in Rule 11.2.2.

17.4.3 The Member retires in accordance with this Rule 17.4.3 if he retires:

17.4.3.1 on or after the Normal Retirement Date;

17.4.3.2 at or after attaining his 55th birthday but before the Normal Retirement Date for any reason; or

17.4.3.3 at any time before the Normal Retirement Date on account of Incapacity, provided the Trustees have received Appropriate Medical Evidence of the fact.

17.4.4 For the purposes of Rule 17.4.3, 'Appropriate Medical Evidence' means evidence from a registered medical practitioner within the Finance Act 2004 Schedule 28 Paragraph 1.

18 CASH EQUIVALENT

18.1 Right to a cash equivalent

- 18.1.1 This Rule 18 applies to a Member whose Pensionable Service has terminated at least one year before Normal Retirement Date and who is entitled to a pension under Rule 17.4.
- 18.1.2 The Member may give the Trustees notice in writing to exercise the right under the Pension Schemes Act 1993 Section 94 to take the cash equivalent of his accrued rights under the Scheme in one or more of the ways specified in the Pension Schemes Act 1993 Section 95 as set out in Rule 18.2.
- 18.1.3 On receipt of the notice referred to in Rule 18.1.2, the Trustees shall apply the cash equivalent in accordance with their duties under the Pension Schemes Act 1993.

18.2 Ways of taking a cash equivalent

The ways of taking a cash equivalent for the purposes of Rule 18.1 are as follows:

- 18.2.1 acquiring transfer credits allowed under the rules of another occupational pension scheme:
 - 18.2.1.1 the trustees or managers of which are able and willing to accept payment in respect of the Member's accrued rights; and
 - 18.2.1.2 which satisfies the requirements prescribed by the Transfer Value Regulations Regulation 12(1);
- 18.2.2 acquiring rights allowed under the rules of a personal pension scheme:
 - 18.2.2.1 the trustees or managers of which are able and willing to accept payment in respect of the Member's accrued rights; and
 - 18.2.2.2 which satisfies the requirements prescribed by the Transfer Value Regulations Regulation 12(1);
- 18.2.3 purchasing from one or more Insurers, chosen by the Member and willing to accept payment on account of the Member from the Trustees or managers, one or more annuities which satisfy the requirements prescribed by the Transfer Value Regulations Regulation 12(2);
- 18.2.4 if the Member has required the Trustees to use the cash equivalent for subscribing to a pension arrangement which is an overseas arrangement, subscribing to such

an arrangement which satisfies the requirements prescribed by the Transfer Value Regulations Regulation 12(5).

PART VII: REVALUATION AND PENSION INCREASES

19 REVALUATION OF DEFERRED PENSIONS

19.1 Increases to deferred pensions

If a Member is entitled to a pension under Rule 17.4, and the period from the day after the date on which he left service with an Employer to the Normal Retirement Date (excluding any day which is 29 February) exceeds 364 days, his pension or other benefit shall be revalued in accordance with the Pension Schemes Act 1993 Part IV Chapter II and Schedule 3.

19.2 Increases to Dependants' and Member Children's deferred pensions

If the conditions in Rule 19.1 are satisfied and the Member dies after the Normal Retirement Date, any pension or other benefit payable on the death of the Member to his Dependants and Member Children shall be revalued in accordance with the Pension Schemes Act 1993 Part IV Chapter II and Schedule 3.

PART VII: GENERAL PROVISIONS

20 PURCHASE OF ANNUITY CONTRACTS

20.1 Trustees' power to purchase annuity contracts and insurance policies

The Trustees may, instead of providing a pension or benefit under the Scheme which is or may become payable to a Member or Beneficiary:

- 20.1.1 purchase in the name of the Member or Beneficiary or in the name of a trustee for the benefit of the Member or Beneficiary; or
- 20.1.2 assign to the Member or Beneficiary or to a trustee for the benefit of the Member or Beneficiary,

an annuity contract or insurance policy purchased from an Insurer to provide benefits in place of the pension or benefit payable under the Scheme.

20.2 Terms of annuity contract or insurance policy

- 20.2.1 The Trustees may only purchase an annuity contract or insurance policy under this Rule 20 with the written consent of the Member or Beneficiary, unless his consent is

not required under the Occupational Pension Schemes (Preservation of Benefit) Regulations 1991 Regulation 9.

- 20.2.2 An annuity contract or insurance policy under this Rule 20 must satisfy the preservation requirements in the Pension Schemes Act 1993 Part IV Chapter I and the requirements of the HM Revenue and Customs.

20.3 Trustees' duty on purchasing annuity contracts or insurance policies

If a Member ceases to be an Employee before the Normal Retirement Date and an annuity contract is purchased under this Rule 20 other than by the exercise by the Member of the right to a cash equivalent under Rule 18, the Trustees shall ensure to their reasonable satisfaction that the amount so applied is equal to the value of the benefits accrued to or in respect of the Member under the Rules at the date on which the annuity contract is effected.

20.4 Discharge of liability to the Scheme

An annuity contract or insurance policy purchased under this Rule 20 shall discharge the Trustees from all liability in respect of the pensions or benefits secured by it to the extent that they do not have a statutory discharge under the Pension Schemes Act 1993 Section 81.

21 PAYMENT OF PENSIONS AND BENEFITS

21.1 Timing of payments

Pensions payable from the Fund shall (unless the Trustees otherwise determine) be paid in equal monthly instalments in advance, and all other benefits payable from the Fund shall be paid by the Trustees as soon as practicable after entitlement has arisen.

21.2 Production of evidence and information on payment

Payment of any pension or benefit from the Fund shall be conditional on the production of any evidence and information as the Trustees may reasonably require.

21.3 Overpayments

If a Member or Beneficiary is paid an amount in excess of his entitlement, the Trustees may recover the overpayment by way of a set-off against pensions or other benefits prospectively payable to that Member or Beneficiary subject to the following conditions:

- 21.3.1 the amount of the set-off must not exceed the amount of the overpayment;
- 21.3.2 the Member or Beneficiary must be given a certificate showing the amount of the set-off and its effect on his benefits under the Scheme; and

- 21.3.3 where there is a dispute as to its amount, the set-off must not be exercised unless the obligation in question has become enforceable under an order of a competent court or in consequence of an award of an arbitrator.

21.4 Suspension of payments

- 21.4.1 The Trustees may suspend payment of pensions or other benefits to a Member or Beneficiary if:
- 21.4.1.1 in their opinion that Member or Beneficiary is unable to act by reason of mental disorder; or
- 21.4.1.2 that Member or Beneficiary is in prison or detained in legal custody.
- 21.4.2 When the Trustees suspend payment in accordance with Rule 21.4.1.1, they may pay to an appropriate person such part of the pensions or other benefits which have been withheld as they consider necessary for the maintenance of the relevant Member or Beneficiary.
- 21.4.3 If and when the suspension is lifted, the instalments of pensions or other benefits which have been withheld and have accrued during the suspension and which have not been paid to another person in accordance with Rule 21.4.2 shall be paid to the Member or Beneficiary as soon as is practicable.

21.5 Tax liability on payments

If the Trustees are liable to account for tax or duty on a sum payable from the Fund, they may deduct from that sum an amount equal to their liability.

22 MEMBER'S OR BENEFICIARY'S DEBTS TO AN EMPLOYER OR THE SCHEME

22.1 Trustees' charge or right of set-off

Subject to Rule 22.2, if a debt is due to an Employer or to the Scheme because of a criminal, fraudulent or negligent act or omission by a Member or Beneficiary, then in accordance with the Pensions Act 1995 Section 91(5)(d) or (e) and Section 91(6), the Trustees shall at the request of that Employer, or in the case of a debt due to the Scheme, on the passing of an appropriate resolution of the Trustees, impose a charge on or exercise a right of set-off against the accrued rights of that Member to satisfy the debt in whole or in part.

22.2 Conditions for charge or right of set-off

When the Trustees exercise any of the powers set out in Rule 22.1:

- 22.2.1 the amount of the charge or set-off must not exceed the amount of the monetary obligation in question, or (if less) the value (determined in the prescribed manner) of the person in question's entitlement or accrued right;
- 22.2.2 the Member or Beneficiary must be given a certificate showing the amount of the charge or set-off and its effect on his benefits under the Scheme; and
- 22.2.3 if there is a dispute as to its amount, the charge or set-off must not be exercised unless the obligation in question has become enforceable under an order of a competent court or in consequence of an award of an arbitrator.

23 ASSIGNMENT AND FORFEITURE

23.1 Assignment void

Except as provided by the Pensions Act 1995 Section 91 or by Rule 23.3, a Member's Account or any pension or benefit payable under the Scheme is not assignable, and it shall cease to be payable if the Member or Beneficiary to whom it is payable:

- 23.1.1 attempts to alienate, charge or anticipate all or any part of it; or
- 23.1.2 does or suffers any act or thing whereby (whether by operation of law or otherwise) it would be or become payable either in whole or in part to another person.

23.2 Discretionary trust where purported assignment

- 23.2.1 Subject to Rule 23.2.2, when the Member's Account or a pension or other benefit provided from or to be provided from the Member's Account ceases to be payable under Rule 23.1, the Trustees may in cases of hardship apply all or any part of it for the support and maintenance of all or any of the following:
 - 23.2.1.1 the Member or Beneficiary to whom it was payable;
 - 23.2.1.2 the Member's or Beneficiary's Partner, Survivor, children or remoter issue;
 - 23.2.1.3 any of the Member's or Beneficiary's Dependants.
- 23.2.2 No payment shall be made under Rule 23.2.1 to a purported assignee.

23.3 Assignment in relation to the implementation of a Pension Sharing Order

Nothing in the Trust Deed or any other Schedule to it shall prevent the following assignments to the extent necessary to comply with a Pension Sharing Order:

- 23.3.1 the assignment of part or all of a Member's benefits under the Scheme to his or her Ex-Partner; or
- 23.3.2 the assignment of part or all of an Ex-Partner Member's benefits under the Scheme to his or her Ex-Partner Dependant or Ex-Partner Children.

23.4 Forfeiture

The Trustees may forfeit the whole or part of a Member's Account, or pension or other benefit provided from or to be provided from the Member's Account, in accordance with the Pensions Act 1995 Section 92 if:

- 23.4.1 they are reasonably satisfied that they are unable to trace or identify a Member or Beneficiary within 6 years from the date on which he became so entitled; or
- 23.4.2 the Member or Beneficiary has been convicted of an offence in respect of which forfeiture is permitted under the Pensions Act 1995 Section 92(4).

24 IMPLEMENTATION OF PENSION SHARING ORDERS

24.1 Definitions used in Rules 24–26

In Rules 24–26:

- 24.1.1 'the Pension Sharing Regulations' means the Pension Sharing (Implementation and Discharge of Liability) Regulations 2000;
- 24.1.2 'Qualifying Arrangement' means a qualifying arrangement in accordance with the Welfare Reform and Pensions Act 1999 Schedule 5, and 'Qualifying Arrangements' should be interpreted accordingly.

24.2 Trustees' options

- 24.2.1 Subject to Rule 25 and Rule 26, the Trustees may implement a Pension Sharing Order by:

- 24.2.1.1 transferring the Ex-Partner's Pension Credit to a Qualifying Arrangement or Qualifying Arrangements; or

24.2.1.2 granting the Ex-Partner Pension Credit Benefits under the Scheme;
or

24.2.1.3 aggregating the Pension Credit with any other benefits of the Ex-Partner's under the Fund in such manner as the Trustees may from time to time decide; and

the Trustee shall have a discretion as to which the above methods of implementation shall be used for any individual Pension Sharing Order.

24.2.2 On implementation of the Pension Sharing Order in accordance with Rule 24.2.1, the Relevant Member's Member's Account or pension benefits (as the case may be) shall be reduced by the value of the Ex-Partner's Pension Credit.

24.3 Death of Ex-Partner before implementation

If the Ex-Partner dies before the Trustees have implemented the Pension Sharing Order, the Trustees shall, provided that any requirements of HM Revenue and Customs under the Finance Act 2004 Part 4 are satisfied :

24.3.1 pay a lump sum in accordance with Rule 12.1 of 25% of the value of the Pension Credit; and

24.3.2 use the remainder of the value of the Pension Credit after payment of the lump sum under Rule 24.3.1 to provide pensions for the Ex-Partner Dependant and the Ex-Partner Children as the Trustees consider appropriate; and

24.3.3 retain in the Scheme the remainder of the value of the Pension Credit (if any) after payment of the lump sum under Rule 24.3.1 and any pensions under Rule 24.3.2.

25 IMPLEMENTATION OF A PENSION SHARING ORDER BY TRANSFER

25.1 Types of scheme or arrangement

Where the Trustees decide to implement a Pension Sharing Order by transferring to a Qualifying Arrangement or Qualifying Arrangements under Rule 24.2.1, they may, subject to Rule 25.2, transfer the Ex-Partner's Pension Credit to:

25.1.1 a Registered Occupational Pension Scheme of which the Ex-Partner is a member or is entitled to rights under or in respect of an earlier Pension Credit; or

25.1.2 a Registered Personal Pension Scheme; or

25.1.3 an insurance policy or annuity contract that constitutes an appropriate arrangement in accordance with the Welfare Reform and Pensions Act 1999 Schedule 5 Paragraph 6; or

25.1.4 an overseas arrangement.

25.2 Other conditions for transfer

The Qualifying Arrangement referred to in Rule 25.1 must not be disqualified by the Welfare Reform and Pensions Act 1999 Schedule 5 Paragraph 7, and the following conditions must be satisfied:

25.2.1 the person responsible for the Qualifying Arrangement must be able and willing to accept that Pension Credit; and

25.2.2 the person entitled to the Pension Credit consents or that consent is not needed under the Pension Sharing Regulations Regulation 7.

25.3 Information requirements

On making a transfer under Rule 25.1, the Trustees shall inform the trustees or managers of the Qualifying Arrangement to which the transfer is made that the whole of the transfer relates to the Pension Credit Rights of an Ex-Partner.

26 IMPLEMENTATION OF A PENSION SHARING ORDER BY GRANTING BENEFITS UNDER THE SCHEME

26.1 Conditions for granting benefits under the Scheme

26.1.1 Subject to Rule 26.1.2, the Trustees may implement a Pension Sharing Order by conferring appropriate benefits under the Scheme for and in respect of the Ex-Partner and, subject to Rules 26.2–26.3, for the benefit of an Ex-Partner Dependant and Ex-Partner Children.

26.1.2 The Trustees may only implement a Pension Sharing Order in accordance with Rule 26.1.1 if the Ex-Partner consents, or if that consent is not needed under the Pension Sharing Regulations Regulation 7.

26.1.3 Any benefits under Rule 26.1.1 shall be treated separately from any other rights that the Ex-Partner Member may have as a Member under the Scheme.

26.2 Benefits of an Ex-Partner Member under the Scheme

- 26.2.1 Unless an Ex-Partner Member has already become entitled to a pension under Rule 26.2.2, on reaching age 65 (or age 60 if the Relevant Member is a senior executive Member) the Ex-Partner Member will be entitled to a pension for life as notified to the Ex-Partner Member.
- 26.2.2 At the request of the Ex-Partner Member and with the consent of the Trustees:
- 26.2.2.1 at any time after the age of 55 years; or
- 26.2.2.2 at an earlier age if the Ex-Partner Member is a Member retiring from service on grounds of Incapacity and starting to receive a pension attributable to Pensionable Service under the Fund,
- the Ex-Partner Member shall be entitled to an immediate pension for life calculated as in Rule 26.2.1 but reduced by such amount as the Trustees may decide is reasonable having regard to the period between the date on which the pension comes into payment and the date it would otherwise have come into payment under Rule 26.2.1.
- 26.2.3 Subject to Rule 26.2.4, an Ex-Partner Member may at any time, but not later than one month after his or her pension commences, give the Trustees written notice to commute part of his or her pension for a lump sum to be paid to him or her at a date not later than the date his or her pension comes into payment, subject to the following conditions:
- 26.2.3.1 The lump sum must be authorised as a pension commencement lump sum, a serious ill-health lump sum, a trivial commutation lump sum or a winding-up lump sum under the Finance Act 2004 Section 166(1).
- 26.2.3.2 All the other relevant conditions set out in the Finance Act 2004 Schedule 29 must be satisfied.
- 26.2.3.3 The amount of the commuted pension shall be such amount as is decided by the Trustees to be reasonable.
- 26.2.4 The option set out in Rule 26.2.3 shall not be available if before the effective date of the Pension Sharing Order, the Member to whom the Ex-Partner Member was married or with whom he or she had been in civil partnership had already become entitled to payment of a pension under the arrangement to which the Pension Sharing Order relates.
- 26.2.5 On the death of an Ex-Partner Member in receipt of a pension within 5 years of the pension having commenced, there shall be paid in accordance with the Finance Act 2004 Section 164, Sections 167–168 and Schedule 29 Part 2 a cash payment equal to the lump sum of the instalments of the pension which would have been paid during the remainder of the life of the Ex-Partner Member if he or

she had lived until the expiration of the said period of 5 years, but without taking into account any increase which would have come into force after the date of death.

26.3 Benefits for Ex-Partner Dependants and Ex-Partner Children

The Trustees may make provision for the payment of a pension to any Ex-Partner Dependant or Ex-Partner Children to be paid following the death of the Ex-Partner Member, in which case that provision shall be paid out of the Pension Credit Benefits of the Ex-Partner Member and shall be notified to the Ex-Partner Member.

SCHEDULE 2

Taxable Property in which the Trustees are not permitted to invest

1 Definitions

- 1.1 In this Schedule 2, the following expressions have the following meanings:
- 1.2 'Building' includes a structure and part of a building or structure;
- 1.3 Unless paragraph 2 provides otherwise, 'Residential Property' means:
 - 1.3.1 a Building that is used or suitable for use as a dwelling;
 - 1.3.2 any land consisting or forming part of the garden or grounds of such a Building (including a Building on any such land), which is used or intended for use for a purpose connected with the enjoyment of the Building;
 - 1.3.3 a hotel or similar accommodation (but see the Finance Act 2004 Schedule 29A paragraph 14(2)); or
 - 1.3.4 a beach hut;
- in the United Kingdom or elsewhere.
- 1.4 For the purpose of this Schedule 2, a person is treated as connected with another person in the circumstances set out in the Corporation Tax Act 2010 Section 1122.
- 1.5 For the purpose of this Schedule 2, property is 'Taxable Property' if it is:
- 1.6 Residential Property that is not excluded by:

- 1.6.1 paragraph 3 below; or
- 1.6.2 any regulations made under the Finance Act 2004 Schedule 29A Paragraph 9;
 - 1.3.2 tangible moveable property that is not excluded by the Investment-regulated Pension Schemes (Exception of Tangible Moveable Property) Order 2006 or any other secondary legislation made under the Finance Act 2004 Schedule 29A Paragraph 11.
 - 1.3.3 any other property which may from time to time be designated as Taxable Property for the purposes of the Finance Act 2004 Schedule 29A.

2 Buildings that are not Residential Property

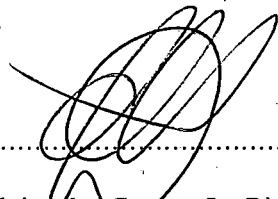
- 2.1 For the purposes of this Schedule 2, a Building is not Residential Property if it is used for any of the following purposes:
 - 2.2 a home or other institution providing residential accommodation for children;
 - 2.3 a hall of residence for students;
 - 2.4 a home or other institution providing residential accommodation with personal care for persons in need of personal care by reason of old age, disability, past or present dependence on alcohol or drugs, or past or present mental disorder;
 - 2.5 a hospital or hospice; or
 - 2.6 a prison or similar establishment.
- 2.7 For the purposes of this Schedule 2, no account is to be taken of the suitability of a Building for use as a dwelling, when:
 - 2.8 it is used for a purpose specified in paragraph 2.1;
 - 2.9 it is not in use, but was, immediately before it ceased to be in use, used for a purpose specified in paragraph 2.1; or
 - 2.10 it has never been in use, but is more suitable for use, for a purpose specified in paragraph 2.1 than for any other purpose.

3 Residential Property which is not Taxable Property

- 3.1 Residential Property is not Taxable Property if either of the conditions set out in paragraph 3.2 or paragraph 3.3 is satisfied.

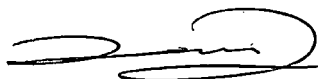
- 3.2 This condition is satisfied if the property:
- 3.3 is occupied by an Employee who is:
- 3.3.1 neither a Member of the Scheme nor connected with such a Member;
- 3.3.2 not connected with the Principal Employer or a Participating Employer; and
- 3.3.3 required as a condition of employment to occupy the property; or
- 3.4 is unoccupied, but is to be occupied by a person specified in paragraph 3.2.1.
- 3.5 This condition is satisfied if the property:
- 3.6 is occupied by a person who is neither a Member of the Scheme nor connected with such a Member, and is used in connection with business premises held as an investment of the Scheme; or
- 3.7 is unoccupied, but is to be occupied by a person specified in paragraph 3.3.1 and used in that connection.

EXECUTED as a deed for and on behalf
of MILL CPE (LONDON) LIMITED by:



.....

Christopher Gregory Orr Director



.....

Zeynep Devrim Ayhan Director

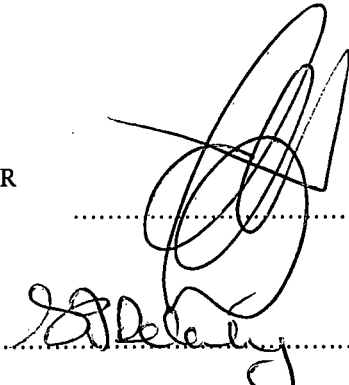
SIGNED as a deed by CHRISTOPHER GREGORY ORR

In the presence of

Signature of Witness

Print Full Name of Witness:

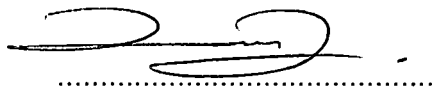
Address of Witness:



.....

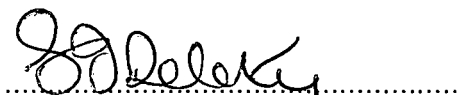
SUSAN JUNE DELAHUNTY
36 ST Ives Park
Ashley Heath
Ringwood
Hants BH24 2JY.

SIGNED as a deed by ZEYNEP DEVRIM AYHAN



In the presence of

Signature of Witness



Print Full Name of Witness:

SUSAN JANE DELAHUNTY

Address of Witness:

36 ST Ives Park

Ashley Heath

Ringwood

Hants BH24 2JY