

DATED 29TH FEBRUARY, 2008



**DEFINITIVE TRUST DEED
AND RULES**
governing the

**BROWN CONSULTING SERVICES
SSAS**

Certified to be a true copy
of the original.

Date: 06/01/21

Signed: Jennifer Brown

Name: JENNIFER BROWN

AS authorised signatory of
Brown Consulting Services SSAS

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THIS DEFINITIVE TRUST DEED AND RULES is made on *29TH FEBRUARY, 2008*.

BY: STEPHEN MICHAEL BROWN and JENNIFER SUSAN BROWN of
17 Topcliffe Way, Cambridge CB1 8SJ ("**Trustees**")

BACKGROUND

- A **THIS DEED** is supplemental to (amongst other documents) a trust deed and rules ("**Existing Rules**") dated 2nd February 2006 establishing a pension scheme known as the **BROWN CONSULTING SERVICES SSAS** ("**Scheme**").
- B The Trustees are the present trustees of the Scheme.
- C The current principal employer in relation to the Scheme is Brown Consulting Services Limited whose registered office is at 17 Topcliffe Way, Cambridge CB1 8SJ ("**Principal Company**").
- D **MARK NORMAN DENLEY** of Gibbs Denley, Crystal House, Buckingham Business Park, Swavesey, Cambridge, CB4 5UL, is the Authorised Practitioner in relation to the Scheme.
- E The amendment power contained in the Existing Provisions (as defined below) remains in place. In accordance with that amendment power the Trustees wish to repeal the Existing Rules and adopt the following rules as new rules to govern the Scheme in place of the Existing Rules, save that the amendment power will continue in force.
- F This scheme has an Authorised Practitioner who is neither a trustee nor Scheme Administrator.

OPERATIVE PROVISIONS

Subject to Rule 24 below, the provisions of all Deeds, Rules and (if any) analogous documents in relation to the Scheme heretofore in force ("**Existing Provisions**") are hereby repealed and the Scheme shall with effect from the date of this deed be governed by the following Rules:

1. TRUST

The Trustees accept appointment as trustees of the Scheme and will hold all sums and assets they receive, property representing them and income on irrevocable trust to pay the benefits of the Scheme, and otherwise comply with this Deed. Those of the Trustees who are resident

in the United Kingdom accept appointment as the Scheme Administrator unless the Principal Company with the consent of the Trustees appoint some other person to be the Scheme Administrator and such other person agrees so to act.

2. DEFINITIONS

In this Deed (unless the context otherwise requires):

"Accumulated Contributions" means any contributions paid by the Member (including any part of a receipt under Rule 11.4 representing such contributions) plus compound interest thereon (if any) at such rates as the Trustees may from time to time determine;

"Alternatively Secured Pension" shall have the meaning given to it in paragraph 5 of schedule 28 to the Finance Act;

"Alternatively Secured Pension Fund" shall have the meaning given to it in paragraph 11 of schedule 28 to the Finance Act;

"Annuity Protection Lump Sum Death Benefit" has the same meaning as in paragraph 16 of schedule 29 of the Finance Act;

"Arrangement" has the same meaning as in the Finance Act;

"Authorised Practitioner" means authorised practitioner for the purposes of HMRC;

"Authorised Surplus Payment" has the same meaning as in section 177 of the Finance Act;

"Beneficiary" means any person who may benefit under the Scheme other than an Employer;

"Charity Lump Sum Death Benefit" has the same meaning as in paragraph 18 of schedule 29 to the Finance Act;

"Company" means any body corporate or unincorporated association or partnership;

"Connected Person" has the same meaning as in section 839 of the Taxes Act;

"this Deed" this includes any alterations hereof for the time being in force;

"Dependant" has the same meaning as in paragraph 15 of schedule 28 to the Finance Act but including the spouse of a Member who was married to the Member at the Pension Date, albeit who was not married to the Member immediately prior to the Member's death;

"De-registration Charge" has the same meaning as in the Finance Act;

"Eligible Recipients" in relation to a person are on the basis of reasonable enquiries made by the Trustees his Spouse, his grandparents, such grandparents' descendants, such descendants' Spouses, his Dependants, persons interested in his estate, any other Member, any charity and persons or unincorporated associations whom or that he has nominated to the Trustees in writing or the trustees of any trust established for the purpose of receiving benefits under the Scheme, or such other person, or trust, as the Trustees believe the Member would have wished to have considered as such;

"Employer" means the Principal Company and any employer for the time being participating in the Scheme under Section 22;

"Ex-Spouse" means an individual to whom Pension Credit Rights have been or are to be allocated following a Pension Sharing Order, agreement or equivalent provision;

"Ex-Spouse Participant" is an Ex-Spouse who participates in the Scheme. For this purpose the Ex-Spouse Participant must participate in the Scheme, either:

- (a) solely for the provision of a Pension Credit Benefit; or
- (b) for the wholly separate provision of a Pension Credit Benefit, where benefits accrue or have accrued to that individual under the Scheme for any other reason;

"Finance Act" means the Finance Act 2004 as amended from time to time;

"HMRC" means Her Majesty's Revenue and Customs;

"Ill Health Condition" has the same meaning as in paragraph 1 of schedule 28 to the Finance Act;

"Income Withdrawal" has the same meaning as in paragraph 7 of schedule 28 to the Finance Act;

"Insurance Policy" means an annuity contract or policy with an insurance company which contains such limitations on benefits and dealings as will ensure that no Scheme Chargeable Payment is made;

"Lifetime Allowance" has the same meaning as in section 218 of the Finance Act;

"Lifetime Annuity" has the same meaning as in paragraph 3 of schedule 28 to the Finance Act;

"Lump Sum Death Benefit Rules" has the same meaning as in section 168 of the Finance Act;

"Lump Sum Rule" has the same meaning as in section 166 of the Finance Act;

"Member" means a person who has joined the Scheme under Section 3 or under previous corresponding provisions of the Scheme or an Ex-Spouse Participant and "Membership" shall be construed accordingly;

"Member's Fund" of a Member means that part of the assets of the Scheme which is for the time being determined by the Trustees as being attributable to him and for this purpose, and subject to any adjustment the Trustees consider appropriate:

- (a) Contributions made by or in respect of him, receipts in respect of him under Rule 11.4 (subject to any specific benefit allocation thereunder), proceeds of any insurance relating to him, any augmentation of the relevant Member's Fund under Rule 14.3.1 will be included and any Transfer Lump Sum Death Benefit allocated to the relevant Member's Fund;
- (b) Where any Employer's contribution is not allocated by the Employer between the relevant Members when it is made, such contribution may be held within the Scheme assets outside of any Member's Fund for such period as the Trustees may decide in their absolute discretion, subject to such future allocation to one or more Member's Funds as the Trustees may determine in their absolute discretion;

- (c) The cost of providing or securing any benefits for him or in relation to his membership (including insurance premiums paid), any payment in respect of him under Rule 12.5, and any surplus of the relevant Member's Fund applied, paid or transferred under Rule 14.3 will be deducted;
- (d) The Trustees may in their absolute discretion notionally allocate by addition or subtraction (on the basis of such valuations as the Trustees think fit) either:
 - (i) a due proportion of all income, gains or losses (whether or not realised and taking account of related expenses) of the Scheme, or so much of it as is not for the time being attributable to any Member's Fund under Section 4 below; or
 - (ii) if with the Member's consent his Member's Fund shall have been segregated by the Trustees from the remainder of the Scheme, the whole of the income, gains or losses (whether or not realised and taking account of related expenses) of his Member's Fund;
- (e) There shall be deducted any Tax due in respect of any of the benefits in respect of the Member under the Scheme;
- (f) A due proportion of any other expenses borne by the Scheme and any commissions or other profits or payments payable to the Professional Trustee (if any) or to the Scheme Administrator or to any provider of administration services to the Scheme will be deducted such sum to be determined by the Trustees;
- (g) Any segregation of one or more Member's Funds under (d) above is notional and for the purpose of benefit calculation only and is without prejudice to the fact that all Beneficiaries have a full claim on all the assets of the Scheme;
- (h) Any allocation of contributions, assets, income, gains or losses provided for in (a) to (g) above is subject to any reallocation of contributions, assets, income, gains or losses which the Trustees, with the consent of the Professional Trustee (if any), may from time to time in their absolute discretion consider to be appropriate provided that any such reallocation will not prejudice the status of the Scheme as a Registered Pension Scheme;
- (i) There shall be deducted any Pension Debit arising as a result of a Pension Sharing Order;

"Normal Pension Age" means such age as is agreed between the Principal Company and the Member not being later than 75;

"Pension Credit" means a credit under section 29(1)(b) of the 1999 Act or under corresponding Northern Ireland Legislation;

"Pension Credit Benefit" in relation to a scheme, means the benefits payable under the Scheme to or in respect of a person by virtue of rights under the Scheme attributable (directly or indirectly) to a Pension Credit;

"Pension Credit Rights" means rights to future benefits under a scheme which are attributable (directly or indirectly) to a Pension Credit;

"Pension Date" means, in relation to all or any part of a Member's benefits under the Scheme, the Member's Normal Pension Age unless he elects for an earlier date on which payment of benefits is to begin, which earlier date shall not be earlier than:

- (a) his 50th birthday if that occurs prior to 6 April 2010; or
- (b) his 55th birthday in respect of any benefits drawn after 5 April 2010,

or if earlier, the earlier of:

- (c) the date on which the Member first satisfies the Ill Health Condition; or
- (d) the Member's Protected Pension Age (if any);

"Pension Death Benefit Rules" has the same meaning as in section 167 of the Finance Act;

"Pension Rules" has the same meaning as in section 165 of the Finance Act;

"Pension Sharing Order" means any order or provision as is mentioned in section 28(1) of the 1999 Act or Article 25(1) of the Welfare Reform and Pensions (Northern Ireland) Order 1999;

"Pensionable Service" has the meaning ascribed to it by section 70(2) of the 1993 Act;

"Preservation Provisions" means the legislation for the time being in force relating to preservation, first introduced by the Social Security Act 1973 and now applicable under the 1993 Act;

"Principal Company" means the Principal Company named above or such other Employer as may for the time being be Principal Company by virtue of Rule 22.4;

"Professional Trustee" means the person or body (if any) appointed to be a professional trustee for the purposes of this Deed for so long as that person or body is a professional trustee of the Scheme;

"Protected Pension Age" has the same meaning as in paragraph 21 of schedule 36 to the Finance Act;

"Qualifying Recognised Overseas Pension Scheme" has the same meaning as in section 169(2) of the Finance Act;

"Qualifying Service" means linked qualifying service as defined in section 179 of the 1993 Act;

"Recognised Transfer" has the same meaning as in section 169 of the Finance Act;

"Registered Scheme" means a retirement benefits scheme which is a registered scheme within the meaning of the Finance Act;

"Rule" means a sub-clause within a Section;

"Scheme Administrator" has the same meaning as in sections 270 to 274 of the Finance Act;

"Scheme Chargeable Payment" has the same meaning as in section 241 of the Finance Act;

"Scheme Pension" has the same meaning as in paragraph 2 of schedule 28 to the Finance Act;

"Scheme Sanction Charge" has the same meaning as in section 239 of the Finance Act;

"Section" means a clause of this Deed;

"Serious Ill Health" means ill-health which is such as to give rise to a life expectancy of less than one year and as to permit the Trustees to pay a serious ill-health lump sum to be paid within the meaning of paragraph 4 of schedule 29 to the Finance Act;

"Spouse" means, in relation to benefits payable on a Member's death, a widow or widower or civil partner under the Civil Partnership Act 2004, at the date of a Member's death;

"Standard Lifetime Allowance" has the same meaning as in section 218(2) and (3) of the Finance Act;

"Tax" means any tax, charge, imposition, duty, levy, excise duty, national insurance contribution, surcharge, rate or penalty whatsoever (without limitation) which may be imposed by Her Majesty's Treasury, HMRC or by any other body and includes (without limitation) any Scheme Sanction Charge and any De-registration Charge;

"Taxes Act" means the Income and Corporation Taxes Act 1988;

"Transfer Lump Sum Death Benefit" has the same meaning as in paragraph 19 of schedule 29 to the Finance Act;

"Trivial" means having a value less than 1% of the Standard Lifetime Allowance or such other amount as may for the time being be prescribed by HMRC for the purpose;

"Trivial Commutation Lump Sum Death Benefit" has the same meaning as in paragraph 20 of schedule 29 to the Finance Act;

"Trustees" means initially those named above and thereafter the Trustees for the time being of the Scheme;

"Unauthorised Payment" has the same meaning as in section 160(5) of the Finance Act;

"Uncrystallised Funds Lump Sum Death Benefit" has the same meaning as in paragraph 15 of schedule 29 to the Finance Act;

"Unsecured Pension" has the same meaning as in paragraph 4 of schedule 28 to the Finance Act;

"Unsecured Pension Fund Lump Sum Death Benefit" has the same meaning as in paragraph 17 of schedule 29 to the Finance Act;

"Winding-up Lump Sum Death Benefit" has the same meaning as in paragraph 21 of schedule 29 to the Finance Act;

"1993 Act" means the Pension Schemes Act 1993;

"1995 Act" means the Pensions Act 1995;

"1999 Act" means the Welfare Reform and Pensions Act 1999.

3. MEMBERSHIP

- 3.1 Every person who is invited by the Trustees may join the Scheme (or, if so invited, resume Membership) by completing an application in the form required by the Trustees.
- 3.2 Membership of the Scheme shall be open to persons that are not resident in the United Kingdom who are chargeable to United Kingdom Tax provided that their admission to Membership would not prejudice the continued status of the Scheme as a Registered Scheme and would not lead to an Unauthorised Payment being made from the Scheme.
- 3.3 In the event of a person ceasing to satisfy the eligibility conditions in Rule 3.2, his/her benefits will be held subject to this Deed but no further contributions may be made to the Scheme in respect of him/her.
- 3.4 Any person who becomes a Member of the Scheme after he has attained age 75 must draw benefits immediately from the Scheme.

4. CONTRIBUTIONS

- 4.1 Each Member who is under the age of 75 will contribute at such rate (if any) as he from time to time decides and notifies to the Trustees.
- 4.2 Each Employer will contribute (in respect of Members who are or were its Employees) such amounts from time to time as it determines. The Trustees shall secure, prepare and from time to time revise a payment schedule made to the Scheme in accordance with section 87 of the 1995 Act (where this section is applicable).
- 4.3 Each Member's contributions may be deducted by his Employer from earnings and paid to the Trustees.
- 4.4 If the Scheme Administrator so permits, payments may be made in respect of a Member to the Scheme by a person other than the Member or the Member's Employer if the payments are made on behalf of the Member and the Member (or, if relevant, the Member's legal guardian) is aware of the payment.

5. MEMBERS' PENSIONS

- 5.1 Each Member's Fund will be used to provide a pension by way of Unsecured Pension, subject to the deduction of any Tax, from the Member's Pension Date, unless the Member elects by notice in writing to the Scheme Administrator for his pension to be provided by way of Scheme Pension or Lifetime Annuity.
- 5.2 On a Member attaining the age of 75, his Member's Fund will be used to provide pension by way of Alternatively Secured Pension, subject to deduction of Tax, unless the Member elects by notice in writing to the Scheme Administrator for his pension to be provided by way of Scheme Pension or Lifetime Annuity.
- 5.3 Each Member will be entitled to draw all or any part of his pension starting on a Pension Date which is either permitted by the Pension Rules or by regulations made under section 164 of the Finance Act or otherwise permitted by HMRC. The amount of his pension will be subject to deduction of Tax and will be determined by the Trustees and will depend on the value of, and not be more than that which is capable of being provided by, his Member's Fund. The Trustees may suspend (until his Normal Pension Age) a Member's pension taken early through having satisfied the Ill Health Condition if they are not satisfied that the Ill Health Condition continues to be satisfied by that Member. Subject to this, a Member's pension will continue for life, and may be guaranteed for such period as the Trustees may decide without making a Scheme Chargeable Payment.
- 5.4 The Scheme Administrator may at any time at the request of a Member treat any existing part of the Member's Fund for that Member and/or any new contribution in respect of that Member as if it were a separate Member's Fund, in which case that part and/or that contribution shall constitute a separate Member's Fund for the purposes of this Deed, but shall not constitute a separate Arrangement for the purposes of the Finance Act, unless the Member expressly so requests or the Scheme Administrator so determines.
- 5.5 A Member may split his Member's Fund by notice in writing to the Scheme Administrator.

6. OTHER PENSION DATE OPTIONS

- 6.1 A Member may, at his Pension Date, elect to take a lump sum which is either permitted by the Lump Sum Rule or by regulations made under section 164 of the Finance Act or otherwise permitted by HMRC. Any such lump sum shall be subject to deduction of any applicable Tax.
- 6.2 The Trustees may allow a Member to surrender a Scheme Pension to provide a pension (starting on his death after his own pension has started) for one or more Dependants nominated by him. The amount of the resulting Dependants' pensions will be subject to deduction of Tax and will be calculated on a basis determined by the Trustees. If before the Member's pension starts, the nominated Dependant dies the surrender will not have effect. A pension under this Rule is additional to any arising under Section 8, and no pension arising under Section 8 will affect the computation of one under this Rule.
- 6.3 Upon receipt of a written request to this effect from a Member (including a request made after the Member's Pension Date), the Trustees may make a Recognised Transfer of an amount equal in value to the Member's Fund to a Registered Scheme after the Member's Pension Date.

7. LUMP SUM DEATH BENEFITS

- 7.1 On the death of a Member the Trustees may pay a lump sum death benefit which is either permitted by the Lump Sum Death Benefit Rules or by regulations made under section 164 of the Finance Act or otherwise permitted by HMRC, including (without limitation) in one of the following ways, either:
- 7.1.1 on the death of a Member under age 75 by:
- 7.1.1.1 Uncrystallised Funds Lump Sum Death Benefit; or
 - 7.1.1.2 Annuity Protection Lump Sum Death Benefit; or
 - 7.1.1.3 Unsecured Pension Fund Lump Sum Death Benefit;
- 7.1.2 on the death of a Member on or over age 75 by:
- 7.1.2.1 Charity Lump Sum Death Benefit; or

7.1.2.2 Transfer Lump Sum Death Benefit; or

7.1.3 on the death of a Member at any age by:

7.1.3.1 Trivial Commutation Lump Sum Death Benefit; or

7.1.3.2 Winding-up Lump Sum Death Benefit.

Any such Lump Sum Death Benefit will be subject to deduction of any applicable Tax.

7.2 The Trustees may pay or apply such lump sum (and any payments of the Member's pension payable after his death under a guarantee) to or for the benefit of one or more Eligible Recipients in such proportions as they think fit. The Trustees may pay all or any of the lump sum to trustees of another trust to benefit one or more Eligible Recipients or may direct all or any of the lump sum to be held by themselves or other trustees on such trusts, including discretionary trusts, and with such powers and provisions, including maintenance, advancement, accumulation, selection and variation, for the benefit of one or more Eligible Recipients as the Trustees think fit. If and to the extent that (in the case of any Member) the lump sum is not so paid or applied, the lump sum will (unless the deceased's estate passes bona vacantia in which case no lump sum in excess of any already committed will be payable) be paid to his personal representatives.

7.3 The Trustees may provide benefits under this Section by means of one or more Insurance Policies. The Insurance Policies and the proceeds of the Insurance Policies will form part of the relevant Member's Fund(s) and will be distributed along with the remainder of those Member's Funds in accordance with this Deed.

8. DEPENDANTS' PENSIONS

Following the death of a Member the Trustees may pay pensions to or for the benefit of one or more persons each of whom is a Dependant of the Member, which are permitted by the Pension Death Benefit Rules or by regulations made under section 164 of the Finance Act or otherwise permitted by HMRC. Each such pension will start on the Member's death or such other date as the Dependant may elect and will be subject to deduction of Tax. The amount of each such pension will be determined by the Trustees. The Trustees may provide benefits under this Section by means of one or more Insurance Policies. The Insurance Policies and the proceeds of the Insurance Policies will form part of the relevant Member's Fund(s) and

will be distributed along with the remainder of those Member's Funds in accordance with this Deed.

9. EARLY LEAVERS

A Member who leaves Pensionable Service with less than two years' Qualifying Service may take a refund of his Accumulated Contributions (if any, and limited to his Member's Fund) in which case Rule 12.1 will apply and Section 14 will apply to any balance of his Member's Fund remaining. A Member who leaves Pensionable Service with three months' Qualifying Service or more may request from the Trustees that a transfer value in respect of his Accumulated Contributions (if any, and limited to his Member's Fund) be paid in respect of him to a Registered Scheme.

10. SCHEME REGISTRATION/MEMBER ELECTIONS

The Scheme is intended to be a Registered Scheme. Accordingly notwithstanding any other provision of the Scheme or in this Deed nothing in this Deed shall entitle any person to receive an unauthorised payment within the meaning of section 160(5) of the Finance Act. The Scheme will be subject to all limits and conditions imposed by HMRC as a condition of being a Registered Scheme.

11. TRANSFERS

11.1 The Trustees may subject to Rule 16 transfer assets to another Registered Scheme or to a Qualifying Recognised Overseas Pension Scheme or, subject to deduction of Tax, to any other overseas pension scheme to which such a transfer may lawfully be made, by way of a Recognised Transfer on such terms as the Trustees may decide in their absolute discretion. Such a transfer may be in respect of all or any part of a Member's benefits under the Scheme. The assets to be transferred will have a value (on the basis of such valuations as the Trustees think fit) equal to amount of the relevant Member's Fund(s) less any expenses of the transfer.

11.2 The Trustees may subject to Rule 16 apply the amount which would otherwise be available under Rule 11.1 in taking out an Insurance Policy (which may include provision for an open market option or for surrender for the purpose of transfer to another Registered Scheme and which may provide benefits which differ (as to amounts, beneficiaries or otherwise) from those under the Scheme) for the Member, his Spouse or Dependants and in the name of the Member, his Spouse or Dependants.

Such an application may be made without the consent of the Member, but only if any conditions specified in the Preservation Provisions are satisfied.

- 11.3 Whether or not the Member's consent is required to a transfer or application under this Section 11, it may be made without the consent of anyone else.
- 11.4 The Trustees may in respect of any Member receive a Recognised Transfer from a Registered Scheme or from a Qualifying Recognised Overseas Pension Scheme or, subject to deduction of Tax, from any other overseas pension scheme from which such a transfer may lawfully be accepted (including by the surrender value of an Insurance Policy representing or derived from an interest in a Registered Scheme or in such other scheme) and will include them in his Member's Fund or otherwise provide such benefits as they think fit.
- 11.5 The Trustees acknowledge that they may have obligations as to the payment of a cash equivalent under the 1993 Act. The Trustees' powers under this Section 11 are discretionary and they may therefore withhold any transfer or application they might otherwise have made pending exhaustion of any rights which may arise under such legislation. If any payment which the Trustees purport to make as a cash equivalent does not comply with the legislative requirements or is in excess of them, it (or the excess) will take effect as a transfer or application under this Rule and the Member's actual or purported exercise of his option for a cash equivalent will constitute his consent thereto.
- 11.6 The Scheme is constituted as an occupational pension scheme within the meaning of section 150(5) of the Finance Act.

12. BENEFITS - SUPPLEMENTARY PROVISIONS

- 12.1 Any refund of contributions under Section 9, transfer under Rule 11.1, application of assets under Rule 11.2, appropriation and application under Rule 22.2 or amalgamation under Rule 22.3 will discharge the Trustees from all obligations under the Scheme to the relevant Member(s) or any person who may benefit from his or their membership and will extinguish the relevant Member's Fund(s) and all rights arising from such Membership.

12.2 The Trustees may grant increases to Scheme Pensions in payment at such rate or rates as the Trustees may in their absolute discretion decide and may reduce Scheme Pensions if they consider in their absolute discretion, that it is necessary to do so but only in the circumstances permitted by the Finance Act and HMRC.

12.3 The Trustees may provide altered, increased or additional benefits (complying with Section 10 and the Preservation Provisions) in respect of any Member or benefits (so complying) in respect of any present or former director or employee of any Employer (or their Dependants). Such altered, increased or additional benefits will be subject to deduction of Tax. This Deed applies as appropriate in respect of any such person as it applies in respect of a Member.

12.4 The Trustees may deduct from any payment any Tax for which they or the Member or any Beneficiary are or may be accountable.

12.5 If a Member is under a monetary obligation to his Employer arising out of his criminal, negligent or fraudulent act or omission or (in the case of an obligation to the Scheme) out of his breach of trust, the Employer or the Trustees may require the benefits in respect of him (excluding, in the case of an obligation to the Employer, any attributable to a transfer under Rule 11.4) to be reduced (or, as appropriate, eliminated) by deduction of an amount determined by the Trustees as equivalent to, or not greater than, the obligation and the payment by the Trustees to the Employer of the value of the deduction. The Member concerned will be entitled to a certificate showing the amount paid and its effects on benefits. If the obligation is disputed the Trustees may suspend benefits (except any benefits attributable to a transfer received under Rule 11.4) until the obligation becomes enforceable under a court order or arbitration award. Any Employer receiving a payment under this Rule will indemnify the Trustees against any claims arising because of such payment.

12.6 Benefits under the Scheme are subject to the restrictions on alienation contained in section 91 of the 1995 Act and in the Finance Act. If any act or event (not provided for in this Deed) occurs by which the benefit of any person would wholly or partly become (or would but for section 91 of the 1995 Act become) payable to a third party, that person's entitlement to benefit will cease. The Trustees may nevertheless (in accordance with section 92(3) of the 1995 Act) pay or apply benefits of no greater value to or for that person or any of his Dependants as they think fit but may not make any payment to a purported assignee or chargee and such benefits will be

Beneficiary
= Trustee

subject to deduction of Tax. This Rule applies separately (and severally) in relation to benefits which are payable, those which are prospectively payable and those which are contingently payable.

- 12.7 The Trustees may either themselves or through some other person pay or apply any amount due to a Beneficiary who in their opinion is incapable (eg by minority, mental disorder or illness) for that Beneficiary's benefit. The receipt of any person to whom the Trustees make any payment hereunder will discharge the Trustees. The Trustees may make any choice which any such Beneficiary has under the Scheme for him.
- 12.8 The Trustees may allow a person whose benefits (taken with all others due to him from Registered Schemes) are when they become due, or on termination of the Scheme, Trivial or in the case only of a Member who is in exceptional circumstances of Serious Ill Health on his pension starting, to surrender the whole of his pension for a lump sum equal to such part of the relevant Member's Fund as would otherwise have been applied to provision of the pension.
- 12.9 The Trustees will decide the method and frequency of pension payments. When the recipient of a pension dies, no apportionment of payments due or paid before the death will be made.
- 12.10 Beneficiaries will be responsible for notifying the Trustees of their current addresses; and notices and payments may be sent by post (to the address last known to the Trustees) at the Beneficiary's risk and will be deemed received two days after posting.
- 12.11 Beneficiaries and Employers will provide all information (and supporting evidence) required to establish benefit or entitlement or Tax liability or to make any underlying actuarial or other calculation and the Trustees may withhold benefit pending receipt of information and may adjust any benefits following discovery of any relevant false information.
- 12.12 Neither membership of the Scheme nor its terms constitute of themselves employment rights of Members.

- 12.13 Where under this Deed an alternative to short service benefit (as defined in the Preservation Provisions) is permitted and the Preservation Provisions so require, the Trustees must be reasonably satisfied that the value of the alternative equals or exceeds the relevant value as required by the Preservation Provisions.
- 12.14 The Trustees may compromise or compound any dispute or claim relating to the Scheme or its administration or to any Beneficiary's entitlement thereunder, with power to substitute for any actual or claimed benefit or right benefits or rights (consistent with the Preservation Provisions) of a different nature or amount. No person (and in particular, where any such compromise or compounding has been agreed with a Member, no person claiming by virtue of the membership of that Member) shall have any entitlement to any benefit or right for which any such substitution has been made.

13. PENSION SHARING ON DIVORCE

- 13.1 On receipt by the Trustees of a Pension Sharing Order the provisions contained in the Schedule to this Deed will apply and shall override any other provisions of this Deed which are inconsistent with them.
- 13.2 The Trustees shall discharge their liability to the Ex-Spouse under section 29(1)(b) of the 1999 Act in accordance with the mode of discharge contained in one or other of either paragraph 1(2) or paragraph 1(3) of schedule 5 of the 1999 Act, the mode of discharge to be selected in any particular case at the Trustees' absolute discretion, subject to the provisions contained in that Schedule unless one of the circumstances in Rule 13.3 below arises, in which case the Trustees shall discharge their liability to the Ex-Spouse in accordance with the mode of discharge contained in paragraph 1(2) of schedule 5 of the 1999 Act.
- 13.3 The circumstances referred to in Rule 13.2 above are:
- 13.3.1 the Trustees are required by statute or any regulation to discharge their liability to the Ex-Spouse in accordance with paragraph 1(2) of schedule 5 of the 1999 Act; or
- 13.3.2 the Trustees have not received consent from the Ex-Spouse to discharge their liability in accordance with paragraph 1(3) of schedule 5 of the 1999 Act and are not legally able to or, if so able, decide that they do not wish to discharge

their liability to the Ex-Spouse under paragraph 1(3) of schedule 5 of the 1999 Act in accordance with regulation 7(2) of the Pension Sharing (Implementation and Discharge of Liability) Regulations 2000.

14. UNALLOCATED OR SURPLUS FUNDS

14.1 This Rule applies if:

- 14.1.1 after the Trustees have paid or secured all (or been discharged from all obligations to provide any) benefits which may arise under the Scheme in respect of any Member, his Member's Fund is not exhausted; or
- 14.1.2 the Trustees are satisfied that any Member's Fund or the Scheme may (in whole or in part) become liable to Tax; or
- 14.1.3 the Trustees agree with a Member that his Member's Fund may be reduced; or
- 14.1.4 any unallocated or surplus assets arise for any reason.

14.2 For the purpose of this Rule the surplus is the balance of the relevant Member's Fund in a case referred to in Rule 14.1.1, the reduction required to prevent or reduce liability to Tax in a case referred to in Rule 14.1.2 and the reduction agreed between the Trustees and the relevant Member in a case referred to in Rule 14.1.3.

14.3 Where this Rule applies:

- 14.3.1 the Trustees may direct that the surplus or unallocated assets be applied, subject to deduction of any Tax applicable, wholly or partly under Rule 14.3 and/or in augmentation of other Member's Funds or in the provision of benefits to or in respect of other Beneficiaries (whether existing or new Beneficiaries) (in proportions to be specified by the Trustees); and/or
- 14.3.2 subject to section 37 of the 1995 Act being satisfied (where applicable) and any required deduction of Tax, any balance of such surplus or unallocated assets not so applied may at the discretion of the Trustees be paid or transferred by way of an Authorised Surplus Payment to the relevant Employer (or Employers in proportions determined by the

Trustees); and/or

- 14.3.3 the Trustees may retain the surplus or unallocated assets within the Scheme.

15. INVESTMENT

- 15.1 For the purposes of the Scheme and subject to any restrictions imposed by legislation or HMRC or by the terms and conditions agreed between any Member and the Professional Trustee (if any), Scheme Practitioner (if any) or the Scheme Administrator, the Trustees may, anywhere, themselves or with others, acquire or dispose of any property, participate in or finance any company or business, deposit (whether or not at interest), lend or borrow money or other property, mortgage or charge any assets, enter any contract, undertake any obligation, give any indemnity or insure assets for any risk and amount.

- 15.2 Pursuant to these powers (but without prejudice to their generality):

- 15.2.1 property includes any interest in property, and property acquired may be real or personal, moveable or immovable, tangible or intangible, income producing or not and may be in securities of any Employer;
- 15.2.2 assets may be applied or encumbered for any purpose which will or may benefit the Scheme, notwithstanding that this may not be regarded as investment or may involve a risk of loss, and as if the assets were beneficially owned by the Trustees personally;
- 15.2.3 any loan to any Employer will be on commercial terms and at commercial interest rates;
- 15.2.4 no loan will be made to any individual who is a Beneficiary or to any Connected Person of any Beneficiary other than an Employer;
- 15.2.5 borrowing may be for any purpose (including the acquisition of assets, which may be charged to secure the borrowing) but shall be on terms that neither the Professional Trustee (if any) nor the Scheme Administrator, nor any officer or representative of the Professional Trustee and of the Scheme Administrator, nor any nominee or delegate of the Trustees or of the Scheme Administrator shall have any liability for capital, interest or

otherwise except to the extent of assets of the Scheme for the time being available to that trustee;

15.2.6 assets may be acquired (and/or held) by nominees; and

15.2.7 there is no obligation to consult (or give effect to the wishes of) Beneficiaries and section 11(1) of the Trusts of Land and Appointment of Trustees Act 1996 does not apply to the Scheme.

15.3 Beneficiaries benefit under the Scheme on the basis that:

15.3.1 subject to sections 33 to 36 of the 1995 Act (where applicable) the Trustees owe no duty as to investment other than to act in good faith and as they in their sole discretion consider advantageous to the Scheme and in particular that Scheme assets (or those attributable to a particular Member's Fund) may be applied (a) without regard to diversification and (b) on a basis which may be regarded as speculative or imprudent;

15.3.2 the Scheme is intended to provide benefits in respect of each Member and accordingly unless and until any benefit becomes payable to any Beneficiary other than the Member, the Trustees owe no duty to such Beneficiary;

15.3.3 the consent of a Member to the purchase, retention or application of any asset affecting his Member's Fund will be evidence (binding all interested Beneficiaries) of compliance by the Trustees with their investment duties unless the contrary is conclusively proved.

15.4 This Rule 15.4 applies if the Scheme satisfies all other relevant requirements for the Trustees (or any of them) to be exempt from section 4 of the Financial Services and Markets Act 2000 (Carrying on Regulated Activities by Way of Business) Order 2001 but would not be so exempt without this Rule. In that case all day-to-day investment management decisions shall be taken by those of the Trustees who may do so without prejudicing such exemption (or a majority of them) acting with any delegate of any other Trustee or Trustees whose participation in such decisions does not prejudice such exemption.

- 15.5 If regulations are for the time being in force prescribing restrictions under section 112 of the 1993 Act or section 40 of the 1995 Act but those regulations are expressed (in whole or in part) not to apply to a scheme constituted as the Scheme if it contains a rule that any decision to invest in all or certain employer-related investments is to be agreed by any person or persons, this Rule imposes that requirement.

16. CO-OWNERSHIP OF SCHEME ASSETS

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16.1 If and for so long as there shall be at any time a Professional Trustee who is a Trustee of the Scheme, the following provisions shall apply save to the extent that the Professional Trustee gives written permission to the other Trustees for this not to be the case in relation to specific transactions:

16.1.1 the Professional Trustee from time to time of the Scheme shall, jointly with the other Trustees, be the registered owner of all the assets of the Scheme save in respect of:

16.1.1.1 investments made on behalf of the Trustees by a person who or which is authorised to carry on investment business under the Financial Services and Markets Act 2000; and

16.1.1.2 any investment which is, with the written agreement of the Professional Trustee, registered in the name of a recognised nominee on behalf of the Trustees; and

16.1.1.3 shares which are registered in the name of CREST;

16.1.2 the Professional Trustee's name shall either appear on all documents evidencing title to the assets of the Scheme or there shall be a legally enforceable restriction in place prohibiting the realisation for cash of any assets of the Scheme without the prior written authority of the Professional Trustee;

16.1.3 all cash which forms part of the assets of the Scheme shall be held in a bank account in the names of the Trustees, or, with the written agreement of the Professional Trustee, in the name of a recognised nominee on behalf of the Trustees, and the Professional Trustee shall be one of the required signatories to any withdrawal of funds from that account;

- 16.1.4 all and any proceeds from the sale or other disposal of any assets of the Scheme and all and any cash repayments of loans made by the Trustees and all loan interest on such loans and all and any money contributions paid by the Employers and the Members or any money transfers into the Scheme and any other money paid into the Scheme shall be paid to a bank account in the name of the Trustees of which the Professional Trustee shall be one of the required signatories to any withdrawal of funds from that account, including to any standing order or direct debit arrangement;
- 16.1.5 all repayments of loans made by the Trustees in non-cash form shall be transferred into the names of all the Trustees (including the Professional Trustee);
- 16.1.6 the Professional Trustee shall be a party to all loan agreements relating to loans by or to the Trustees and shall be a party to all insurance policies and contracts arising out of or in connection with the Scheme;
- 16.1.7 where shares are registered in the name of CREST, the Trustees will not transfer the shares out of the control of the Trustees or of a fund manager appointed under Rule 17.6 (other than in the normal course of managing investments) without the prior written consent of the Professional Trustee; and
- 16.1.8 in relation to all and any insurance policies and contracts entered into by the Trustees, the Trustees shall not allow the payment out of any proceeds of the relevant policy or contract unless and until the Professional Trustee has agreed in writing to the payment.

- 16.2 If there shall at any time be no Professional Trustee which is a Trustee of the Scheme, then the provisions of Rule 16.1 above shall apply to the Scheme with the substitution of the Scheme Administrator for the Professional Trustee whenever the words "Professional Trustee" appear.

17. TRUSTEES' COMPOSITION AND DECISIONS

- 17.1 The power of removing Trustees is vested in the other Trustees and of appointing new or additional Trustees is vested in the existing Trustees, but the Professional

Trustee (if any) cannot be removed from office as a Trustee unless the Professional Trustee (if any) is first effectively released from all its duties and liabilities as Scheme Administrator (if any). With effect from 6 April 2006 there shall be no pensioner Trustee of the Scheme. Any Trustee which or who was formerly a pensioner Trustee shall automatically cease to be a pensioner Trustee on 6 April 2006, but if such a person or body shall remain as a Trustee, that person or body shall be a Professional Trustee after 5 April 2006. Any Trustee (including the Professional Trustee (if any)) may resign by written notice to the other Trustees. Except in the case of the Professional Trustee (if any), no such resignation will be effective until the resigning Trustee enters into a deed of discharge with the other Trustees where the other Trustees require him to join in a deed of discharge.

17.2 Unless one or more of 17.2.1 to 17.2.4 applies, a minimum of two Trustees is required. If either:

17.2.1 there are no Members; or

17.2.2 all of the Members are disqualified from acting as a Trustee of the Scheme; or

17.2.3 no Member agrees to act as a Trustee of the Scheme; or

17.2.4 any or all of the Members fail to be appointed as a Trustee or Trustees,

the Professional Trustee (if any) may be the sole Trustee of the Scheme. If one or more of 17.2.1 to 17.2.4 above applies and there is no Professional Trustee, the Principal Company must appoint a Trustee or Trustees within one month of the deficiency arising, failing which the last person to act as a Trustee of the Scheme or, if such person is deceased, that person's estate, must appoint a Trustee or Trustees, notwithstanding the requirements of this Rule and of Rule 17.5. A corporate trustee (whether or not a trust corporation) may be a Trustee but, subject to the foregoing, may not be the sole Trustee of the Scheme. In the event that the number of Trustees falls below two, unless there are no Members, the Trustees must appoint a new or additional Trustee or Trustees within one month of the deficiency arising, failing which the power of appointment of Trustees for the purpose of achieving the minimum of two Trustees will vest in the sole remaining Trustee (if any), notwithstanding the requirements of this Rule and of Rule 17.5.

- 17.3 Without prejudice to the generality of Rules 12.4 and 18, the Professional Trustee (if any) shall have the following powers in the event that there shall be any undischarged liability to Tax, whether under the Finance Act or otherwise and including any Scheme Sanction Charge arising out of or in connection with the Scheme:
- 17.3.1 power to recover the amount of the Tax from the relevant Member's Funds and to discharge the Tax liability from those relevant Member's Funds;
 - 17.3.2 power to recover the amount of the Tax from the other assets of the Scheme and to discharge the Tax liability from those assets;
 - 17.3.3 power to recover the amount of the Tax from the Employer and/or from the relevant Members or Beneficiaries personally under their indemnities under Section 18;
 - 17.3.4 power, as attorney for the other Trustees and for the Member and Beneficiaries, to sell all or any assets of the Scheme, including assets of the relevant Member's Funds, in order to discharge the Tax liability from those assets, without requiring the consent of the Trustees or other Trustees or of any Member or Beneficiary or of the Employer or of any other person;
 - 17.3.5 power at their option to exercise all the powers and discretions of the Trustees under the Scheme (including the power to appoint and remove Trustees under Rule 17.1) in place of the existing or the other Trustees as the case may be; and
 - 17.3.6 power to terminate the Scheme by notice in writing to the Trustees or other Trustees, as the case may be, and to exercise all the powers of each of the Trustees in relation to termination under Section 23 below to the exclusion of the other Trustees, as the case may be.
- 17.4 Subject to Rule 17.3 above, any decision of the Trustees to terminate (wholly or partly) the Scheme, to borrow, to approve any amendment of the Scheme, to change the Scheme Administrator for the purposes of section 270 of the Finance Act or to exercise the Trustees' powers under Rule 17.1 will require the agreement of the Professional Trustee, if and for as long as there is a Professional Trustee which is a

Trustee of the Scheme. If there is at any time no Professional Trustee which is a Trustee of the Scheme, then the agreement of the Scheme Administrator shall also be required to any decisions to which this Rule 17.4 applies.

- 17.5 The Scheme shall comply with the requirement of Regulation 3(1)(h)(ii) of the Occupational Pension Schemes (Scheme Administration) Regulations 1996 (SI 1996 No. 1715), of Regulation 2(1)(b) of the Occupational Pension Schemes (Pensions Compensation Provisions) Regulations 1997 (SI 1997 No. 665) and of any other regulations so requiring for all decisions which fall to be made by the Trustees to be made only by the Trustees who are Members by unanimous agreement, or, where a company is a Trustee of the Scheme, for any decision made by that company in its capacity as Trustee to be made only by the unanimous agreement of all the directors of that company who are Members, disregarding in each case the participation of a Professional Trustee (if any) in the making of a decision, provided that the prior agreement in writing of the Professional Trustee (if and for so long as there is a Professional Trustee which is a Trustee of the Scheme) and of the Scheme Administrator shall be required to any decision of the Trustees to invest or disinvest under Rule 15.1 or Rule 15.2, save for any investment or disinvestment decisions to which Rule 15.4 or 16 applies. The Scheme shall comply with this requirement in order to obtain exemption from the requirements of the 1995 Act or of the Pensions Act 2004 which from time to time are expressed not to apply if this requirement is satisfied.
- 17.6 Two Trustees constitute a quorum subject to any Trustees' resolution to increase that number. Subject to Rule 16.1 and as provided above in Rule 17.5, the Trustees may delegate powers, duties or discretions (including, but without limiting the foregoing, those relating to investment or banking transactions) within their number or to third parties and on any terms. In particular any one or more of the Trustees may delegate to any person authorised under the Financial Services and Markets Act 2000, his powers in relation to day to day investment management decisions. Subject to Rule 17.2 above, the continuing Trustee or Trustees may continue to act notwithstanding any vacancy in their number. The Trustees may act by written resolution and for this purpose each Trustee signing an identical document will be as valid as if they had all signed the same document.

18. EXONERATION AND INDEMNITY

- 18.1 Subject to section 33, as limited by section 34(6), of the 1995 Act (where applicable), no Trustee (nor any officer or representative of a Trustee nor any delegate or nominee of the Trustees) will be liable for any breach of trust or other breach of duty, including in relation to the making of any Unauthorised Payment, except to the extent attributable to his act or omission knowingly and deliberately committed in bad faith and each Trustee (and such person) will (subject to section 256 of the Pensions Act 2004 and except to the extent that he recovers under any insurance under this Rule 18.1) be indemnified out of the Scheme against any liabilities relating to the Scheme or the relevant trusteeship and any such breach of trust or other breach of duty, including in relation to the making of any Unauthorised Payment, unless so attributable to him. The Trustees may, at the expense of the Scheme, insure the Scheme (against loss caused by any of the Trustees or such persons) and themselves and such persons (against liability for breach of trust or other breach of duty, including in relation to the making of any Unauthorised Payment (except as aforesaid)) and the first sentence of this Rule 18.1 does not apply to so much of any liability as is actually so insured. No insurance taken out at the expense of the Scheme will include amongst the risks covered any fine or penalty referred to in section 256 of the Pensions Act 2004.
- 18.2 Without prejudice to the generality of Rule 18.1 above, each Professional Trustee (if any), each of the Scheme Administrator, each officer or representative of a Professional Trustee (if any) or of a Scheme Administrator, each delegate or nominee of the Trustees and of the Scheme Administrator shall (except to the extent that he recovers under any insurance claim) be indemnified from the assets of the Scheme, and from the assets of each relevant Member's Fund, and by each relevant Member and Beneficiary personally and by each of the Employers, from all and any liabilities, costs, claims, expenses, obligations, demands and proceedings whatsoever to or in respect of or arising out of or in connection with a Scheme Sanction Charge or a De-registration Charge or any other Tax, including any other Tax under the Finance Act, except to the extent attributable to that Professional Trustee's (if any), Scheme Administrator's, officer's, representative's, delegate's, or nominee's own act or omission knowingly and deliberately committed in bad faith. The Trustees may, at the expense of the Scheme, insure the Scheme and themselves, including the

Professional Trustee (if any), and the Scheme Administrator and such officers, representatives, delegates and nominees against any such Tax liability.

18.3 Neither the Professional Trustee (if any) nor the Scheme Administrator, nor any officer or representative of a Professional Trustee or of a Scheme Administrator, nor any delegate or nominee of the Trustees or of the Scheme Administrator, shall be under any liability to any Member or Beneficiary in respect of any Unauthorised Payment, including in relation for any Scheme Sanction Charge or De-registration Charge, except to the extent attributable to that Professional Trustee's, Scheme Administrator's, officer's, representative's, delegate's or nominee's own act or omission knowingly and deliberately committed in bad faith.

18.4 Neither the Trustees nor the Scheme Administrator nor any provider of administration services to the Scheme shall have any personal liability whatsoever to any person or body with whom the Trustees or the Scheme Administrator nor of any provider of administration services to the Scheme may enter into any contract, deed or other transaction for the purposes of the Scheme and the liability of the Trustees and the Scheme Administrator and any provider of administration services to the Scheme to any such persons or bodies shall be limited to the assets of the Scheme which are available to and readily realisable by them.

18.5 All and any Tax payable arising out of or in connection with the Scheme shall be met from the assets of the Scheme and from Member's Funds as determined by the Professional Trustee (if any) or the Scheme Administrator from time to time.

19. FEES AND EXPENSES

19.1 The expenses of the Scheme will (except to such extent, if any, as the Employers discharge them) be paid out of the Scheme insofar as they are permitted by regulations under the Finance Act or are otherwise permitted by HMRC. Each Trustee will be reimbursed by the Scheme his expenses as a Trustee. Any corporate Trustee and any Trustee (or firm or company in which a Trustee is interested) carrying on a profession or business, including in either case the Professional Trustee (if any), the Scheme Administrator and any one or more providers of administration or other services to the Scheme may charge for services rendered and may retain commissions and any other payment received arising out of any investments of the Scheme or arising out of the administration of the Scheme. Fees may be levied by

the Professional Trustee (if any), the Scheme Administrator and such provider on such basis as the Professional Trustee (if any) and the Scheme Administrator and such provider may respectively determine.

19.2 The Professional Trustee (if any), the Scheme Administrator and any one or more providers of administration or other services to the Scheme may also each levy such additional expenses incurred in connection with the banking, administration, management, transactions and investment of the Scheme as the Professional Trustee (if any) may in its sole discretion deem necessary, or if there is no Professional Trustee, as the Scheme Administrator or such provider may determine, as the case may be.

19.3 The Professional Trustee (if any), the Scheme Administrator and any one or more providers of administration or other services to the Scheme may each, without requiring the consent or authority of the other Trustees, pay or require the payment of any fees and expenses to the Professional Trustee (if any), the Scheme Administrator or such provider direct from any bank account in the name of the Trustees or the Scheme. To the extent that any fees or expenses due to the Professional Trustee (if any), the Scheme Administrator or such provider are not paid out of the Scheme, the other Trustees the Employers, and each of the Members and Beneficiaries, shall each be personally liable on a joint and several basis to the Professional Trustee (if any), the Scheme Administrator or such provider for the payment of those fees and expenses.

20. MISCELLANEOUS

20.1 Any Trustee (and any officer or representative of a corporate Trustee or delegate or nominee of the Trustees) may be a Member or Beneficiary (and may retain any benefit).

20.2 No Trustees' or Scheme Administrator's decision will be invalidated or questioned because any or all of the Trustees (or any officer or representative of a corporate Trustee or any delegate or nominee of the Trustees) had any interest (or was an officer or trustee of, or otherwise connected with, any third party interested) in it.

20.3 Neither the Trustees nor the Scheme Administrator shall be bound or required to interfere in the management or conduct of any business or company in which the Scheme is interested.

- 20.4 Any power or discretion of the Trustees or of the Scheme Administrator (including any provision which is permissive and not mandatory) is absolute and unfettered and no exercise thereof may be questioned unless the decision is made in bad faith. The Trustees and the Scheme Administrator may, in such exercise, take account of any wishes expressed by the relevant Member. Where the Trustees have to decide the amount of any benefit(s) or the apportionment of a Member's Fund between benefits they have full discretion to decide the relative amount(s) and to apply the whole or part of the Member's Fund to any one or more benefits to the exclusion of any other or others (whether presently capable of grant or prospective).
- 20.5 A corporate Trustee may act by or under the authority of its board of directors, or by a person appointed by such board as its representative.
- 20.6 There must always be a Scheme Administrator in relation to the Scheme. The Trustees have power to appoint or remove the Scheme Administrator from time to time. If the Scheme Administrator wishes to resign, or if the Trustees wish to remove the Scheme Administrator, the Trustees must first jointly appoint a new Scheme Administrator, before any such resignation or removal can be effective.

21. SCHEME RECORDS

- 21.1 The Trustees shall keep such records in the prescribed form as shall be required by regulations made from time to time under section 49 of the 1995 Act.
- 21.2 The Trustees may (and will if the law so requires) annually prepare accounts of the Scheme and have them audited. The Scheme will be operated in conformity with all requirements of the law as to disclosure of information.

22. EMPLOYERS

- 22.1 The Trustees may admit to the Scheme any employer which by deed agrees with them to comply with this Deed.
- 22.2 The participation of any Employer (other than the Principal Company) in the Scheme will cease if it or the Principal Company so notifies the Trustees, or if an order is made or a resolution is passed for its winding up. Thereupon Members who are its employees will remain in Membership. The Trustees may (and will in the case of a winding up of the Employer) in respect of those Members (and such, if any, of the relevant Employer's former employees who are Members as they determine)

appropriate the relevant aggregate Member's Funds and apply the amount appropriated as if Section 23 below applied, as an alternative to continuing to provide Scheme benefits in respect of them.

- 22.3 The Scheme may be amalgamated into, or may absorb, any other scheme established for the benefit of employees of any Employer which participates or is eligible to participate in the Scheme. Such amalgamation will be on such terms as the Trustees may agree.
- 22.4 The Trustees may by deed determine that any employer shall become Principal Company. On any such determination being effective, the Scheme will continue with the substitution of the new employer as Principal Company.
- 22.5 The Trustees may with the consent of the Principal Company remove the Principal Company without replacement, in which event the Trustees will have all the powers and responsibilities of the Principal Company under the Scheme.

23. TERMINATION

- 23.1 The Trustees may terminate the Scheme if they believe its objects have ceased or its administration has become inconvenient or after the making of an order or the passing of a resolution for the winding up of the Principal Company as they determine that no employer will become Principal Company under Rule 22.4 subject to the Trustees' discretion to continue the Scheme on such terms as the Trustees may think fit in their absolute discretion, with all the powers and responsibilities of the Principal Company vested in the Trustees.
- 23.2 On termination the Trustees will wind up the Scheme. They will realise its assets at such time or times as (having regard to prevailing investment conditions) they think fit and pay the costs of the Scheme (including its termination and winding up). The Trustees will then apply each Member's Fund in the following order: in paying its due proportion of all costs of termination; in paying sums due before termination (including any arising on any death before termination) arising from the relevant membership; in securing other benefits which the Scheme may provide in respect of the relevant membership; in providing or retaining for such present or future increases in benefits or additional benefits (in either case, first in respect of the relevant membership and then by augmentation of any other Member's Fund(s)) as the Trustees decide in their absolute discretion and (subject to any required deduction

of Tax and subject, where applicable, to the requirements of section 76 of the 1995 Act being satisfied) in paying any balance which cannot be applied in any such way to the Employers (excluding any which before the termination had ceased to participate in the Scheme) in such proportions as the Trustees think appropriate.

- 23.3 Such benefits will (without the need for any consent) be provided as the Trustees may decide by transfers under Rule 11.1 or Insurance Policies or otherwise as permitted by law or by the Finance Act or by HMRC, or out of the Scheme which may continue for this purpose. Any such continuation will not continue after the Principal Company has been wound up unless the Trustees so decide under Rule 23.1 above.

24. ALTERATIONS

- 24.1 All and any terms of the Existing Provisions under which the Scheme or its governing documents may be amended, altered, modified, substituted or added to ("**Existing Amendment Rule**") will continue in force to the intent that the provisions of this Deed or otherwise applicable to the Scheme will continue to be capable of amendment, alteration, modification, substitution and/or addition in like manner as heretofore. The repeal of the Existing Provisions and the adoption of these Rules will take effect subject to the continuance of any benefit or entitlement and to any limitation which by virtue of the Existing Amendment Rule may not be altered.

- 24.2 Where the amendment or addition affects any entitlement or accrued right (as defined in section 124(2) of the 1995 Act) of any Member acquired before the power under Rule 24.1 is exercised, that amendment or addition shall not (unless it is permitted by regulations under section 67 of the 1995 Act) be made without the consent of the Trustees. Before giving such consent, the Trustees must be satisfied as required by section 67 of the 1995 Act.

25. PERPETUITY

The Scheme will not continue beyond 80 years from the date of this Deed (which is the applicable perpetuity period) unless the Scheme is then exempt from the operation of the perpetuities rule.

26. INTERPRETATION

- 26.1 This Deed will be interpreted in accordance with English law and without reference to the list of contents and headings, which are included for convenience.

- 26.2 For the purposes of this Deed unless the context otherwise requires the masculine includes the feminine and the singular includes the plural and (in each case) vice versa; and any natural, adopted or step child will be regarded as a lawful child.
- 26.3 References in this Deed to any legislation include (where appropriate) legislation which it replaces, amends or supplements and legislation for the time being in force which replaces, amends or supplements it.
- 26.4 In the interpretation and application of the provisions of this Deed or otherwise applicable to the Scheme, due regard shall be had to commercial usage and practice as to pension schemes of the nature of the Scheme.

IN WITNESS WHEREOF this deed has been executed by the parties hereto and is delivered by each of them on the date of this deed.

SIGNED as a deed and delivered by)
STEPHEN MICHAEL BROWN in the)
presence of:

Witness signature:

Full Name:

TERENCE HERBERT SCARFF

Address:

14 SUTTON PARK
SUTTON, ELY, CAMBS CB6 2RP

Occupation:

COMPANY DIRECTOR.

SIGNED as a deed and delivered by
JENNIFER SUSAN BROWN in the
presence of:

Witness signature:

Full Name:

EILEEN TERESA BUTTIMER

Address:

25 BUTCHER CLOSE MILTON
CAMBRIDGE, CB 24 6ED

Occupation:

CONSULTANT.

SCHEDULE

Pension sharing on divorce (Rule 13)

1. ASSIGNMENT

Rule 12.6 is amended to permit the assignment of part or all of the Member's Scheme benefits to his/her Ex-Spouse to the extent necessary to comply with a Pension Sharing Order, agreement or equivalent provision or the assignment of part or all of the Ex-Spouse Participant's benefits or rights to benefits under the Scheme to his/her Ex-Spouse to the extent necessary to comply with a Pension Sharing Order, agreement or equivalent provision.

2. SEPARATE BENEFITS

The Trustees must make provision for the Pension Credit Benefits under the Scheme to be treated as provided separately from any benefits provided under the Scheme for the same individual as a Member or as the Dependant of a Member.

3. OPTIONS FOR EX-SPOUSE PARTICIPANTS

Participation in the Scheme may be offered to an Ex-Spouse either where the requirements in this paragraph 3 of this Schedule is satisfied, or where the Ex-Spouse only has Pension Credit Benefits under the Scheme.

The following options will be available to the Ex-Spouse Participant in relation to the Pension Credit Benefit, subject to compliance with Social Security legislation.

- 3.1 Scheme benefits by way of a pension can be paid at the request of the Ex-Spouse Participant at any time between attaining age 50 and 75, (but after 5 April 2010, between attaining age 55 and 75) or earlier on grounds of incapacity where he/she is simultaneously taking benefits on incapacity grounds arising from membership of the scheme in which the Pension Credit Benefits are held. Additionally a pension not yet in payment may be fully commuted under Rule 12.8 at any age, on the grounds of exceptional circumstances of Serious Ill Health. The Ex-Spouse Participant cannot defer commencement of the pension beyond his/her 75th birthday. If he/she is aged 75 or over at the date the Pension Sharing Order is implemented, the pension must come into payment immediately, in any form permitted. There is no limit on the amount of the pension. Such a pension may not be commuted, surrendered or

assigned except in accordance with the Scheme Rules. Such a pension must be payable for life unless it is fully commuted under Rule 12.8 and may be guaranteed.

- 3.2 No lump sum may be paid to the Ex-Spouse Participant where the Member (who was formerly married to the Ex-Spouse Participant) has already received a lump sum retirement benefit from the Scheme before the date of the implementation by the Scheme of the Pension Sharing Order, agreement or equivalent provision.

Otherwise the Ex-Spouse Participant may choose to take Scheme benefits by way of a lump sum at his or her Pension Date under Rule 6.1.

- 3.3 Where the Ex-Spouse Participant dies before benefits come into payment Scheme benefits by way of a lump sum death benefit may be paid under Section 7. This lump sum can be paid to any person at the discretion of the Trustees.
- 3.4 On the date the Ex-Spouse Participant's pension becomes payable (but not where the pension is paid in the form of Income Withdrawal), part of this pension may be surrendered for the provision, on the death of the Ex-Spouse Participant of Scheme benefits by way of a pension payable to a Dependant of the Ex-Spouse Participant under Section 8.
- 3.5 Full commutation of the Pension Credit Rights on the grounds of Triviality or exceptional circumstances of serious ill health is permitted when the pension first becomes payable. Where the Ex-Spouse Participant is also entitled to benefits under the Scheme arising from membership, for the purposes of determining the aggregate value of the total benefits payable to the Member for Triviality under Rule 12.8, benefits from Pension Credit Rights must be included. Where the Ex-Spouse Participant is also entitled to benefits under the Scheme arising from Membership, full commutation of the Pension Credit Rights on the grounds of Triviality will only be permitted where benefits arising from Membership are simultaneously commuted.
- 3.6 The Ex-Spouse Participant may request that the Trustees arrange a transfer of his/her Pension Credit Rights to another Registered Scheme. The Trustees must confirm to the receiving scheme or arrangement, that the transfer value consists wholly or partly of Pension Credit Rights for the benefit of an Ex-Spouse Participant.

3.7 At the point when the pension becomes payable, the Ex-Spouse Participant may request that the Trustees arrange for the purchase of an annuity from an Insurance Company of his/her choice in which event the Trustees may (without being obliged to) arrange for the purchase of such an annuity.

3.8 The rights to a Pension Credit Benefit under the Scheme shall not be absolute, but shall be forfeited upon the bankruptcy of the Ex-Spouse Participant. Such benefits may then be paid to any individual or individuals as specified by the Trustees, in their absolute discretion.

4. TRANSFERS IN

Where the Trustees accept a transfer payment into the Scheme in respect of an individual who is already a Member of the Scheme or is already an Ex-Spouse Participant in the Scheme and are informed by the transferring individual that the transfer value consists wholly or partly of Pension Credit Rights in the former scheme or arrangement, then the Trustees must separately identify the transfer payment relating to the Pension Credit Rights or the part of the transfer payment relating to the Pension Credit Rights from other funds held for the benefit of the Member. Furthermore the Trustees must comply with the requirements of paragraph 3 of this Schedule in respect of the transferred-in Pension Credit Rights. Then the individual will acquire the status of an Ex-Spouse Participant in the Scheme in relation to his/her transferred-in Pension Credit Benefits.

5. DEATH OF EX-SPOUSE

If the Ex-Spouse dies after a Pension Sharing Order, agreement or equivalent provision is made but before it is acted upon by the Trustees, a lump sum death benefit may be paid to any person at the discretion of the Trustees.