



THIS DEFINITIVE TRUST DEED is made the 19th day of May One thousand nine hundred and ~~Eighty Six~~ Eighty Six BETWEEN MELTPORT LIMITED whose registered office is at Tapestry Court Mortlake High Street London SW14 ("the Principal Company") of the one part and DUNCAN ALEXANDER COCKBURN CAMPBELL of 138C Holland Road London W14 SARA JULIENNE BENNETT of 62 Quentin Road Blackheath London SE13 and UNION PENSIONS TRUSTEES (LONDON) LIMITED whose registered office is at 91 St Martins Lane London WC2H ODG ("the Trustees" which expression shall mean the trustee or trustees for the time being hereof) of the other part

WHEREAS:-

- A) This Deed is inter alia supplemental to a Deed of Establishment ("the Deed of Establishment") dated the 1st day of August 1985 whereby the Principal Company established the Meltport Pension Trust ("the Trust") and the Meltport Pension Scheme ("the Scheme")
- B) By Clause 4(2) of the Deed of Establishment the Principal Company undertook within 24 months of the 1st day of August 1985 with the written consent of the trustees of the Trust to bring into effect rules further defining the provisions of the Trust and the Scheme.
- C) The Principal Company with the written consent of the Trustees has determined to adopt the Rules set out in the Schedule hereto as the rules defining the provisions of the Trust and the Scheme.
- D) The Scheme came into operation on the 1st day of August 1985.

NOW THIS DEED WITNESSES AND IT IS HEREBY AGREED AND DECLARED as follows:-

- 1. (1) The Definitive Trust Deed shall be read and construed and shall take effect as if it had been executed on the same day as and immediately after the said Deed of Establishment;  
(2) Notwithstanding the provisions of Clause 4(2) of the Deed of Establishment this Definitive Trust Deed shall be deemed to incorporate all the rules and provisions of the Trust and the Scheme and where any variation or inconsistency shall arise between this Deed and the Deed of Establishment the terms as herein contained shall prevail.
- 2. The Establishment of the Trust and Scheme under irrevocable trusts is hereby confirmed and the perpetuity period applicable is 80 years from the date on which the said Deed of Establishment was executed or such longer period as may be lawful.
- 3. The Trust and the Scheme shall be administered and managed in accordance with the provisions of this Deed and the Rules contained in the Schedule hereto.
- 4. The Trustees shall hold the assets for the time being of the Fund upon irrevocable trusts to hold apply and dispose of the same in accordance with the terms and conditions contained herein and in the Rules.
- 5. Any subsidiary companies of the Principal Company or any associated companies which are to participate in the Scheme shall execute a deed

under which they shall bind themselves to observe and perform such of the rules for the administration and management of the Scheme as are from time to time to be observed by Adhering Companies.

6. The Trustees shall have power to determine conclusively all matters of question and doubt arising on or in connection with the Rules and the construction thereof and in deciding any question of fact to act upon such evidence or presumption as they shall in their discretion think sufficient although the same be not legal evidence or legal presumption.
7. (1) The Principal Company hereby covenants to observe and perform such of the Rules as are from time to time to be observed and performed by the Principal Company;  
  
(2) The Principal Company shall with the approval of the Board of Inland Revenue have the power to be exercised by deed to enter into an agreement with a company or body for that company or body to assume the obligations of the Principal Company hereunder and the Principal Company shall thereby be released from all obligations hereunder and the Trust and the Scheme shall have effect as if such company or body were the Principal Company.
8. (1) The power of appointing and of removing the Trustees shall be vested in the Principal Company and shall be exercised by deed provided that at least one trustee shall be a person or body approved by the Board of Inland Revenue;  
  
(2) Any Trustee may retire from office on giving written notice thereof to the Principal Company but such retirement shall only take effect on the date of a deed of retirement and if on the retirement of a sole Trustee the Principal Company fails to appoint a new trustee or trustees the Principal Company shall with immediate effect undertake the duties of the Trustees hereunder as sole Trustee until such time as a new Trustee is appointed;  
  
(3) If and so long as any of the Trustees are individuals the Trustees shall:-  
(a) exercise their powers by resolutions either passed at meetings (when any Trustee unable to attend may appoint another Trustee to represent him or it) or signed by all the Trustees  
(b) have power to delegate any or all of their duties to any one or more of their number and in particular any of the Trustees may on behalf of them all sign any documents (other than deeds) that they are required to sign in the discharge of their duties  
(c) save as provided by (a) and (b) of this sub-clause make regulations (including where they so wish regulations for the appointment of a chairman and a secretary) for the conduct of their meetings and the management of their business;  
  
(4) If any of the Trustees is a corporation it shall in the discharge of its duties and in the exercise of its powers act by its officers and employees duly appointed in that behalf;  
  
(5) No resolution of the Trustees to wind-up the Trust shall be effective unless each Trustee votes in favour thereof and the resolution

shall not be effective unless it or a copy thereof is signed by each Trustee.

9. (1) No decision of or exercise of a power by the Trustees shall be invalidated or questioned on the ground that the Trustees or any of them or any director or officer of any body corporate being a Trustee hereof had a direct or indirect interest in such decision or in the exercise of such power;
- (2) A Trustee or any director or officer of a body corporate being a Trustee hereof who is or has been a member shall be entitled to retain for himself any benefit to which he is entitled by virtue of such membership.
10. (1) The Scheme shall be administered in conformity with the requirements relating to:-
- (a) the approval of the Scheme under Chapter II of Part II of the Finance Act 1970 and
  - (b) the preservation of benefits as stated in section 63 of the Social Security Act 1973 and schedule 16 thereto and
  - (c) the equal access requirements as stated in section 53 of the Social Security Pensions Act 1975;
- (2) The Administrator of the Scheme may give such undertakings to the Board of Inland Revenue as are requisite to the obtaining or the maintaining of the approval of the Scheme under Chapter II of Part II of the Finance Act 1970.
11. The Principal Company may by Deed executed by the Principal Company and the Trustees amend add to or repeal all or any of the trusts powers or provisions hereof

Provided that:-

- (1) the Principal Company obtains such actuarial or other advice as may be necessary to satisfy the Trustees that the effect of any proposed amendment addition or repeal would be equitable as between the members existing at the effective date of the Deed
- (2) the requirements stated in Clause 10(1)(b) hereof are observed
- (3) no such amendment addition or repeal shall:-
- (a) cause any reduction in any pensions or other benefits presently or contingently payable to a member under the Rules in so far as such pensions or other benefits are secured by assets received by the Trustees from other retirement benefits schemes pursuant to the Rules without written agreement of such member or
  - (b) permit the payment to the Principal Company or to any of its subsidiary companies or to any associated companies of any part of the assets comprising the Fund otherwise than in accordance with the Rules

IN WITNESS whereof these presents have been executed the day and year first before written:

THE COMMON SEAL of MELTPORT LIMITED was hereunto affixed in the presence of:-

Director

DAC Campbell

Secretary

John J. Bennett

SIGNED SEALED and DELIVERED by the said DUNCAN ALEXANDER COCKBURN CAMPBELL in the presence of:-

witness name  
address

occupation

R. J. Allen  
6 Lee Terrace  
Blackheath  
SE3 9TZ  
Manager of International Training

SIGNED SEALED and DELIVERED by the said SARA JULIENNE BENNETT in the presence of:-

witness name  
address

occupation

R. J. Allen  
6 Lee Terrace  
Blackheath  
SE3 9TZ  
Manager of International Training

THE COMMON SEAL of UNION PENSIONS TRUSTEES (LONDON) LIMITED was hereunto affixed in the presence of:-

Director

Director

SCHEDULE - THE RULES OF THE SCHEME

Definitions

1.0.1. In the Rules the following words and expressions shall where the context so admits bear the respective meanings assigned to them below:-

"Actuary" means the person (or firm) who for the time being is Actuary to the Trust having been duly appointed pursuant to Rule 2.1.4.

"Adhering Companies" means the subsidiary companies and associated companies which have bound themselves by deed to observe and perform the rules for the administration and management of the Scheme

"Administrator" means the person or persons being resident in the U.K. appointed by the Principal Company to have the management of the Scheme

"Aggregate Retirement Benefits" means the aggregate of  
(a) the members pension under the Scheme and any Associated Scheme and  
(b) the pension equivalent of the members Lump Sum Retirement Benefit

"approved retirement benefits scheme" means a retirement benefits scheme approved under the Finance Act 1970 or any other fund scheme or arrangement approved for the purposes of Rule 2.3.1. and 2.3.2. by the Board of Inland Revenue

"associated companies" means such companies (other than the Principal Company and its subsidiary companies) as the Trustees shall with the approval of the Board of the Inland Revenue designate as "associated companies"

"Associated Scheme" means any other retirement benefit schemes established by the Participating Companies or to which the Participating Companies have contributed

"controlling director" means a person who prior to 6th April 1973 was a controlling director as defined in section 224(1) Income & Corporation Taxes Act 1970 of a Participating Company

"dependant" means in relation to a person or a deceased person any individual (other than his widow) who is financially dependent on him or was so dependent at the time of his death

"dependant child" means a person who in relation to a member or a withdrawing member is either his legitimate (legitimated) child or his adopted child or his step-child or an individual who at any time during the lifetime of such person as a minor has lived as a member of his family or an individual of whom:-

- (a) such member or withdrawing member being a male is/was in the opinion of the Trustees the putative father or
- (b) such member or withdrawing member being a female is/was the mother and to whose maintenance such a member or withdrawing member is contributing or is legally liable to contribute (or if he is deceased was contributing or was legally liable to

contribute immediately prior to his death)  
as long as:-

- (i) he has not attained the age of 16 years or
- (ii) he has attained the age of 16 years and is undergoing full time educational or vocational training or by reason of physical or mental disability is incapable of supporting himself and in the opinion of the Trustees is deserving of financial support

"early retirement" means in relation to a member his ceasing to be employed by the Participating Companies and retiring prior to his normal retirement date where:-

- (a) such cesser of employment is either:-
  - (i) after attaining the age of 50 years or
  - (ii) on account of incapacity

and

- (b) such member by notice in writing to the Participating Company elects that such cesser of employment is to be treated as "early retirement"

"eligible Employee" means a person who is in the employment of one or more of the Participating Companies and who at the sole discretion of his Employer is invited to apply for membership

"Final Remuneration" shall mean the greatest of:-

- (a) the highest remuneration for any one of the 5 years preceding the date of retirement leaving service death or the date of cessation of normal remuneration in the case of a member who remains or is treated as remaining in service but who draws significantly reduced remuneration due to incapacity up to normal retirement date as the case may be (hereinafter referred to as the Relevant Date) being the aggregate of:-
  - (i) the basic pay for the year in question and
  - (ii) the yearly average over 3 or more consecutive years ending with the expiry of the corresponding basic pay year of any fluctuating emoluments and
- (b) the yearly average of the total emoluments for any 3 or more consecutive years ending not earlier than 10 years before the Relevant Date and
- (c) (in the case of death only) the higher of:-
  - (i) total emoluments for any year ending not earlier than 3 years before the date of death and
  - (ii) the annual rate of basic salary at the date of death added to the yearly average during the 3 years (or the whole period of employment if less) of any fluctuating emoluments

Provided that:

- (i) in relation to a member who is a director with a substantial shareholding in one of the Participating Companies Final Remuneration shall be the amount ascertained in accordance with (b) or (c) above and (a) above shall not apply
- (ii) where Final Remuneration is computed by reference to any year other than the last complete year ending on the Relevant Date the members actual remuneration for that year may be increased in proportion to any increase in the Governments Index of Retail Prices from the last day of that year up to the Relevant Date but this proviso shall not apply to the calculation of the maximum Lump Sum Retirement Benefit in accordance with paragraph (b) of Rule 3.1.2. hereof unless the members Aggregate

Retirement Benefit is similarly increased beyond the maximum amount which could have been paid but for this proviso and then only to the same proportionate extent

"Fund" means the assets for the time being subject to the Trust constituted by the Deed of Establishment

"Fund Reserve" means in relation to a member or withdrawing member such appropriate part of the Fund as shall be certified by the Actuary

"his Participating Company" means in relation to a person who is or has been employed by the Participating Companies that one of the Participating Companies in whose employment he is at the relevant time

"incapacity" means in relation to a member physical or mental deterioration which prevents him from following his normal employment or which seriously impairs his earning capacity

"insurance company" means a U.K. office of any insurance company to which Part II of the Insurance Companies Act 1982 applies and which is authorised by or under section 3 or 4 of that Act to carry on ordinary long-term insurance business as defined in that Act

"late retirement" means in relation to a member his ceasing to be employed by the Participating Companies and retiring subsequent to his normal retirement date

"Lump Sum Retirement Benefit" means the total value of all benefits payable in the form other than non-commutable pension under this and any Associated Scheme

"member" means an eligible Employee who has been admitted to membership of the Scheme in accordance with Rule 4.1.1. and whose membership of the Scheme has not ceased

"normal retirement" means in relation to a member his ceasing to be employed by the Participating Companies and retiring on his normal retirement date

"normal retirement date" means the date on which a member reaches the age at which he is entitled to retire normally such age having been specified on initial entry into membership being not earlier than age 60 for males or for females who are directors with a substantial shareholding or age 55 for other females or later than age 70 unless otherwise specifically agreed in writing by the Board of Inland Revenue

"Partial Withdrawing Company" means any one of the Adhering Companies to which the provisions of Rule 2.4.2. or Rule 2.4.3. apply by reason of a notice pursuant to paragraph (a) of Rule 2.4.1. relating to some (but not all) of its employees who are members of the Scheme

"Participating Companies" means the Principal Company and the Adhering Companies as long as they shall respectively not have become Withdrawing Companies

"pensionable service" means in respect of a member or withdrawing

member such period of employment with the Participating Companies as may be detailed in the notice specifying his target benefits together with any period not exceeding one calendar month or any longer period if the member is a woman who returns to work after an absence for pregnancy or confinement in exercise of a right granted by the Employment Protection (Consolidation) Act 1978 falling between a period of employment by the Participating Companies and a subsequent period of employment by the Participating Companies in respect of which a pension is payable under the Scheme

"pensionable widow" means in the case of a pensioner or member who dies in service the woman to whom he was married at the date of his death save and except that if the Trustees secure a reversionary pension for the pensionable widow at the same time as securing the members pension by effecting an annuity or deferred annuity policy or policies with an insurance company pensionable widow shall mean the woman to whom he was married at the date such pensions are secured

"pensioner" means a person who having been a member is in receipt of a pension under the Scheme

"relatives" means in relation to a person:

- (a) his grandchildren
- (b) his stepchildren
- (c) his parents (including his adoptive parents)
- and
- (d) his brothers and sisters (whether of the whole blood or the half blood or adoptive) and their children
- (e) persons who are or at any time have been the spouse of any of his children

"retirement" means in relation to a member or withdrawing member such of the following as is appropriate:

normal retirement or early retirement or late retirement

"subsidiary companies" means such of the subsidiary companies of the Principal Company as defined in section 154 of the Companies Act 1948 (as from time to time modified or re-enacted) as the Trustees shall with the approval of the Board of Inland Revenue designate by deed as Adhering Companies

"substantial shareholding" means in relation to a person who is a director of one of the Participating Companies that:-

- (a) the shares in that company the beneficial ownership of which is enjoyed by that person alone or by himself together with any one or more of his spouse and his minor children when added to
  - (b) the shares in that company registered in the name of one or more of the trustees of any settlement to which either or both of the person concerned and his spouse have transferred assets
- together carry more than twenty per cent of the voting rights in that company or in a company which controls that company

"target benefits" means in relation to a member such of the following benefits in respect of him as shall from time to time be specified in a notice in writing given by his Participating Company to the Trustees each of such benefits to be of such an amount or calculated in such manner as shall be specified in such notice:-



- (a) a pension on retirement at normal retirement date and on retirement at any other date
- (b) a pension for his widow on his death whilst a member or after his retirement
- (c) a pension for his dependant(s) on his death whilst a member or after his retirement
- (d) an allowance for dependant children on his death whilst a member or after his retirement
- (e) a lump sum on his death whilst a member
- (f) a lump sum on retirement at normal retirement date and on retirement at any other date
- (g) increases in pensions to offset wholly or partially increases in the Governments Index of Retail Prices

Provided that none of such benefits shall be of such an amount as would cause the limits referred to in Rule 3.1.2. to be exceeded

"winding-up date" means whichever of the dates set out in Rule 2.5.1. shall first occur

"withdrawal" means in relation to a person who is a member his ceasing to be employed by the Participating Companies

"Withdrawing Company" means any one of the Adhering Companies to which the provisions of Rule 2.4.2. or Rule 2.4.3. apply pursuant to Rule 2.4.1. (other than a Partial Withdrawing Company)

"withdrawing member" means a person who having been a member has ceased to be employed by the Participating Companies

- 1.0.2. Unless the context otherwise requires words herein importing the singular shall include the plural and vice versa and words importing the masculine gender shall include the feminine gender

#### Management of the Trust

- 2.1.1. The Trustees shall have all the powers conferred on them by law by the Definitive Trust Deed and by the Rules and the Trustees shall have discretion to exercise or refrain from exercising any such power and the Scheme shall be managed by the Administrator on behalf of the Trustees
- 2.1.2. Subject to Clause 8(5) of the Definitive Trust Deed the Trustees may whenever they think it expedient delegate all or any of the administrative duties vested in them by the Rules except such powers duties and discretions as relate to the winding-up of the Trust and such delegation may be made upon such terms and conditions and subject to such regulations including the power to sub-de'legate as the Trustees may think fit

#### Accounts and records

- 2.1.3. The Trustees shall keep or cause to be kept true accounts and records of all monies passing through their hands and shall also keep a record of all members and of all persons receiving benefits and all other matters necessary to be recorded for the proper operation of the Scheme

#### Actuarial valuations

- 2.1.4. The Principal Company shall appoint a person being a Fellow of the Institute of Actuaries or of the Faculty of Actuaries in Scotland (or a firm consisting of such persons) to be Actuary to the Trust and may remove any person (or firm) so appointed
- 2.1.5. The Principal Company shall cause the Fund to be valued actuarially in relation to the target benefits payable under the Scheme by the Actuary at such intervals not exceeding three years as shall be determined by the Trustees or by the Principal Company and for that purpose all necessary accounts and information shall be supplied to the Actuary who shall report in writing to the Principal Company and send copies to the Trustees

#### Professional advice

- 2.1.6. The Trustees may from time to time engage and pay accountants actuaries solicitors and such other professional advisers or agents as the Trustees shall consider requisite or desirable in connection with the administration of the Trust

#### Cost of administration and management

- 2.1.7. All expenses incurred in connection with the Trust including fees or expenses charged or incurred by the Trustees or the Administrator in carrying out their duties shall be met in one or more of the following ways as the Trustees and the Principal Company shall from time to time together determine:-
- (a) by being paid or charged to the Principal Company or
  - (b) by being charged to the Participating Companies in proportion to the amounts of the contributions for the time being respectively paid by them or
  - (c) by being borne by the Trust

#### Trustees liability-limit

- 2.1.8. (1) The Trustees shall not be personally liable for:-
- (a) any loss on or depreciation or insufficiency of or default upon any investments of the Fund
  - (b) any loss arising from delay in the investment of any moneys belonging to the Fund
  - (c) the loss of any documents of title or other documents deposited by the Trustees
  - (d) any act omission neglect or default of any accountant actuary solicitor or other professional adviser or agent engaged by the Trustees
- (2) The Trustees shall have power to pay from the Fund all claims (which in the opinion of the Trustees are justifiable) and damages (including costs and expenses incurred in connection therewith) which may be made or awarded against them as trustees of the Trust in so far as the same are not borne by the Participating Companies

developing such freehold or leasehold land and any buildings or other structures thereon and to pay professional or other fees in connection therewith

#### Borrowing

- 2.2.6. (1) The Trustees may whenever they think it desirable in the interests of the Trust raise or borrow or accept upon deposit any sum or sums of money upon such terms and conditions as they shall in their discretion think fit and may secure the repayment of such moneys and interest thereon by charging or mortgaging any of the assets comprised in the Fund or any of the assets purchased or acquired with all or part of the money borrowed
- (2) Moneys so borrowed shall be applied in any manner which the Trustees may in their discretion decide is for the benefit of the Fund or is expedient to further the general purposes of the Trust including purchasing or otherwise acquiring property or other assets of any nature

#### Transfer-out

- 2.3.1. In the event of a withdrawing member who becomes a member of another approved retirement benefits scheme notifying the Trustees of his agreement pursuant to Rule 4.1.13. the Trustees may pay or transfer from the Fund to such other approved retirement benefits scheme to provide pension and other benefits for and in respect of such withdrawing member cash or other assets equal to the Fund Reserve in respect of him

Provided that:-

- (a) the Trustees shall ascertain from the trustees or administrator of such other approved retirement benefits scheme the section and Act under which it is approved by the Board of Inland Revenue and shall provide such trustees or administrator with any relevant information that he may request
- (b) the Trustees shall certify the amount included in the cash or other assets so paid or transferred which represents the contributions of members
- (c) where the Rules would not have permitted the taking of a refund of contributions on leaving service before normal retirement date the Trustees shall notify the trustees or administrator of such other approved retirement benefits scheme that a similar restriction must be applied to the cash or other assets so transferred and must be maintained in the case of a subsequent transfer
- (d) the Trustees shall comply with the provisions of any undertakings given by them or by the Administrator to the Board of Inland Revenue

#### Transfer-in

- 2.3.2. The Trustees may receive into the Fund cash or other assets from any other approved retirement benefits scheme to provide benefits for and in respect of a person who becomes a member whereupon such person shall become entitled to such benefits as shall be agreed between the Trustees and such person having regard (inter alia) to the amount of such assets and the date on which such benefits shall become payable

Provided that:-

- (a) the Trustees shall not treat the cash or other assets received as employees contributions to a greater extent than is certified by the trustees or administrators of the other approved retirement benefits scheme
- (b) the Trustees shall pass on in any subsequent transfer paid in accordance with Rule 2.3.1. any restriction on refunds of contributions on leaving service notified by the trustees or administrator of such other approved retirement benefits scheme
- (c) if the Scheme is not approved under Chapter II Part II Finance Act 1970 within two years of the commencement date or such longer period as the Board of Inland Revenue may allow the transfer payment will be applied by the Trustees to purchase from an insurance company non-assignable annuities commutable (if at all) only to the extent permitted under the rules of the other scheme
- (d) the Trustees will meet any liability to tax on the happening of any event (for example any refund of contributions or commutation on grounds of triviality or in exceptional circumstances of serious ill-health) where if such event had happened under the other scheme a liability to tax would have fallen on the trustees or administrator of the other scheme
- (e) the Trustees shall comply with the provisions of any undertakings given by them or by the Administrator to the Board of Inland Revenue
- (f) prior approval of the Board of Inland Revenue shall be obtained before any cash or assets are accepted by the Trustees until such time as the Scheme has been approved under Chapter II Part II of the Finance Act 1970 unless the other approved retirement benefit scheme is specifically referred to in this context by or within a formal trust deed or rules relating to the Scheme

#### Donations

- 2.3.3. The Trustees may receive into the Fund donations to be held by them as accretions to the Fund for better securing the solvency of the Trust.

#### Withdrawal of Participating Companies

- 2.4.1. The provisions of Rules 2.4.2. and 2.4.3. shall apply in the following events in respect of a company which is one of the Adhering Companies:-

- (a) on the expiration of 3 months notice in writing (or such lesser period of notice as the Trustees with the consent of the Principal Company accept) given to the Trustees of its intention to withdraw from the Scheme in respect of all or any of its employees who are members of the Scheme or
- (b) the making of an Order or the passing of a resolution for its winding-up or
- (c) if the degree of association between the Adhering Company and the other Participating Companies changes to such an extent that the participation of that company would prejudice the approval of the Scheme under Chapter II Part II Finance Act 1970

- 2.4.2. Subject to the provisions of Rule 2.4.3.:-

- (a) on one of the Adhering Companies becoming a Withdrawing Company then such of the employees of such Withdrawing Company as are members or

- (b) on one of the Adhering Companies becoming a Partial Withdrawing Company such of the employees of such Partial Withdrawing Company as are members and are comprised in the notice given pursuant to paragraph (a) of Rule 2.4.1.

shall be deemed to have become withdrawing members and Rule 4.1.11. of the Scheme shall apply

Provided that in the event of an Adhering Company becoming a Withdrawing Company the benefits in respect of its employees who are members or withdrawing members shall be secured in accordance with Rule 4.1.12. unless Rule 2.4.3. applies and any surplus assets arising in respect of the employees concerned being the total of the amount by which the Fund Reserve in respect of each employee exceeds the value of the accrued benefits for that employee having regard to the limits specified in Rule 3.1.2. hereof shall be paid or transferred to the Withdrawing Company which shall have no further interest in the Scheme

- 2.4.3. On one of the Adhering Companies becoming a Withdrawing Company or a Partial Withdrawing Company the Principal Company may by notice in writing to the Trustees and with the agreement of the Board of Inland Revenue direct that in respect of the employees of such Withdrawing Company or Partial Withdrawing Company who become members of another approved retirement benefit scheme (in lieu of the benefits payable to and in respect of such employees under Rule 2.4.2.) the Trustees shall pay to such other approved retirement benefit scheme a lump sum equal to the sum of the Fund Reserves in respect of such employees to the trustees of such other approved retirement benefits scheme in accordance with Rule 2.3.1.

#### Winding-up of the Trust

- 2.5.1. On whichever shall first occur of the following dates:-

- (a) the date as at which the Principal Company shall determine that the Trust shall be wound up
- (b) the date of the passing of a Resolution for the voluntary winding-up of the Principal Company
- (c) the date of the making of an Order for the compulsory winding-up of the Principal Company
- (d) the expiry date of the period specified in Clause 2 of the Definitive Trust Deed

the Trust shall be wound-up and the assets comprised in the Fund applied as provided in this Sub-section of the Rules

Save and except that within the circumstances of paragraphs (a) (b) and (c) of this Rule the Trustees may by deed with the approval of the Board of Inland Revenue exercise the power to alter or modify any of the trusts powers and provisions of the Trust and the Scheme and the Rules without obligation to obtain the consent of the Principal Company and may make such arrangements to enter into such agreements as they shall in their own discretion think fit for the continuation of the Trust and the Scheme subject however to the perpetuity period remaining unchanged and the provisions of Rule 2.5.3. ultimately becoming applicable

- 2.5.2. Following the winding-up date the Trustees shall if the Principal Company shall so direct by notice in writing to the Trustees effect the winding-up of the Trust by paying or transferring to the trustees of some other approved retirement benefits scheme all the assets comprised in the Fund provided that the trustees of such other approved retirement benefits scheme shall undertake to provide

benefits not less in value than the value of the benefits which could in the opinion of the Trustees in consultation with the Actuary be provided by the assets so paid or transferred

Provided that the Trustees shall obtain a members consent before paying or transferring the assets comprised in the Fund to any other approved retirement benefits scheme not relating to his Participating Company or the successor thereof

2.5.3. Subject to the provisions of Rule 2.5.2. following the winding-up date the Trust shall be wound up by applying the assets comprised in the Fund as follows:-

- (a) FIRSTLY in paying any costs charges or expenses of or incidental to the winding-up of the Trust which are not recovered from the Participating Companies
- (b) SECONDLY pari passu in securing from an insurance company pension and other benefits (in so far as they are not already secured from an insurance company):-
  - (i) commencing on the winding-up date for:-
    - (aa) pensioners for life and
    - (bb) the widows and dependants of deceased members and pensioners in receipt of pensions under the Trust immediately prior to the winding-up date for life equal in annual amount to the pensions of which they were in receipt from the Trust immediately prior to the winding-up date
  - (ii) commencing from the first day of the month following the date of the death of deceased pensioners for the widows and dependants of pensioners who die after the winding-up date of the appropriate annual amounts under the Rules for life
  - (iii) for and in respect of members who have attained their respective normal retirement dates on the winding-up date but have not yet retired similar in all respects to the pension and other benefits that would have been provided for and in respect of them on retirement on the winding-up date
- (c) THIRDLY pari passu in securing from an insurance company pensions with other optional benefits for and in respect of members who have not attained their respective normal retirement dates on the winding-up date similar in all respects to the pension with the other optional benefits that would have been provided for and in respect of them on withdrawal on the winding-up date
- (d) FOURTHLY if having complied with the foregoing paragraphs of this Rule any balance shall remain the Trustees may at their discretion apply the whole or any part of such balance (within the limits approvable by the Inland Revenue) in securing additional pension and other benefits by way of augmentation of the pensions already secured pursuant to the foregoing paragraphs of this Rule or some of them or such other benefits for and in respect of members as the Trustees in their discretion decide
- (e) LASTLY the Trustees shall pay and transfer any assets comprised in the Fund then remaining to the Participating Companies in due proportions as advised by the Actuary

Provided that any policy or policies issued by an insurance company under this rule shall be endorsed to show:-

- (i) that the pensions are not assignable and only commutable for a cash sum to the extent that is expressly provided
- (ii) the cash amounts available on commutation of the pensions at normal retirement date and on death before retirement

- (iii) the circumstances in which benefits can be taken earlier than the normal retirement date
  - (iv) the basis by which any benefits payable earlier than normal retirement date shall be calculated
  - (v) that such policy or policies is in the name of the member pensionable widow dependant or pensioner to whom the same is or may be payable
- and the effecting of such policy or policies as aforesaid shall be in full discharge of all liability of the Trustees in respect of such appropriate benefits

#### Administration

- 3.1.1. (1) All benefits shall be non-assignable and all pensions shall be non-commutable save in so far as otherwise expressly provided in the Rules
- (2) All calculations to determine the lump sum representing the commutation of a members pension under the Rules shall be undertaken by the Actuary who shall agree the basis thereof with the Board of Inland Revenue and such calculations shall be consistent with any other calculations made for the same member and for other purposes of the Scheme

#### Limit of benefits

- 3.1.2. Notwithstanding anything to the contrary in the Rules the benefit payable to a member his widow dependants or other beneficiaries deriving a benefit from the Scheme (including a benefit in respect of a transfer of assets received into the Fund) in respect of him shall not when aggregated with all benefits of a like nature provided under all other retirement benefits schemes of the Participating Companies or to which the Participating Companies have contributed exceed the limits set out below:-
- (a) The members Aggregate Retirement Benefits shall not exceed:-
- (i) on retirement at or before normal retirement date a pension of 1/60th of Final Remuneration for each year of service with his Participating Company (not exceeding 40 years) or such greater amount (not exceeding two-thirds of Final Remuneration) as will not prejudice approval of the Scheme under Chapter II Part II Finance Act 1970
  - (ii) on retirement after normal retirement date (subject to paragraph (f) of this Rule) a pension of the greatest of:-
    - (aa) the amount calculated in accordance with paragraph (a)(i) of this Rule on the basis that the actual date of retirement was the members normal retirement date or
    - (bb) the amount which could have been provided at normal retirement date in accordance with paragraph (a)(i) of this Rule increased actuarially in respect of the period of deferment or
    - (cc) where the members total service with his Participating Company has exceeded 40 years the aggregate of 1/60th of Final Remuneration for each year of service before normal retirement date (not exceeding 40 such years) and of a further 1/60th of Final Remuneration once 40 years total service has been completed for each year of service after normal retirement date (with an

overall maximum of 45 reckonable years) Final Remuneration being computed in each instance as at the actual date of retirement

- (iii) on leaving service before normal retirement date a pension payable at normal retirement date of 1/60th of Final Remuneration for each year of actual service (not exceeding 40 years) or a pension payable earlier than normal retirement date as aforesaid but reduced appropriately for early payment or in either case of such greater amount as will not prejudice approval of the Scheme under Chapter II Part II Finance Act 1970. The amount computed as aforesaid may be increased in proportion to any increase in the Governments Index of Retail Prices which has occurred between the date of termination of service and the date on which the pension begins to be payable
- (b) The members Lump Sum Retirement Benefit shall not exceed:-
  - (i) on retirement at or before normal retirement date 3/80ths of Final Remuneration for each year of service with his Participating Company (not exceeding 40 years) or such greater amount (not exceeding 1.5 times Final Remuneration) as will not prejudice approval of the Scheme under Chapter II Part II Finance Act 1970
  - (ii) on retirement after normal retirement date (subject to paragraph (f) of this Rule) the greatest of:-
    - (aa) the amount calculated in accordance with paragraph (b)(i) of this Rule on the basis that the actual date of retirement was the normal retirement date or
    - (bb) the amount which could have been provided at normal retirement date in accordance with paragraph (b)(i) of this Rule above together with an amount representing interest thereon or
    - (cc) where the members total service with his Participating Company has exceeded 40 years the aggregate of 3/80ths of Final Remuneration for each year of service before normal retirement date (not exceeding 40 such years) and of a further 3/80ths of Final Remuneration once 40 years total service has been completed for each year of service after normal retirement date (with an overall maximum of 45 years) Final Remuneration being computed in each instance as at the actual date of retirement
  - (iii) on leaving service before normal retirement date a lump sum payable at normal retirement date of 3/80ths of Final Remuneration for each year of actual service (not exceeding 40 years) or a lump sum payable earlier than normal retirement date as aforesaid but discounted appropriately for early payment or in either case such greater amount as will not prejudice approval of the Scheme under Chapter II Part II Finance Act 1970
- (c) The lump sum benefit (exclusive of any refund of the members own contributions) payable on the death of a member while in service or a withdrawing member before the commencement of his pension shall not when aggregated with all like benefits under Associated Schemes exceed the greater of:-
  - (i) £5,000 and
  - (ii) four times Final Remuneration



less

- (aa) any lump sum (other than a refund of his own contributions) payable on the death of the member under all schemes of previous employers and
- (bb) any lump sum life assurance benefit payable on the death of the member under a retirement annuity contract or trust scheme approved under section 226A Income and Corporation Taxes Act 1970

if the aggregate of such lump sums exceeds £500

- (d) Any pension for a widow or a dependant when aggregated with the pensions (other than those provided by surrender of the members own pension) payable to that widow or dependant under all Associated Schemes shall not exceed an amount equal to 2/3rds of the Aggregate Retirement Benefit:-
  - (i) being paid to the member at the date of his death or
  - (ii) being a deferred benefit payable to the member at normal retirement date or
  - (iii) prospectively payable to the member who dies in service had he remained in service up to the normal retirement date at the rate of pay in force immediately before his death or
  - (iv) prospectively payable to the member who dies in service after normal retirement date on the basis that he had retired on the day before he died

or such greater amount as will not prejudice approval of the Scheme under Chapter II Part II Finance Act 1970

Provided that if pensions are payable to more than one of the widow and dependants of a member the aggregate of all such pensions payable in respect of him under this and all Associated Schemes shall not exceed the full amount of whichever is the appropriate Aggregate Retirement Benefit under (i) (ii) (iii) or (iv) above or such greater sum as will not prejudice approval of the Scheme under Chapter II Part II Finance Act 1970

- (e) The maximum amount of a pension ascertained in accordance with this Rule less any pension which has been commuted for a lump sum or surrendered to provide a widows or dependants pension may be increased in proportion to the increase in the Governments Index of Retail Prices which has occurred since the pension commenced to be paid
- (f) If a member elects to take any part of his benefits under the Scheme in advance of actual retirement the limits set out in paragraphs (a) and (b) of this Rule above shall apply as if he had retired at the date of the election as aforesaid no account being taken of subsequent service save that the maximum amount of any uncommuted pension not commencing immediately may be increased actuarially in respect of the period of deferment
- (g) The preceding provisions of this Rule shall be modified in their application to a member who is or has been a controlling director or a director with a substantial shareholding:-

The amount of the maximum Aggregate Retirement Benefit in paragraph (a) and of the maximum Lump Sum Retirement Benefit in paragraph (b) shall be reduced where necessary for approval of the scheme so as to take account of any corresponding benefit under a retirement annuity contract or trust scheme approved under Sections 226 or 226A Income and Corporation Taxes Act 1970 and in relation to a director with a substantial shareholding at his normal retirement date as follows:-

  - (i) where retirement takes place after normal retirement date

but not later than the members 70th birthday paragraph (a) (ii) (bb) and (cc) and paragraph (b)(ii)(bb) and (cc) of this Rule shall not apply and if retirement is later than the attainment of that age the said paragraphs shall apply as if the members 70th birthday had been specified in the rules as his normal retirement date so as not to treat as service after normal retirement date any service before the member reaches the age of 70

- (ii) where paragraph (f) applies to him the rate of the actuarial increase referred to therein in relation to any period of deferment prior to his attaining the age of 70 shall not exceed the percentage increase in the Governments Index of Retail Prices during that period

#### Bankruptcy

- 3.1.3. If a beneficiary shall become bankrupt or shall assign or attempt to assign any pension benefit payable under the Scheme and the Trustees shall have notice thereof no payment or further payment (as the case may be) shall be made in respect of the benefit to which he is entitled but the Trustees may pay or apply an amount or amounts not exceeding the value of such forfeited benefit for the personal support and maintenance of such beneficiary his spouse children or dependants or such one or more of them as the Trustees shall in their discretion determine

#### Incapacity

- 3.1.4. (1) If a member retires for reasons of incapacity and upon considering a certificate obtained by them from a registered medical practitioner which indicates that he is in exceptional circumstances of serious ill-health it is the Trustees opinion that he is likely to have a very short expectation of life relative to a person of the same age and sex he shall with prior approval of the Board of Inland Revenue be entitled to opt to commute the whole of any pension payable to him under the Rules for an equivalent cash sum
- (2) If a beneficiary is an infant or is in the opinion of the Trustees suffering from an incapacity rendering him unable to manage his affairs or to give a proper receipt the Trustees may at their discretion (except where by law otherwise required) make payment of any benefit (to which such beneficiary is entitled) to his guardian or his spouse or any of his children or any of his relatives or any of his dependants or any institution or person providing for his care and such payment shall be in complete satisfaction of the obligations of the Trustees to such beneficiary in respect of such benefit and the Trustees shall not be under any liability to see to the application thereof

#### Income Tax

- 3.1.5. Where the Trustees or the Administrator are liable to account to the Inland Revenue for income tax or are chargeable to such tax on any payment the Trustees or Administrator shall deduct such income tax from the amount of the payment

### Investment and Management of Assets

#### General powers

- 2.2.1. So much of the assets comprised in the Fund as shall not be required under the provisions of the Rules for making any current payment shall be invested by the Trustees in the purchase of such stocks funds shares securities obligations freehold or leasehold land buildings or other property of whatsoever nature and wheresoever situate and whether involving liability or not or in or upon such loans or deposits either secured or unsecured as the Trustees shall in the discretion of the Trustees and without being responsible for loss think fit to the intent that the Trustees shall have the same full and unrestricted powers of investment and of transposing investments in all respects as if the Trustees were absolutely and beneficially entitled thereto

Provided that:-

- (a) any such loans to or deposits with a Participating Company shall be made on normal commercial terms and at a normal commercial rate of interest
- (b) no loans shall be made to a member or to any other individual with a contingent interest under the Scheme

#### Special powers

- 2.2.2. Without prejudice to the generality of the provisions of Rule 2.2.1. the Trustees:-
- (a) may purchase maintain or effect from or with an insurance company annuities or deferred annuities to provide all or any of the pension benefits to which any members or other persons are from time to time entitled
  - (b) may purchase maintain or effect from any insurance company life assurance for the purpose of re-insuring the whole or some part of the benefits payable under the Rules on the death of any person
- 2.2.3. In addition to any other powers herein contained the Trustees shall have power to enter into underwriting or sub-underwriting contracts on such terms as they in their discretion may think fit

#### Nominees

- 2.2.4. Investments may at the discretion of the Trustees be made either in their own name or in the name of any other body corporate (whether a trust corporation or not) or any individual nominated by the Trustees for that purpose

#### Management of Investments

- 2.2.5. The Trustees shall have all powers that could be exercised by a beneficial owner absolutely entitled in relation to the management protection and improvement of the investments comprised in the Fund including without prejudice to the generality of the foregoing in relation to freehold or leasehold land and buildings:-
- (a) power to sell lease demise mortgage and deal with such freehold or leasehold land and buildings or any part thereof
  - (b) power to apply any moneys comprised in the Fund in improving or

#### Unclaimed benefits

- 3.1.6. The Trustees shall take such steps as they shall consider reasonable to trace persons who are entitled to benefit under the Scheme but if on the expiration of a period of six years from the date on which a payment of a lump sum benefit or an instalment of pension is due the person entitled to such benefit shall not have come forward and made their claim known to the Trustees then such lump sum benefit or instalment of pension shall be forfeited

#### Exercise of discretions by Trustees

- 3.1.7. Where under the Rules the Trustees have a discretion as to whether in any particular circumstances a benefit shall be payable and/or as to the person or persons to whom any benefit is to be paid then any determination made by the Trustees in the exercise of such discretion shall be conclusive and binding on all persons

#### Age and identity

- 3.1.8. Each person who claims to be entitled to or to be eligible for a benefit under the Scheme shall give to the Trustees such proof of age identity and existence as the Trustees may require

#### Payment of pensions

- 3.1.9. (1) Pensions and allowances shall be paid in advance by such equal instalments on such days as the Trustees and the Principal Company may from time to time agree
- (2) Except as provided in section (3) of this Rule if a pensioner dies within 5 years of the commencement of his pension there will be payable a capital sum equal to the unpaid balance of the first 5 years pension payable in accordance with the principles set out in Rule 4.1.10.
- (3) A member or withdrawing member may elect to substitute for the benefit described in section (2) of this Rule an equivalent pension without a term certain or for a term certain not exceeding 10 years and payable for life thereafter
- Provided that if the term certain exceeds 5 years and the pensioner dies within that period then the pension shall continue to be paid in full for the remainder of that term certain and any pension payable to a widow or dependant shall not commence until the expiry of the term certain

#### Grant of Representation

- 3.1.10. No sum shall be payable to the personal representatives of a deceased person until there shall be produced to the Trustees a Grant of Representation relating to his estate provided however that where a Grant of Representation has not been produced any sums of money so payable up to an aggregate of £1,000 (or such greater sum as the Principal Company may from time to time determine) may be paid at the discretion of the Trustees to such individual (as the Trustees in their discretion may determine) and the receipt of such individual shall be valid discharge in like manner as if it had been given by the personal representatives of such deceased person

### Partial Retirement

3.1.11. A member who continues in employment after normal retirement date may elect to take either at normal retirement date or at some other date before he actually retires either:-

- (a) all the benefits to which he is entitled as if he had retired at that time (in accordance with Rule 4.1.5.) and having regard to the limits referred to in Rule 3.1.2. or
- (b) the lump sum representing the commutation of his pension at that date

Provided that:-

- (i) if option (b) of this Rule is chosen the maximum pension benefit payable to him at the date of his actual retirement is the pension benefit to which he was entitled at the date upon which the lump sum was taken increased actuarially to take into account the number of years of deferment save and except in the case of a director with a substantial shareholding the increase in the pension benefit referred to in this proviso shall be restricted during the period from the date on which the lump sum was taken until the attainment of age 70 so that it does not exceed the increase in the Governments Index of Retail Prices during that period only
- (ii) if a member has taken any benefits prior to his actual date of retirement and subsequently dies whilst still in service he shall be deemed for the purpose of providing benefits under the Rules to have died after retirement

### Membership

4.1.1. The Trustees shall upon the instructions of the Principal Company admit to membership of the Scheme any person who being an eligible Employee applies to become a member of the Scheme

4.1.2. A person who is a member shall cease to be a member on ceasing to be an eligible Employee unless he is a withdrawing member

### Contributions

#### Company contributions

4.1.3. The Participating Companies shall pay to the Trustees in each year such amounts (inclusive of members contributions if any) as shall be agreed between the Participating Companies and the Trustees taking into consideration the recommendations of the Actuary in his last report pursuant to Rule 2.1.5. and in any such subsequent reports as may be necessary to make due provision for the target benefits for the time being to be provided under the Scheme in respect of members together with the benefits in respect of withdrawing members accrued up to the date of ceasing to be members such amounts to be borne by the several Participating Companies in their respective due proportions as determined by the Trustees on the advice of the Actuary Provided that a Participating Company shall not be under any obligation to continue to pay amounts by way of contributions to the Trustees and may at any time reduce suspend or terminate the same

### Members Contributions

4.1.4. No compulsory deductions by way of contributions shall be made from the remuneration of a member but the Trustees may agree with a member that he shall pay voluntary contributions to the Scheme each year of a fixed monetary amount or a fixed percentage of total emoluments to secure such further benefits as they shall notify in writing to him  
Provided that:-

- (a) the aggregate of the members contributions to the Scheme and Associates Schemes shall not in any year exceed fifteen per cent of such members total emoluments for that year
- (b) such members voluntary contributions shall be restricted if necessary to ensure that the total benefits payable to or in respect of him under the Scheme and Associated Schemes will not prejudice approval of the Scheme under Chapter II Part II Finance Act 1970

### Retirement

#### Application of members Fund Reserve

- 4.1.5. (1) On retirement of a member there shall be provided the benefits conforming to those specified in the schedule of target benefits in respect of him to the extent permitted by the Fund Reserve (subject to the provisions of Rule 3.1.2.) being
- (a) an immediate pension for him for life
  - (b) a reversionary pension for his pensionable widow payable after his death for the remainder of her life
  - (c) a reversionary pension for any named dependant of his payable after his death for the remainder of the life of such dependant
- save that the member may by notice in writing to the Trustees require that
- (d) a lump sum be paid to him representing commutation of his pension
  - (e) a reversionary pension be paid to his pensionable widow or any named dependant payable after his death in lieu of the surrender of part of his pension provided that the reversionary pension hereunder does not exceed the reduced amount of his immediate pension actually payable and the pension equivalent of any lump sum commuted in accordance with sub-section (d) of this Rule
- (2) If specified in the schedule of target benefits in respect of a member there shall to the extent permitted by the Fund Reserve (subject to the provisions of Rule 3.1.2.) be provided pensions which are subject to specified increases after coming into payment to offset either wholly or partially increases in the Governments Index of Retail Prices
- 4.1.6. (1) Subject to the provisions of paragraph (2) of this Rule in relation to any benefits to be provided as members pension the Trustees shall
- either (a) within five years or
  - (b) before the expiry of the term certain elected by the member in accordance with Rule 3.1.9.(3) if the term certain is less than five years or
  - (c) on retirement if no term certain is elected by the