**Explanatory Note**

**Governance**

Part B Rules only apply to anyone who is a deemed a Trustee and member of Part B. This is explained in Section 1

* The SSAS is governed by the Rules in respect of members who have joined Part B of the Scheme.
* The Part B members shall also be Part B Trustees of the SSAS.
* These Rules shall only apply to the Trustees who are members of Part B of the Scheme.

**Appointing and Removing**

Only Janet and the children who are Trustees of Part B, may appoint and remove a Trustee, and not the Leadership Factor Limited.

The Trustees of Part B may unanimously by Deed or Resolution:

2.1.1 appoint any person to act as a new or additional Trustee; and

2.1.2 remove any person who is a Trustee from acting as a Trustee whether or not another person is appointed as a replacement Trustee.

**Investment Powers**

Janet under Section 3 has full powers of investment of her fund.

The Trustees have full powers of investment including all such powers which they could exercise if they were absolutely and beneficially entitled to the Fund.

**Liability**

Janet under Section 8 allows her to be indemnified for any errors and omissions from her benefits in the fund. This importantly does not mean that Nigel or the Leadership Factor assumes that responsibility or liability. Deliberate acts are not indemnified from the fund.

An error may include for example, non-payment of taxation on pension income taken.

**Amendment**

The power to change these rules in future remains in Janet’s hands, provided that any change is subject to professional advice and does not give rise to a tax position on the fund generally.

**Winding Up and Transferring Out**

Under Section 32, the winding up provision applies so that all Trustees must consent, in both Part A and Part B.

If either Nigel or Janet transfers out of the Scheme, they immediately cease also being a Trustee also. This is covered in 23.6.

**Death Benefits**

The children would take over responsibility for payment out of death benefits and can also be admitted to the SSAS as scheme members.

I added a provision in so that the fund can be passed down to future generations if so desired under appointment provisions.

**Payment of Pensions**

Any benefits paid out are under flexi-access drawdown rules, this allows for any amount of pension to be paid from the fund, including the whole if so desired under Part 20.