

Trust Deed

THIS TRUST DEED is made the 1 day of January 2004

BETWEEN microcopy Services Ltd

whose registered office is situate at Balmer Cut Buckingham Industrial Park
Buckingham MK18 1UL

("the Principal Employer") of the first part

LEE ROWAN STEVENS

of 2 Harlequin Place Shenley Brook End
Milton Keynes MK5 7GF

ROSS LINCOLN STEVENS

of 1 Clover End Castle meadow
Buckingham MK18 1FT

of

of

("the Managing Trustees" which expression shall include their successors in title) of the second part and

FRIENDS' PROVIDENT SERVICES LIMITED

whose registered office is situate at PIXHAM END, DORKING, SURREY RH4 1QA ("the Pensioner Trustee") of the third part

the Managing Trustees and the Pensioner Trustee being hereinafter together referred to where appropriate as "the Trustees" (or "Trustee" as the context permits)

WHEREAS

1. The Principal Employer has determined to establish a retirement benefits scheme from the date hereof to be known as the

THE MICROCOPY SERVICES LTD

Directors Retirement Plan

("the Fund") for securing relevant benefits as defined in Section 612(1) of the Income and Corporation Taxes Act 1988 for certain employees of the Principal Employer and of such associated employers as shall enter into a supplemental deed as hereinafter provided (all such associated employers together with the Principal Employer being hereinafter called "the Employers")

2. The monies necessary for the purpose aforesaid shall be provided by contributions (if any) to be made by the employees who become Members of the Fund and by

contributions to be made by the Employers in respect of those employees, together with such other monies as may from time to time arise from or be received by the Fund

3. Such benefits will be administered in accordance with the Rules annexed hereto
4. The Trustees have agreed to act as Trustees of the Fund subject to the right of the Principal Employer to appoint new or additional Trustees and to remove from office any of the Trustees
5. The Managing Trustees have agreed to act as Administrator of the Fund for the purposes of Chapter I of Part XIV of the Income and Corporation Taxes Act 1988 ("the Administrator")
6. The Principal Employer has caused an announcement to be made in writing to the Members of the benefits to be provided under the Fund

NOW THIS DEED WITNESSETH as follows:

1. The Principal Employer hereby establishes the Fund which shall be administered in accordance with the provisions of this Deed together with the Rules annexed hereto
2. The Principal Employer hereby appoints the Trustees to be the first Trustees of the Fund and the Trustees hereby appoint the Managing Trustees to be the Administrator
3. The trust hereby created shall be irrevocable
4. The Principal Employer shall have the right by deed to appoint new or additional Trustees and may remove from office any of the Trustees
5. The Pensioner Trustee shall be entitled to rely on the accuracy and completeness of any statements made by the Managing Trustees or by the Employer or by any person advising the Trustees, Managing Trustees or Employer or anyone acting on their behalf and shall not be obliged to enquire further into such statements
6. The definitions contained in the Rules shall apply to this Deed as appropriate and in addition the following particular definitions shall also apply

"Associated Company" means a Company which (directly or indirectly) the Employer controls or that Company controls the Employer or both are controlled by a third person.

"Business" includes:

- i. a trade or profession, or
- ii. any activity other than investment carried on by a body of persons, whether corporate or incorporate, or

- iii. any activity carried out by a holding company for a trading group

"Close company" has the meaning given by section 414 and 415 of the Act

"Company" means any body corporate or unincorporated association but does not include a partnership

"Ordinary Annual Contribution" means for the purpose of Clause 7 III the smaller of:

- i. the amount found
 - (A) where the Fund has been established for three years or more at the time of any borrowing, by dividing the amount of the contributions paid by Employers in the period of three years which ended at the end of the previous accounting period of the Fund by three, or
 - (B) where the Fund has been established for less than three years at the time of any borrowing, by dividing the amount of the contributions paid by Employers in the period since the Fund was established ending at the time of that borrowing by the number of years falling within that period (a part of a year being counted as one year), and
- ii. the amount of the annual contributions which, within the period of 3 years immediately preceding the date of the borrowing, an Actuary has advised in writing would be necessary to secure the benefits payable under the Fund

"Residential Property" means property normally used, or adapted for use as one or more dwellings

"Scheme Member" means a Current Member, a person in receipt of a pension or annuity under the Fund or a person who has been a Current Member.

For the purpose of this Deed and the Rules any question of whether a person is connected with another shall be determined as follows:

- (a) a person is connected with an individual if that person is the individual's spouse or is a relative or the spouse of a relative of the individual or of the individual's spouse
- (b) a Current Member is connected with an Employer if
 - the Employer is a partnership and the Current Member is connected with a partner, or
 - the Employer is a Company and the Current Member or any person connected with him or her is or has been during the last ten years a

Controlling Director of the Company

- (c) a Company is connected with another Company if the same person has Control of both, or a person has Control of one and persons connected with that person have Control of the other, or a person has Control of one and that person or persons connected with that person have Control over the other
- (d) a Company is connected with another person if that person has Control of it or if that person and a person or persons connected with him or her together have Control of it
- (e) any two or more persons acting together to secure or exercise Control of a Company shall be treated in relation to that Company as connected one with another and with any person acting on the directions of any of them to secure or exercise Control of the Company

For the purpose of this Deed a relative means a brother, sister, ancestor or lineal descendant.

- 7. (a) The Fund shall be held under the legal control of the Managing Trustees and all investments of the Fund shall be in the names of the Managing Trustees unless the Board or the Pensioner Trustee requires that any particular investment be held jointly in the names of all the Trustees. Where the Board or the Pensioner Trustee does so require reference elsewhere in this Deed and the Rules to the Managing Trustees holding such investments or such investments being held by or in the names of the Managing Trustees shall be read as though the word 'Trustees' was substituted for the words 'Managing Trustees'. Alternatively, where the Board permits or requires the Pensioner Trustee may for land or property that is registered in England or Wales register a restriction at HM Land Registry or for registered land or property in Northern Ireland register an inhibition at the Land Registers of Northern Ireland.
- (b) The Trustees may retain in any bank account such monies as they consider proper and such accounts shall be operated jointly by the Pensioner Trustee and the Managing Trustees. Subject thereto the Managing Trustees shall have power to invest all Fund monies and to transpose and vary any such investments in any form of investment (whether involving liability or not and whether or not authorised by law for the investment of trust monies) which the Managing Trustees could make if they were absolutely and beneficially entitled thereto

In particular and without prejudice to the generality of the foregoing the Managing Trustees

- (a) shall invest such amounts from the aforesaid contributions in such contracts or policies as shall from time to time be agreed between the Managing Trustees

and Assurer

- (b) subject to sub-Clause (c) below may invest part of the assets of the Fund
 - (i) in loans with or without security as the Managing Trustees shall decide
 - (ii) in stocks shares debenture stocks bearer securities or other investments
 - (iii) in any interest in land or property
 - (iv) in units in unit trusts (whether authorised or unauthorised) exempt funds or mutual funds
 - (v) in underwriting sub-underwriting or guaranteeing the subscription of any stocks shares debenture stocks or other investments
 - (vi) with themselves in the case of a corporate trustee (in which event they may retain any profit arising therefrom) or otherwise with any local authority or bank or insurance company or building society or finance company at such rate of interest (if any) and upon such terms as the Managing Trustees shall think fit
 - (vii) by participating in any form of investment administered by an Insurance Company

and the Managing Trustees shall have the power to borrow money for the purposes of the Fund or for further investment and may utilise the assets of the Fund for the purpose of giving security in connection therewith provided that the requirements of the Board are met

- (c) shall unless and to the extent that the Pensioner Trustee shall otherwise agree in writing obtain the prior agreement of the Pensioner Trustee to any investment of the assets of the Fund and in that connection the Managing Trustees shall provide the Pensioner Trustee with such information as he may reasonably require to make a decision and the Pensioner Trustee shall be entitled to rely upon the accuracy and completeness of such information
- (d) subject to sub-Clause (c) above may give an indemnity in connection with the exercise of their powers under this Clause and may bind all or any part of the assets of the Fund to give effect thereto
- (e) shall subject to the approval of the Principal Employer and to the requirements of the Board being met have power to appoint an investment manager to the Fund and such other nominees or agents as the Managing Trustees shall determine on such terms as to remuneration and otherwise as shall from time to time be agreed between the Managing Trustees and such person or persons. The Managing Trustees may remove such person or persons whenever they think fit. An investment manager may be empowered to exercise or carry out the power of investment set out in Sub-Clause (b) of this Clause and such of

the duties of the Managing Trustees as they shall deem expedient PROVIDED THAT the Managing Trustees' powers of investment shall be restricted to preclude investment either directly or indirectly in the following

personal chattels other than choses in action

Residential Property other than that which is, or is to be, occupied:

- (i) by an employee who is not connected with his or her Employer and who is required as a condition of employment to occupy that property; or
- (ii) by a person other than a Current Member or a person connected with a Current Member where that person also occupies connected business premises which are also held by the Managing Trustees as an investment of the Fund; or

Stock or shares in a Private Company which:

- (i) carry more than thirty per cent of the voting power in the Company; or
- (ii) entitle the holder to more than thirty per cent of any dividends declared by the Company in respect of shares of the class held.

For the purposes of this Clause the Managing Trustees are not regarded as

- (A) holding a Residential Property where they hold as an investment units in a unit trust scheme
 - (i) which is an authorised unit trust scheme within the meaning of section 468(6) of the Act; or
 - (ii) an exempt unit trust within the meaning of section 96 of the Capital Gains Tax Act 1979; and
 - (iii) that unit trust scheme holds Residential Property as an investment.
- (B) indirectly holding as an investment Residential Property other than that specified above where:
 - (i) they hold as an investment subject to the trusts of the Fund a right which confers entitlement to receive payment of any rent-charge, ground annual, feu duty or other annual payment reserved in respect of, or charged on or issuing out of, that property, and
 - (ii) the property is not occupied by a Current Member or a person connected with him

AND FURTHER

I the Managing Trustees shall not directly or indirectly lend money

to a Scheme Member or a person who is connected to a Scheme Member other than an Employer or an Associated Company

to an Employer or an Associated Company unless the loan is:

- (i) utilised for the purpose of the borrower's Business, and
- (ii) for a fixed term, and
- (iii) at a commercial rate of interest, and
- (iv) evidenced by an agreement in writing which contains all the conditions on which it is made and, in particular, the provisions specified below;

the provisions specified in this paragraph are that the lending shall be repaid immediately if:

- (i) the borrower is in breach of the conditions of the agreement; or
- (ii) the borrower ceases to carry on business; or
- (iii) the borrower becomes insolvent within the meaning defined for the purposes of Regulation 6 of the Retirement Benefit Schemes (Restriction on Discretion to Approve) (Small Self-administered Schemes) Regulations 1991; or
- (iv) the money is required to enable the Managing Trustees to pay benefits which have already become due under the Fund.

At the time any money is lent, or any shares in the Employer or any Associated Company are acquired, the aggregate of:

- (a) the amount outstanding of any lending to an Employer and/or an Associated Company, and
- (b) the market value of stock and shares in an Employer and/or an Associated Company held by the Managing Trustees in that capacity

shall not, where that time is after the end of a period of two years from the date on which the Fund was established, exceed the amount found by the formula:-

$$\frac{(E - F) \times 50}{100}$$

where:

'E' is the market value at the time in question of all the assets of the Fund, other than assets franking any pension in payment under the Rules of the Fund where the purchase of an annuity has been deferred (including any pension that would be payable to a widow or widower of a Scheme Member following the Member's death in a case where the Rules of the Fund limit such pension to the person to whom the Member was married at retirement), and

'F' is the aggregate of any sums borrowed to purchase those assets which are outstanding at that time, and any other liabilities incurred by the Managing Trustees which are outstanding at that time, other than liabilities to pay benefits under the Fund

and shall not, where that time is during the period of two years from the date in which the Fund was established, exceed the amount found of the formula:

$$\frac{(C - D) \times 25}{100}$$

where

'C' is the market value at the time in question of the assets of the Fund which are derived from contributions made by an Employer and by employees since the Fund was established, other than assets franking any pension in payment under the Rules of the Fund where the purchase of an annuity has been deferred (including any pension that would be payable to a widow or widower of a Scheme Member following the Member's death in a case where the Rules of the Fund limit such pension to the person to whom the Member was married at retirement), and

'D' is the aggregate of any sums borrowed to purchase those assets which are outstanding at that time, and any other liabilities incurred by the Managing Trustees which are outstanding at that time, other than liabilities to pay benefits under the Fund.

- II the Managing Trustees shall not in that capacity directly or indirectly purchase sell or lease any investment or asset from or to the following

a Scheme Member or a person (other than an Employer or an Associated Company) connected with a Member. A purchase will not be construed as being an indirect purchase from a Scheme Member or connected person if at the time of purchase three or more years have elapsed since the investment or asset was owned by the Member or connected person. A sale will not be construed as an indirect sale to a Scheme Member or a connected person if the purchase by the Member or connected person takes place three years or more after the sale by the Trustees

an Employer or an Associated Company except in accordance with independent professional advice obtained in writing

- III The power of the Managing Trustees to borrow shall be restricted so that at the time of the borrowing, the Managing Trustees shall not have borrowed and not repaid an aggregate amount including the amount of the borrowing in excess of the total of:

three times the Ordinary Annual Contribution, and

three times the annual amount of contributions paid or payable as a condition of membership by Current Members in the year of assessment ending immediately before the borrowing takes place, and

the amount found by the formula:

$$\frac{(A - B) \times 45}{100}$$

where:

'A' is the market value of the assets of the Fund at that time, other than assets franking any pension in payment under the Rules of the Fund where the purchase of an annuity has been deferred (including any pension that would be payable to a widow or widower of a Scheme Member following the Member's death in a case where the Rules of the Fund limit such pension to the person to whom the Member was married at retirement), and

'B' is the aggregate of any sums borrowed to purchase those assets which are outstanding at that time, and any other liabilities incurred by the Managing Trustees which are outstanding at that time, other than liabilities to pay benefits under the Fund.

8. The Administrator of the Fund will furnish the Board of Inland Revenue with such information and documents as the Board requires .
9. The Fund may be terminated and payment made out of the assets of the Fund only in accordance with the Rules and provided always that the consent of the Pensioner Trustee shall first be obtained
10. The Managing Trustees shall have and be entitled to exercise all powers rights and privileges in connection with the Fund to enable them to carry out any transaction act deed or thing arising under or in connection with the Fund. The consent or concurrence of the Principal Employer the other Employers or the Members or any of them shall not be necessary in connection with the giving of any receipt or discharge or the making of any payment or the doing of any act or thing made or done in the exercise of their powers or to discharge their liability as Managing Trustees or in connection with the Rules except as is expressly provided in this Deed or in the Rules
11. (a) No Trustee (or directors or officers of a corporate trustee which is a Trustee) shall be liable for the consequences of any mistake (whether of law or fact) or for any breach of duty or trust in relation to the Fund or for any loss to or

depreciation of the Fund arising by way of commission or omission by such Trustee or any employee, agent or person to whom any matter has been delegated or sub-delegated under the provisions of the Fund, except where this is proved to have been made, done or omitted fraudulently by such Trustee or with such Trustee's wilful breach of trust (or negligence in the case of a professional trustee), or where the Trustee has been in wilful breach of trust (or negligent in the case of a professional trustee) in such delegation or sub-delegation.

- (b) Without prejudice to Clause 16 or the right to indemnity by law given to trustees, each of the Trustees (for the purpose of this Clause 11(b) whether individuals or a body corporate or any director or officer of any body corporate which is a Trustee) will be indemnified:

- (i) by the Principal Employer; and

- (ii) to the extent that the Principal Employer is unable to meet the indemnity, from the assets of the Fund,

against all claims, costs, damages, losses and expenses which he may incur or sustain in or about the exercise or the purported performance of his duties unless such liability is proved to have arisen out of any fraudulent act or omission of the Trustee in question, or as a result of such Trustee's wilful breach of trust (or negligence in the case of a professional trustee). To the extent permitted by law, this indemnity shall extend to the liability of the Trustees in respect of any act or default of any person appointed by them for the carrying out of the purposes of the trusts and provisions of the Fund.

- (c) Each of the Employers other than the Principal Employer shall at all times indemnify the Principal Employer for that part of the liabilities under this Clause 11 in the same proportion as the Employer's contributions to the Fund bear to the total contributions pay by the Employers to the Fund.

- (d) To the extent permitted by law, if the Pensioner Trustee's liability is not exonerated by the foregoing provisions of this Clause 11, its liability will be limited to such assets within the Fund to which it has access from time to time for the purpose of discharging such liability.

- 12. The Trustees shall act on the advice of the Actuary (as defined in the Rules) where such advice is required under this Deed or the Rules and shall have power to obtain advice from any other professional person and the Trustees shall not be responsible for any loss occasioned by so acting
- 13. The Managing Trustees shall keep proper records of the administration of the Fund and shall prepare accounts at yearly intervals or for such other periods as the Pensioner Trustee may require

14. One of the Trustees shall be a Pensioner Trustee and the appointment of that Trustee and his obligation and entitlement to act as a Pensioner Trustee, shall be incapable of termination at any time except:
- (a) by the death of the Trustee,
 - (b) by an order of the court,
 - (c) by virtue of section 3, 4 or 29 of the Pensions Act 1995 or Article 3, 4 or 29 of the Pensions (Northern Ireland) Order 1995 (prohibition, suspension or disqualification),
 - (d) by withdrawal by the Board of their approval of the Trustee to act as a Pensioner Trustee, or
 - (e) where termination occurs by virtue of the Trustee having committed a fraudulent breach of trust in relation to the Fund
 - (f) where another Trustee is appointed to act as Pensioner Trustee in place of the Trustee, and the appointment of the other Trustee takes effect at the same time as the termination.
15. The appointment of a successor to the former Pensioner Trustee shall, except where Clause 14 (f) above applies, be made no more than 30 days after the termination. The appointment of a successor shall be made by the Principal Employer.
16. The Pensioner Trustee shall be entitled to charge for all services provided including services provided on its behalf by the Assurer at such rate as shall from time to time be agreed between the parties hereto and the Managing Trustees and the Employers shall be jointly and severally liable for the payment of such charges
17. (a) The Managing Trustees shall act unanimously
- (b) The number of Managing Trustees shall not except in the case of a trust corporation or a company duly constituted for the purposes of acting as a Managing Trustee be less than two in number provided always that in the event of the number falling below two the surviving or continuing Managing Trustee may pending the appointment of a new Managing Trustee or Trustees continue to so act
 - (c) During any period in which there is only one Member of the Fund for all purposes relating to the day to day management of assets of the Fund which are investments the expression Managing Trustees in this Deed shall exclude any person who is neither a Member nor a person of the kind described in section 191(2)(a)(b) or (c) of the Financial Services Act 1986
 - (d) Before any investment of the resources of the Fund is made every Member and any Dependents in receipt of pension but for whom an annuity has not yet been purchased shall agree in writing to the making of that investment.

18. Any company (being a subsidiary of the Principal Employer within the meaning of section 736 of the Companies Act 1985 or a company otherwise associated in business with the Principal Employer) may with the prior consent of the Board be admitted as a party to the Fund on entering into a deed with the Principal Employer and the Managing Trustees whereby such company shall agree to observe and perform such of the provisions of this Deed and the Rules as are to be observed and performed by a company admitted as a party to the Fund provided always that a company may become and shall remain a party to the Fund only if and for so long as such participation shall not affect the Approval of the Fund
19. The Trustees may with the consent of the Principal Employer and the agreement of the Board at any time by deed alter modify or add to all or any of the provisions of this Deed and with the like consent by instrument in writing under their hand alter modify or add to all or any of the provisions of the Rules provided that no such alteration modification or addition shall be made if
- (a) it would operate so as to prejudice materially (except with his written consent) the rights or interests of any person already a Member or any person receiving benefits by virtue of the membership of any deceased Member insofar as they concern benefits secured in respect of Service prior to the date of such alteration modification or addition or
 - (b) it would result or be capable of resulting in a Member whose pensionable service with the Employers is terminated before the date of alteration modification or addition being treated less favourably than would have been the case had there been no such alteration modification or addition or it would prejudice Approval of the Fund

Any changes to the Deed or Rules will be subject to the requirements of section 67 of the Pensions Act 1995.

The Managing Trustees shall notify in writing each Member affected by any such alteration modification or addition

20. The Managing Trustees shall at the request of the Principal Employer pay out of the Fund to an Employer an amount permitted under Schedule 22 to the Act to be so paid subject to the prior written agreement of the Board and to deduction of tax under section 601 of the Act
21. The Trustees may from time to time in writing delegate to any person or persons (whether or not a trustee hereof) all or any of the duties vested in them hereunder other than in relation to the termination of the Fund which shall require the consent of the Pensioner Trustee as set out in Clause 9 on such terms and conditions as the Trustees think fit and shall not be liable for any loss incurred as a result of any such delegation

22. (a) The Managing Trustees shall insure at full replacement cost any property constituting an asset of the Fund in the joint names of the Managing Trustees where that property is held in the joint names of the Managing Trustees.
- (b) The Trustees shall insure at full replacement cost any property constituting an asset of the Fund in the joint names of the Trustees where that property is held in the joint names of the Trustees.
- (c) In addition to 22(a) and (b), the Trustees together, or the Managing Trustees or the Pensioner Trustee separately may take out any policies of insurance for the purposes of the Fund, including any policy of trustee indemnity insurance (subject to the provisions of the Pension Act 1995 regarding payment of insurance premiums).
23. A trustee of the Fund who is a beneficiary may exercise his powers and discretions and execute his duties as a trustee notwithstanding that he is a beneficiary. No decision of or exercise of a power or discretion by the Trustees shall be invalidated or questioned on the grounds that the Trustees or any of them had a direct or other personal interest in the mode or result of such decision or of exercising such power or discretion

IN WITNESS whereof the parties hereto have executed this Deed the day and year first before written

EXECUTED BY

Name of Principal Employer

Signed



Director

Signed



Company Secretary

THE COMMON SEAL OF
FRIENDS' PROVIDENT SERVICES LIMITED
was hereunto affixed in the presence of

Signed



Authorised Official

Signed



Authorised Official

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Signed and delivered by

Name of Managing Trustee *LEE LOWAN STEVENS*

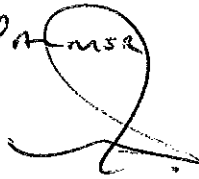
Signature



in the presence of

Name of witness *MARK PARNICE*

Signature



Address of witness *ORNDENE, RICKMANS LANE, PLAINSTON, W. SUSSEX BN14 0W*

Signed and delivered by

Name of Managing Trustee *ROSS LINCOLN STEVENS*

Signature



in the presence of

Name of witness *MARK PARNICE*

Signature



Address of witness *ORNDENE, RICKMANS LANE, PLAINSTON, W. SUSSEX BN14 0W*