

- (a) any of clauses 27.1(a) – 27.1(f) apply and no new or replacement Principal Employer is appointed in accordance with clause 25.2;
- (b) the undertaking of the Principal Employer is acquired by another person or the Principal Employer becomes a subsidiary of another person; or
- (c) the Members, the Member Trustees and the Independent Trustee unanimously agree in writing to the exercise of the Trustees' powers contained in this clause 27.2

then the Trustees may if they think appropriate resolve that all the powers and discretions of the Employers (including the Principal Employer) in relation to the Scheme (including, without prejudice to the generality of this clause, the power to appoint and remove trustees pursuant to clause 5) shall vest solely in the Trustees to the extent possible by law unless and until a new Principal Employer is appointed in accordance with clause 25.2 at which time the powers and discretions shall vest again in the new Principal Employer (but not so as to invalidate their exercise whilst vested in the Trustees). This is without prejudice to the Trustees' powers under clause 27.1. Where powers vest in the Trustees pursuant to this clause 27.2 the Trustees shall not be entitled to exercise their powers in a manner which imposes additional liabilities on the Principal Employer or on any of the Employers without its or their written consent where this would not have been possible if the powers had not vested in the Trustees pursuant to this clause 27.2.

27.3 Any resolution to wind up the Scheme must be recorded in writing and shall take effect from the date specified in the resolution which may be:

- (a) prior to the passing of the resolution but after the occurrence of the relevant event specified in clause 27.2; or
- (b) at any time in the future.

27.4 If clause 27.1(a) applies, and no new or replacement Principal Employer is to be appointed in accordance with clause 25.2, the Scheme may only be run as a closed scheme provided the Revenue does not object and, if applicable, subject to such amendments or conditions as the Revenue may require.

28 Scheme run as a closed scheme

28.1 Where the Trustees resolve to run the Scheme as a closed scheme under clause 27.1:

- (a) no new Members shall be admitted to the Scheme;
- (b) no further contributions shall be payable under Rule 3; and
- (c) no further contributions shall be payable under Rule 5 and whilst the Principal Employer and any Associated Employers shall remain liable for any contributions due but unpaid as at the date of the relevant event for the purposes of clause 27.1, ~~it~~they shall have no further liability to contribute to the Scheme (save where required by overriding law)

however the Scheme shall continue and the rest of the provisions of the Definitive Deed shall remain in full force and effect.

28.2 At any time whilst the Scheme is being run as a closed scheme:

- (a) the Trustees shall have the same options for dealing with Accumulated Credits as apply under clause 26.2; and
- (b) the Trustees may resolve to wind up the Scheme in accordance with clause 29.

29 Winding up of Scheme

29.1 If the Scheme is wound-up in part or in full the Trustees may seek the Actuary's advice as at such date they think appropriate and shall realise the Fund (or the appropriate part of the

Fund in the case of a partial winding up) at such time and upon such terms as they think fit. No further benefits shall accrue in respect of the relevant Members once the wind-up has commenced and (where not already provided for in the Definitive Deed) those Members shall become Deferred Pensioners as at the date the winding up commences.

- 29.2 In the case of a full Scheme wind up the Trustees shall notify each Deferred Pensioner and any other person in receipt of benefit from the Scheme of the wind up (which shall be in a form which complies with any relevant Disclosure Requirements which may apply). In the case of a partial wind up the Trustees shall comply with any disclosure obligations in the Preservation Requirements which may apply in relation to each Deferred Pensioner who has become a Deferred Pensioner as a result thereof.
- 29.3 Subject to prior payment of all costs, charges and expenses which cannot be recovered from the Employers, any taxes which may be or become due, and subject to the consent of the Independent Trustee, the net proceeds of realisation of the Fund (or the appropriate part thereof) shall be used to secure benefits in accordance with clause 30 in the following descending order of priority, namely:
- (a) benefits already in payment or in respect of which entitlement has arisen; and
 - (b) benefits for and in respect of Deferred Pensioners.
- 29.4 If any balance remains after the priorities referred to in clause 29.3 have been met, the Trustees may use the same to augment the benefits of any of the Beneficiaries subject to Registration not thereby being prejudiced.
- 29.5 Subject to clause 29.6, if any balance still remains after the priorities referred to in clause 29.3 have been met and the power contained in clause 29.4 has been considered it is to be returned subject to the prior agreement of the Revenue, and after payment of any tax liability, to the Principal Employer or (if it no longer exists) to one or more of the Associated Employers which have participated in the Scheme. In the latter case the balance is to be divided between the Associated Employers as the Trustees determine. Payment may only be made to an Associated Employer under this clause if it participated in the Scheme when clause 27.1 started to apply to the Scheme.
- 29.6 Any payment pursuant to clause 29.5 may only be made to the extent that it is an authorised surplus payment within the meaning of section 177 of the FA 2004. To the extent that the provisions of clause 29.5 would otherwise conflict with the requirements for an authorised surplus payment pursuant to section 177 of the FA 2004, clause 29.5 shall be construed as modified to the extent necessary to ensure compliance with section 177 of the FA 2004.
- 29.7 If the Fund is insufficient to secure in full the benefits set out in one of the categories listed in clause 29.3 then they will abate on such basis as the Trustees shall determine.
- 29.8 For the avoidance of doubt benefits:
- (a) are to be categorised under clause 29.3 by reference to their status on the date the wind-up commences (which for the avoidance of doubt is in the case of partial wind-up, when a condition set out in clause 26.1 is satisfied or, in the case of full wind-up, the date specified in the Trustees' resolution);
 - (b) include any which may subsequently become payable on the death of the relevant Beneficiary; and
 - (c) are to be calculated and paid in accordance with the appropriate Rules of the Scheme.
- 29.9 Until the entire Fund has been fully disposed of and the Scheme fully wound up, all the provisions of the Scheme shall remain in force including, but without prejudice to the generality of the foregoing, the power of amendment in clause 22.
- 29.10 The Trustees shall wind up the Scheme on the expiry of eighty years from the date the Scheme was established or such longer period as is permitted by law.

29.11 For the avoidance of doubt AVC Accounts shall be dealt with in accordance with Rule 4.

30 Securing benefits on a winding up/partial winding up

30.1 This clause 30 shall apply on a winding-up or partial winding-up.

30.2 Except where expressly provided otherwise, Accumulated Credits shall be used to secure Pensions through the purchase of appropriate non-commutable, non-assignable annuities with an Insurer in accordance with the Rules and any requirements of the Revenue. Where the Trustees have before the Cessation Date already purchased an annuity in the name of the Trustees, that annuity may be transferred into the name of the relevant Beneficiary. Any such Pension shall be paid as a Scheme Pension or a Lifetime Annuity, save that a Short-term Annuity purchased in the name of the Trustees prior to the Cessation Date may be transferred into the name of the relevant Beneficiary.

30.3 Where permissible under the FA 2004, a Serious Ill-health Lump Sum may be paid, in which case no Pension will be payable in respect of the arrangement to which the Serious Ill-health Lump Sum relates.

30.4 Where permissible under the FA 2004, the Trustees may pay a trivial commutation lump sum, within the meaning of paragraph 7 of Schedule 29 of the FA 2004, or a trivial commutation lump sum death benefit within the meaning of paragraph 20 of Schedule 29 of the FA 2004, in which case payment of such lump sum will extinguish the entitlement to benefits under the Scheme of the former Member or former Member's dependant in respect of whom it is paid.

30.5 Where permissible under the FA 2004, the Trustees may pay a Winding-up Lump Sum or a Winding-up Lump Sum Death Benefit in which case payment of such lump sum will, in the case of a Winding-up Lump Sum extinguish the former Member's entitlement to benefits under the Scheme, and in the case of a Winding-up Lump Sum Death Benefit, extinguish the dependant's entitlement under the Scheme to pension death benefit and lump sum death benefit in respect of the former Member.

30.6 Where permissible under the FA 2004, the Trustees may pay a Short Service Refund Lump Sum, in which case payment of such lump sum will extinguish the former Member's entitlement to benefits under the Scheme.

30.7 Where permissible under the FA 2004, such part of a former Member's Accumulated Credit as the Trustees determine may be applied to provide a Pension Commencement Lump Sum.

30.8 Where permissible under the FA 2004, the Trustees may pay a Refund of Excess Contributions Lump Sum to a former Member.

30.9 Where permissible under the FA 2004, the Trustees may pay a Lifetime Allowance Excess Lump Sum to a former Member.

30.10 To the extent permissible under the FA 2004 and those provisions of the Definitive Deed dealing with lump sum death benefits, the Trustees may pay lump sum death benefits.

30.11 At the request of a Member or former Member the Trustees may effect a transfer out under Rules 15 or 16 upon such terms as they consider appropriate.

30.12 The Trustees may arrange for any Member or former Member to participate in a Receiving Scheme in accordance with Rule 16. For the avoidance of doubt the transfer may include all or any part of an unallocated surplus within the Scheme.

30.13 Benefits and Pensions may be secured by the purchase of such policies or other contracts or investments as may be permitted by law provided that Registration is not thereby prejudiced and provided that the Trustees are satisfied that the Scheme will not thereby be treated as having made an Unauthorised Payment.

Such policies, contracts or other investments may include options as follows:

- (a) for pension to commence at any age at which pension could have been taken in accordance with this Definitive Deed and Rules;
- (b) for exchange of pension for cash, including, where applicable a Serious Ill-health Lump Sum in accordance with this Definitive Deed and Rules;

provided that such benefits shall be purchased only to the extent that they are consistent with Registration and the Trustees are satisfied that they will not result in an Unauthorised Payment being made or treated as having been made and that such policies, contracts or other investments shall be endorsed to show that the benefits thereunder are not capable of assignment.

- 30.14 The Trustees may at their discretion secure benefits and Pensions for the various categories referred to in clauses 29.2 and 29.3 by different means. They may also secure benefits and Pensions by different means for individuals who are in the same category provided that Registration is not thereby prejudiced.
- 30.15 The determination of the Trustees as regards the allocation and application of the Fund or any part of it (including any Accumulated Credit) shall be absolute and final and every Beneficiary shall accept whatever may be paid or allotted to or in respect of him from the Scheme as aforesaid in full discharge of all claims in respect of the Fund or the Scheme and shall have no further claim in respect of any rights to benefit under or from the Scheme or otherwise.

31 Notices

- 31.1 Any notice required under the Definitive Deed may be served by delivering or sending it, in the case of:
 - (a) any company (including a corporate Trustee) to its registered office;
 - (b) any Employer which is not a company, to its head office or principal place of business; and
 - (c) an individual, to his normal place of work or last known private address.
- 31.2 Notices may be sent by first-class post or delivered personally or by email. Notices by post shall be deemed served two days after the date of posting and notices delivered personally or by email upon delivery.

32 Determination of Questions

- 32.1 Except as provided for expressly in the Definitive Deed the Trustees shall have full power to determine conclusively any questions or matters of doubt concerning the Scheme or the construction of the Definitive Deed. For the avoidance of doubt any question concerning termination or winding-up of the Scheme shall be determined by the Independent Trustee and the Member Trustees.
- 32.2 Such determination shall be binding on all interested parties.

33 Governing Law

- 33.1 The Definitive Deed and the Scheme shall be governed in all respects by and construed in accordance with the laws of England and Wales.
- 33.2 The parties agree to submit to the jurisdiction of the courts of England and Wales.

34 Authorised surplus payments

- 34.1 This clause 34 applies where if a payment were made to an Employer it would constitute an authorised surplus payment within the meaning of section 177 of the FA 2004.

34.2 Where this Rule applies such part of the Fund as falls within clause 34.1 may be paid (subject to any tax) to an Employer provided that:

- (a) the requirements of the 1995 Act are met; and
- (b) the Trustees and all Members have unanimously agreed in writing to the making of such payment and any terms on which it is made. For this purpose the power to refer the matter for expert determination under clause 8.4 shall not apply.

35 Taxation

35.1 The Trustees may deduct from any payment under the Scheme or from any relevant Accumulated Credit or from any part of the Fund not allocated to an Accumulated Credit any tax or charge for which they may be liable and also any tax or charge for which the Administrator may be liable (in which case the Trustees shall remit the appropriate amount to the Administrator). For the purposes of this clause 35, an Accumulated Credit is a relevant Accumulated Credit if the tax or charge arises in connection with a Member or former Member to whom the Accumulated Credit relates or related.

35.2 Without prejudice to the generality of clause 35.1, the Trustees may in exercising their powers under this clause 35 make deductions in respect of the following:

- (a) a special lump sum death benefits charge pursuant to section 206 of the FA 2004;
- (b) an authorised surplus payments charge pursuant to section 207 of the FA 2004;
- (c) an unauthorised payments charge pursuant to section 208 of the FA 2004;
- (d) an unauthorised payments surcharge pursuant to section 209 of the FA 2004;
- (e) a lifetime allowance charge pursuant to section 214 of the FA 2004;
- (f) an annual allowance charge pursuant to section 227 of the FA 2004;
- (g) a scheme sanction charge pursuant to section 239 of the FA 2004; and
- (h) a serious ill-health lump sum charge pursuant to section 205A of the FA 2004.

THE RULES

1 Terms of Membership of the Scheme

1.1 A person shall be eligible to join the Scheme on the invitation of the Principal Employer.

If at any time:

- (a) the Scheme has funds which are not allocated to the Accumulated Credit of any person or required for the purpose of meeting any existing benefit entitlement under the Scheme;
- (b) all existing Members, Deferred Members, Postponed Pensioners and Pensioners agree;
- (c) the Scheme's Registration would not thereby be prejudiced, and
- (d) the Trustees are satisfied that no Unauthorised Payment would thereby result,

the Trustees may admit a person to Membership (which for this purpose shall include the status of being a Former Member or a Pensioner) on such terms as the Trustees decide provided that such terms may not be such as would impose any additional liability (including contingent liability) on any Employer without its agreement.

1.2 If an invitation is made pursuant to Rule 1.1 the Eligible Person shall be notified by an Announcement which shall state:

- (a) a summary of the benefits to be provided; and
- (b) the initial contributions required from him (if any).

1.3 Eligible Persons and Members must provide:

- (a) such particulars and complete such documentation and forms as are required by the Trustees from time to time; and
- (b) such evidence of health (including submission to medical examination), age and family circumstances as the Trustees may require from time to time.

1.4 Having complied with Rule 1.3 to the satisfaction of the Trustees the Eligible Person shall become a Member with effect from such date as the Principal Employer and the Trustees determine.

1.5 If for any reason the information supplied pursuant to Rule 1.3 transpires to be incorrect or incomplete or the Trustees are dissatisfied with any aspect of it the Trustees may modify the terms of Membership and / or any benefits derived from the Scheme in such manner as they consider appropriate. Such changes may be made retrospectively.

1.6 The Principal Employer may notify the Trustees in writing that Membership shall be closed to new entrants and/or withdrawn from current Members (for future service). Such notice given shall take effect immediately or at such future date as may be specified in it.

1.7 A statement in writing signed by or on behalf of the Principal Employer to the effect that any person is or is not an Eligible Person shall be conclusive.

1.8 No person is to be admitted to, remain in or be excluded from Membership if this would prejudice Registration.

2 Cessation of Membership

2.1 An individual's Membership shall cease if:

- (a) he exercises any right to terminate his Membership (whether under this Rule or otherwise);
- (b) his Membership is withdrawn under Rule 1.5; or
- (c) clauses 26.2 or 29.1 apply to him.

Rule 9 shall then apply.

- 2.2 A Member may give one months' written notice to the Trustees that he wishes to withdraw from the Scheme and his Membership shall then cease on expiry of that notice.
- 2.3 Anyone who ceases to be a Member will only be re-admitted with the consent of the relevant Employer and the Trustees. If consent is given re-admission shall be on such terms as the Trustees decide.
- 2.4 If a Member is temporarily absent from work the Principal Employer may direct the Trustees to treat that Member as though he remained in Membership, subject to Registration not being prejudiced and subject to the Trustees being satisfied that this will not result in the Scheme being treated as having made an unauthorised payment.
- 2.5 If the Member does not return to work after 10 consecutive years his Membership shall terminate in accordance with Rule 2 unless the Trustees and the Employer agree otherwise, subject to Registration not being prejudiced.
- 2.6 Rules 2.4 and 2.4 shall not apply in the case of maternity leave, paternity leave or adoption leave. A Member who is absent for this reason shall be dealt with under the Scheme in respect of his or her absence as the law requires.

3 Members' Contributions

- 3.1 Each Member shall contribute to the Scheme at the rate determined by his Employer and notified to him in his Announcement. The Employer may amend this rate from time to time by notice in writing to the Member. If no such rate is notified to the Member, he shall not be required to contribute.
- 3.2 Contributions shall begin on the first pay date after admission to Membership and shall cease when Membership comes to an end.
- 3.3 The Employer shall deduct the Member's contributions (together with any AVCs made pursuant to Rule 4) from the Member's pay and remit them as soon as reasonably possible to the Trustees in such manner and at such intervals as the Trustees may require (provided section 49 and section 87 of the 1995 Act are complied with insofar as they apply).
- 3.4 Without prejudice to the generality of the foregoing provisions of Rule 3, no further contributions by a Member shall be accepted without the written consent of the Independent Trustee (which may be given retrospectively) if:
 - (a) there is any Arrangement in respect of the Member to which section 165(3A) of the FA 2004 applies; or
 - (b) the Member has made a declaration to the Administrator which is intended to constitute a declaration for the purposes of section 165(3A) of the FA 2004 that the Member meets the Flexible Drawdown Conditions (whether or not such declaration is in fact valid and whether or not such declaration has been accepted by the Administrator).

Where paragraph (a) or (b) of this Rule 3.4 applies, the Independent Trustee shall have absolute discretion to decide whether to accept any further contributions. For the purposes of this Rule 3.4, "Member" includes a former Member.

4 Members' AVCs

4.1 If the Trustees so agree, a Member may pay contributions to the Scheme in addition to any contributions required under Rule 3 in accordance with arrangements made by the Trustees and subject to the following terms:

- (a) AVCs shall be used to secure for or in respect of that Member increased or additional benefits derived from the Scheme as laid down by the Trustees. For the avoidance of doubt the Trustees shall not be obliged to increase:
 - (i) all or any specific benefit payable to or in respect of the Member; or
 - (ii) all benefits by the same proportion;
- (b) before commencing, ceasing or varying payment of AVCs the Member shall give the Trustees such prior written notice (not exceeding 12 months) as they may from time to time require.

4.2 Where the Trustees so agree, a Member may make contributions in the form of shares where this would constitute a "transfer by the individual of eligible shares in a company within the permitted period" within the meaning of section 195 of the FA 2004.

4.3 The Trustees may allow a Member to make a contribution to the Scheme pursuant to this Rule 4 by way of a transfer to the Scheme of an asset or assets in specie. The Trustees shall not accept a contribution by way of a transfer of assets in specie unless they are satisfied:

- (a) that the Scheme's Registration will not thereby be prejudiced; and
- (b) that such contribution will not result in the Scheme making or being treated as having made an Unauthorised Payment,

but the decision whether to accept a contribution by way of a transfer of an asset or assets in specie shall otherwise be at the Trustees' absolute discretion. The Trustees may impose such conditions as appear to them to be necessary or expedient in connection with the acceptance of such a contribution.

4.4 Without prejudice to the generality of the foregoing provisions of Rule 4, no further contributions by a Member shall be accepted without the written consent of the Independent Trustee (which may be given retrospectively) if:

- (a) there is any Arrangement in respect of the Member to which section 165(3A) of the FA 2004 applies; or
- (b) the Member has made a declaration to the Administrator which is intended to constitute a declaration for the purposes of section 165(3A) of the FA 2004 that the Member meets the Flexible Drawdown Conditions (whether or not such declaration is in fact valid and whether or not such declaration has been accepted by the Administrator).

Where paragraph (a) or (b) of this Rule 4.4 applies, the Independent Trustee shall have absolute discretion to decide whether to accept any further contributions. For the purposes of this Rule 4.4, "Member" includes a former Member.

5 Employers' Contributions

5.1 The Employers shall make such contributions to the Scheme as the Principal Employer may from time to time agree with the Trustees. The Employers shall contribute only such sums as relate exclusively to the benefits to be provided in respect of employment with that Employer.

5.2 A Employer may at any time pay additional contributions to the Trustees provided this does not prejudice Registration and the Trustees are satisfied that this will not result in the Scheme being treated as having made an Unauthorised Payment. Such contributions may be made

either for the general purposes of the Scheme or for one or more of the specific purposes referred to in this Definitive Deed.

- 5.3 Any contributions due from the Employers are to be paid to the Trustees or as they may otherwise direct, provided this would not prejudice Registration and the Trustees are satisfied that this will not result in the Scheme being treated as having made an Unauthorised Payment. Payment is to be made at such intervals as the Trustees with the consent of the Principal Employer may from time to time determine.
- 5.4 Where required to do so by section 87 of the 1995 Act, the Trustees shall prepare, maintain and from time to time revise a schedule of payments in accordance with that section.
- 5.5 Each Employer may terminate its obligation to pay future contributions to the Scheme by giving written notice to the Trustees. In such circumstances clause 26.1 shall apply, save that where the Principal Employer terminates its obligation to contribute, clause 25.1 shall also apply.
- 5.6 Each Employer has the power to suspend or reduce its obligation to make further contributions such that it contributes less than is required under Rule 5.1 above by giving three months' written notice to the Trustees. On doing so:
- (a) the Trustees may wind-up the Scheme at their discretion in accordance with clause 29; or
 - (b) the benefits of that Employer's Members may be modified by the Trustees (in which case the Trustees shall give to every affected Member written notice of the modification of his benefits as soon as is practicable).

The Employer's liability to contribute shall also be reduced or suspended in accordance with such notice except in respect of contributions due on or before the expiry of the notice.

- 5.7 The Trustees may allow an Employer to make a contribution to the Scheme pursuant to this Rule 5 by way of a transfer to the Scheme of an asset or assets in specie. The Trustees shall not accept a contribution by way of a transfer of assets in specie unless they are satisfied:
- (a) that the Scheme's Registration will not thereby be prejudiced; and
 - (b) that such contribution will not result in the Scheme making or being treated as having made an Unauthorised Payment,

but the decision whether to accept a contribution by way of a transfer of an asset or assets in specie shall otherwise be at the Trustees' absolute discretion. The Trustees may impose such conditions as appear to them to be necessary or expedient in connection with the acceptance of such a contribution.

- 5.8 Without prejudice to the generality of the foregoing provisions of Rule 5, no further contributions in respect of a Member shall be accepted without the written consent of the Independent Trustee (which may be given retrospectively) if:
- (a) there is any Arrangement in respect of the Member to which section 165(3A) of the FA 2004 applies; or
 - (b) the Member has made a declaration to the Administrator which is intended to constitute a declaration for the purposes of section 165(3A) of the FA 2004 that the Member meets the Flexible Drawdown Conditions (whether or not such declaration is in fact valid and whether or not such declaration has been accepted by the Administrator).

Where paragraph (a) or (b) of this Rule 5.8 applies, the Independent Trustee shall have absolute discretion to decide whether to accept any further contributions. For the purposes of this Rule 5.8, "Member" includes a former Member.

6 Designation for purposes of Drawdown Pension

A Member may with the agreement of the Trustees designate the whole or such part of his Accumulated Credit as the Trustees agree as "available for the payment of drawdown pension" within the meaning of paragraph 8 of schedule 28 of the FA 2004.

7 Operation of Scheme so as to maintain right to Lower Normal Minimum Pension Age

If the Trustees have so agreed with the Member, the Rules shall be deemed modified in relation to that Member so as to provide that the Member shall only become entitled to a benefit under the Scheme if the retirement condition set out in paragraph 22(7) of Schedule 36 of the FA 2004 is met. The Member may with the agreement of the Trustees subsequently elect not to be dealt with in accordance with this Rule 7. Any such agreement shall be irrevocable.

8 Provision of Pension

8.1 At any time from a Member reaching Normal Minimum Pension Age, or from the Ill-health Condition being satisfied in relation to the Member if earlier, the Trustees may apply all or such part as they may determine of the Member's Drawdown Pension Fund for the purpose of providing Income Withdrawal or towards the purchase of a Short-term Annuity.

8.2 At any time from a Member attaining Normal Minimum Pension Age, or the Ill-health Condition being met in respect of the Member if earlier, the Trustees may apply all or such part as they may determine of a Member's Accumulated Credit towards the provision of a Scheme Pension or the purchase of a Lifetime Annuity.

8.3 Any pension or annuity provided pursuant to this Rule 8 may be provided on such terms (consistent with the other provisions of this Rule 8) as the Trustees in their absolute discretion determine provided that such terms are consistent with compliance with the Pension Conditions. Without prejudice to the generality of this Rule 8.3, such terms may include:

(a) provision for payment of a pension to continue to be made to any person after a Member's death provided that this is on terms consistent with pension rule 2 of the Pension Rules; and/or

(b) provision for a pension to increase or decrease once in payment (on terms consistent with compliance with the Pension Rules).

8.4 Without prejudice to the generality of Rule 8.3, any annuity or Scheme Pension may be provided on terms that a pension will be payable to one or more Dependants of the Member in the event of the Member's death subject to compliance with the Pension Conditions and the Pension Death Benefit Rules.

8.5 Where a Lifetime Annuity or Scheme Pension is provided for a Member, the Trustees may provide for this to be on terms that an Annuity Protection Lump Sum Death Benefit will be payable in the event of the Member's death before such date as the Trustees may determine. Any such Annuity Protection Lump Sum Death Benefit shall be payable in accordance with Rule 12.12.

8.6 If the Member has reached Normal Minimum Pension Age (or the Ill-health Condition is met in respect of him) and the circumstances are such that the FA 2004 permits a lifetime allowance excess lump sum within the meaning of paragraph 11 of Schedule 29 of the FA 2004 to be paid, the Trustees may apply part of the Member's Accumulated Credit in paying such Lifetime Allowance Excess Lump Sum to the Member.

8.7 If the circumstances are such that the FA 2004 permits a Pension Commencement Lump Sum to be paid in connection with the Member becoming entitled to Income Withdrawal, a Lifetime Annuity or a Scheme Pension, the Trustees may apply part of the Member's Accumulated Credit in paying a Pension Commencement Lump Sum to the Member. The amount of such lump sum and the timing of the payment shall be consistent with the Pension Conditions and with such lump sum satisfying the requirements for a Pension Commencement Lump Sum but shall otherwise be at the discretion of the Trustees.

- 8.8 If the Trustees have so agreed with the Member, the Rules shall be deemed modified in relation to that Member to the extent required to ensure compliance with the pension condition set out in paragraph 31 of Schedule 36 of the FA 2004. The Member may with the agreement of the Trustees subsequently elect that the modification referred to in this Rule shall not apply. Any such agreement shall be irrevocable.
- 8.9 In relation to the exercise of their powers under Rule 8 the Trustees shall act in accordance with any written instructions received from the Member, but subject to the following conditions:
- (a) the Trustees shall not be obliged to give effect to any instruction if in the Trustees' opinion to do so would cause them to breach the Pension Conditions;
 - (b) the Trustees shall not be required to act in accordance with the Member's instructions if in the Trustees' opinion it is not reasonably practicable to comply with such instructions or if the cost of so doing would, in the reasonable opinion of the Trustees, be wholly disproportionate to the value of the benefits concerned; and
 - (c) the Trustees shall be entitled to request from the Member such information and documentation as they may reasonably require to satisfy themselves that acting in accordance with the Member's instructions will not contravene the provisions of this Rule 8, and to delay acting in accordance with such instructions pending receipt of such documentation or information.
- 8.10 Without prejudice to the generality of Rule 8 the Trustees and the Administrator shall have the maximum discretion permitted by law:
- (a) to decide whether or not to allow a Member to receive payments of Drawdown Pension which, but for the application of section 165(3A) of the FA 2004, would be Unauthorised Payments;
 - (b) to determine the form and content of a Flexible Drawdown Declaration; and
 - (c) to require a Member to provide additional information and/or documentation in connection with a Flexible Drawdown Declaration and to delay acting in connection with such Flexible Drawdown Declaration pending receipt of such information and/or documentation.

9 Benefits on Leaving Service

9.1 A Member who ceases to be in Pensionable Service shall, subject to the following provisions of this Rule 9, have benefits provided for him in accordance with Rule 8.

9.2 Alternatively the Member may:

- (a) request a transfer payment under Rule 15; or
- (b) If the circumstances are such that a short service refund lump sum within the meaning of paragraph 5 of Schedule 29 of the FA 2004 may be paid, the Member may elect to receive a short service refund lump sum, the payment of which shall extinguish the Member's entitlement to benefits under the Scheme.

10 Commutation of Pension due to serious ill-health or on grounds of triviality

10.1 If:

- (a) the Administrator has received evidence from a registered medical practitioner that the Member is expected to live for less than one year; and
- (b) the other requirements for payment of a Serious Ill-health Lump Sum in respect of the Member are met,

the Trustees may at their discretion apply such part of the Member's Accumulated Credit as relates to the relevant Arrangement in payment of a Serious Ill-health lump sum. Such payment shall extinguish the Member's entitlement to benefits under the Arrangement.

- 10.2 If a Member has reached the age of 60 and the circumstances are such that a trivial commutation lump sum within the meaning of paragraph 7 of Schedule 29 of FA 2004 may be paid, the Trustees may pay a trivial commutation lump sum to the Member, the payment of which shall extinguish the Member's entitlement to benefits under the Scheme.

11 Life Assurance Benefit

The Trustees may apply part of the Member's Accumulated Credit for the purposes of paying a premium for a life assurance policy effected on the life of the Member. Any proceeds of such policy will be dealt with in accordance with Rule 12.

12 Death of a Member

- 12.1 On the death of a Member, any death benefits payable pursuant to Rules 8 and 11 shall become payable.

- 12.2 If after applying the provisions of Rule 8 in relation to death benefits the Member's Accumulated Credit includes Relevant Uncrystallised Funds, the Trustees may:

- (a) apply all or part of such Relevant Uncrystallised Funds in the payment of a Relevant Uncrystallised Funds lump sum death benefit within the meaning of paragraph 15 of Schedule 29 of the FA 2004. Any such lump sum shall be payable in accordance with Rule 12.12; and
- (b) if the circumstances are such that the FA 2004 permits the payment of a Charity Lump Sum Death Benefit, pay all or part of such Relevant Uncrystallised Funds to the charity nominated by the Member for this purpose (provided that no payment may be made under this Rule 12.2 without the consent of the Independent Trustee).

- 12.3 Where following the death of a Member:

- (a) after the application, where applicable, of Rules 8 and 12.2 the Member's Accumulated Credit comprises (in whole or in part) Relevant Uncrystallised Funds; and
- (b) the Member leaves one or more Dependants,

the Trustees shall, subject to Rule 12.4, apply such Relevant Uncrystallised Funds in one or more of the ways specified in Rule 12.8.

- 12.4 Where the Member leaves more than one Dependant the proportions in which a Member's Accumulated Credit is applied for the benefit of the respective Dependents pursuant to Rule 12.3 or 12.7 as appropriate shall be determined by the Trustees at their absolute discretion. Where the Member leaves more than one Dependant and the Trustees are applying funds in accordance with Rule 12.3 or 12.7, the Trustees shall not be obliged to apply funds for the benefit of every Dependant. The Trustees shall act in accordance with the Pension Conditions and the pension death benefit rules as set out in section 167 of the FA 2004 in the application of this Rule 12.4, but shall otherwise have absolute discretion as to the terms on which any benefits are provided pursuant to Rule 12.3 or 12.7.

- 12.5 Where the Member dies and the other conditions set out in the FA 2004 for payment of a Trivial Commutation Lump Sum Death Benefit are met, the Trustees may at their discretion pay a Trivial Commutation Lump Sum Death Benefit to a Dependant of the relevant Member, the payment of which shall extinguish such Dependant's entitlement under the Scheme to Pension Death Benefit and Lump Sum Death Benefit in respect of the relevant Member.

- 12.6 Where:

- (a) a Member dies; and

- (b) at the time of the Member's death he was entitled to Income Withdrawal under an Arrangement under the Scheme; and
- (c) the circumstances are such that the FA 2004 permits the payment of a Drawdown Pension Fund Lump Sum Death Benefit,

the Trustees may at their discretion apply the whole or part of such amount as represents the Member's Drawdown Pension Fund in respect of the Arrangement immediately before payment is made as a Drawdown Pension Fund Lump Sum Death Benefit payable in accordance with Rule 12.12.

12.7 Where:

- (a) following the death of a Member and after the application of Rule 12.6 if applicable there exists a Drawdown Pension Fund in respect of a Member; and
- (b) the Member leaves one or more Dependants,

The Trustees shall, subject to Rule 12.4 apply funds equal to the relevant Drawdown Pension Fund in one or more of the ways specified in Rule 12.8.

12.8 The ways specified in this Rule 12.8 are:

- (a) provision of one or more Dependants' Scheme Pensions;
- (b) provision of one or more Dependants' Annuities;
- (c) designation as available for payment of Dependants' Drawdown Pension.

12.9 Subject to compliance with the Pension Conditions and the Pension Death Benefit Rules, the Trustees may apply all or such part as they may determine of a Dependants' Drawdown Pension Fund for the purposes of providing a Dependants' Annuity or Dependants' Short-term Annuity or Dependants' Income Withdrawal.

12.10 Where:

- (a) a Member dies leaving no Dependants;
- (b) the Member was entitled to Income Withdrawal in respect of an Arrangement under the Scheme at the date of his death; and
- (c) the Member had nominated a charity for the purpose of receiving a Charity Lump Sum Death Benefit,

the Trustees may (but shall not be obliged to) pay all or such part of the Member's Drawdown Pension Fund as they in their discretion determine to the charity nominated by the Member (provided that nothing in this Rule 12.10 shall oblige or entitle the Trustees to make any payment which is inconsistent with the provisions of the FA 2004 relating to Charity Lump Sum Death Benefits and no payment may be made under this Rule 12.10 without the consent of the Independent Trustee).

12.11 Without prejudice to the generality of Rule 12, the Trustees and the Administrator shall have the maximum discretion permitted by law:

- (a) to decide whether or not to allow a Dependant to receive payments of Dependants' Drawdown Pension which, but for the application of section 167(2A) of the FA 2004, would be Unauthorised Payments;
- (b) to determine the form and content of a Flexible Drawdown Declaration; and
- (c) to require a Dependant to provide additional information and/or documentation in connection with a Flexible Drawdown Declaration and to delay acting in connection

with such Flexible Drawdown Declaration pending receipt of such information and/or documentation.

12.12 In respect of benefits expressed to be payable in accordance with this Rule ("Death Benefit"):

- (a) any Death Benefit shall be held separately from the rest of the Fund on discretionary trusts to be distributed on such terms and in such shares as the Trustees decide to or for the benefit of any of the deceased's Death Benefit Beneficiaries. The Trustees may establish a trust or trusts, on such terms as they may think appropriate, for the benefit of one or more Death Benefit Beneficiaries and may pay to the trust(s) all or any part of the Death Benefit. Any costs and expenses incurred in establishing the trust(s) or making payment to it/them may be deducted from the Death Benefit if the Trustees so decide;
- (b) all Death Benefits shall be distributed within two years of the date of death of the deceased. If all or part of a Death Benefit remains unpaid at the end of two years from the date of death it shall be retained for the general purposes of the Scheme;
- (c) the two year time period specified in Rule 12.12(b) may be extended by the Trustees to such longer time period as may in any specific case be possible without prejudicing the Scheme's Registration or resulting in the Scheme being treated as having made an Unauthorised Payment;
- (d) the Trustees may take account of any expression of wish form completed by the deceased regarding the disposal of any Death Benefit but they shall not be obliged to act in accordance with it;
- (e) if the Trustees are unable to identify and locate any Death Benefit Beneficiaries of the deceased they may at their discretion pay the Death Benefit in such proportions as they decide to such other trust, person or organisation as they may consider appropriate;
- (f) where any person challenges or complains about any decision of the Trustees relating to who should receive any Death Benefit, any legal or other professional costs or expenses incurred by the Trustees in dealing with the challenge or complaint shall be an expense of the Scheme for the purpose of clause 15, save that the Trustees may at their discretion decide that they shall instead be deducted from the Death Benefit in question.

13 Death of a Dependant

13.1 If:

- (a) a Dependant of a deceased Member dies; and
- (b) that Dependant was at the date of the Dependant's death entitled to Income Withdrawal in respect of an Arrangement relating to a deceased Member,

the Trustees may, subject to compliance with the Lump Sum Death Benefit Rule, pay an amount representing the Dependents' Drawdown Pension Fund as a Drawdown Pension Fund Lump Sum Death Benefit. Such amount shall be dealt with in accordance with Rule 12.12.

13.2 If:

- (a) a Dependant of a deceased Member dies;
- (b) there are no other Dependents of the Member still living;
- (c) the Dependant was at the date of the Dependant's death entitled to Dependents' Income Withdrawal in respect of an Arrangement relating to the deceased Member; and

- (d) the Member or the Dependant had nominated a charity for the purposes of receiving a Charity Lump Sum Death Benefit,

the Trustees may (but shall not be obliged to) pay all or such part of the Dependants' Drawdown Pension Fund as they in their discretion determine to the charity nominated by the Member (or if no such nomination was made by the Member the charity nominated by the Dependant) provided that nothing in this Rule 13.2 shall oblige or entitle the Trustees to make any payment which is inconsistent with the provisions of the FA 2004 relating to Charity Lump Sum Death Benefits and no payment may be made under this Rule 13.2 without the consent of the Independent Trustee.

14 Prohibition of Assignment of Benefits and Forfeiture

- 14.1 Except to the extent allowed by the 1993 Act or the 1995 Act or Part 1) of the Schedule and to the extent to which this can be done without the Scheme being treated as having made an Unauthorised Payment pursuant to sections 172 to 174 of the FA 2004 or otherwise no benefit payable under or derived from the Scheme is capable of being charged or assigned nor can a lien or set-off be exercised in respect of such benefit. No attempt by anyone to effect a transaction which is not permitted under this Rule shall be binding upon the Trustees.

- 14.2 No person shall be entitled to any benefit or payment from or derived from the Scheme more than six years after it has fallen due if the reason for non-payment was his failure to claim it in accordance with section 92(5) of the 1995 Act. Subject to Rule 14.3 and to this not giving rise to an Authorised Payment any such payment or benefit shall be forfeited and used for the general purposes of the Scheme.

- 14.3 Notwithstanding Rule 14.2 the Trustees may (with the consent of the Principal Employer) elect to pay to or in respect of the person in question part or all of the relevant payment or benefit.

- 14.4 This Rule applies where a Member or former Member:

- (a) owes a monetary obligation to an Employer arising out of a fraudulent, negligent or criminal act or omission;
- (b) is a Trustee who owes a monetary obligation to the Scheme arising out of a breach of trust by him; or
- (c) owes a monetary obligation to the Scheme as a result of a criminal, negligent or fraudulent act or omission.

- 14.5 Where the obligation is owed to an Employer:

- (a) the relevant Employer shall deliver to the Trustees notice of the amount of the monetary obligation it considers is owed to it as a consequence of the fraudulent, negligent or criminal act or omission;
- (b) upon receipt of the notice the Trustees shall consult with the Actuary and determine an appropriate reduction to the Member's or former Member's Accumulated Credit or benefits (as appropriate) to reflect the amount of the obligation; and
- (c) the Trustees shall then deliver a copy of the notice to the Member/former Member and notify him of the proposed reduction. They may in their discretion modify the reduction in light of any representations made by him but their ultimate decision shall be binding upon him.

- 14.6 Where the obligation referred to at Rule 14.4(a) is owed to an Employer, without prejudice to any other remedy it may have, the Employer shall be entitled to reimbursement from the Accumulated Credit of the Member or former Member in question (less any tax which may be chargeable).

- 14.7 Where the obligation is owed to the Scheme:

- (a) the Trustees may consult with the Actuary and may determine an appropriate reduction as above to reflect the amount of the obligation; and
- (b) the Trustees shall then deliver a notice to the Member/former Member notifying him of the amount of the obligation and the appropriate reduction. They may at their discretion modify the reduction in light of any representations made by him but their ultimate decision shall be binding upon him.

14.8 Notwithstanding the above the Trustees may not make any reduction or reimbursement:

- (a) unless the notice delivered to the Member/former Member is either not disputed or the obligation has become enforceable in accordance with section 91(6) of the 1995 Act;
- (b) in respect of any benefits transferred into the Scheme under Rule 17 (except to the extent permitted by sections 91, 92 or 93 of the 1995 Act);
- (c) which is more than the amount of the obligation or (if less) the value of the Member's/former Member's entitlement or Accumulated Credit (as appropriate) under the Scheme;
- (d) if it contravenes the Preservation Requirements; or
- (e) if in the opinion of the Trustees it would result in the Scheme being treated as having made an Unauthorised Payment.

15 Individual Transfers from the Scheme

- 15.1 A Member may request in writing a transfer value payment in lieu of his Accumulated Credit or any benefits from the Scheme if such payment would constitute a Recognised Transfer.
- 15.2 If such a request is made the Trustees shall (subject to such payment constituting a Recognised Transfer and Rule 15.3) pay to the Receiving Scheme the Cash Equivalent for the Member. The transfer is to be made in accordance with any requirements of the 1993 Act, the 1995 Act or the FA 2004 which apply to it.
- 15.3 Whilst a Member remains a director or employee of any Employer the Trustees may decide that no transfer shall be made (other than in respect of benefits relating to Pensionable Service after 5th April 1988).
- 15.4 Provided this is consistent with the statutory provisions relating to Recognised Transfers a Member or Deferred Pensioner may request the Trustees to use his Cash Equivalent to purchase for him an annuity policy or contract with an Insurer. The purchase price of the policy or contract shall be equal to the Cash Equivalent referred to in Rule 15.2.
- 15.5 Once a transfer has been effected or an annuity policy or contract has been purchased all rights and benefits under the Scheme relating to or in respect of the transferred funds shall be extinguished. Accordingly, he and all others claiming in respect of him shall have no further interest, benefit or entitlement in or claim in relation to the Scheme in respect of the transferred funds.

16 Bulk transfer out

- 16.1 At the request or with the consent of the Principal Employer the Trustees may arrange for a bulk transfer of all or any part of the Fund in respect of all or any Members or former Members to a Receiving Scheme.
- 16.2 Subject to Rule 16.5 such arrangements may be made without obtaining the consent of any Member or former Member but only, where required, with the consent of the Revenue.
- 16.3 The bulk transfer may be effected by transferring to the Receiving Scheme all or any part of the Fund upon such terms and conditions as shall be agreed between the Trustees and the trustees or administrator of the Receiving Scheme and (if relevant) any other person.

- 16.4 For the avoidance of doubt the transfer may include all or any part of an unallocated surplus within the Scheme.
- 16.5 No bulk transfer shall be made if it would:
- (a) offend against the law of perpetuities;
 - (b) prejudice Registration or, in the opinion of the Trustees, result in the Scheme being treated as having made an Unauthorised Payment;
 - (c) breach the Preservation Regulations; or
 - (d) contravene the 1993 Act.
- 16.6 Once a bulk transfer has been made all rights and benefits under the Scheme relating to or derived from the relevant Members or former Members shall be extinguished. Accordingly, they and all others claiming in respect of them shall have no further interest, benefit or entitlement in or claim in relation to the Scheme.
- 17 Transfers in**
- 17.1 If a Member (which term shall, for the purposes of this Rule 17, include a former Member) or other person previously participated in another Registered Pension Scheme the Trustees (with the prior consent of the Principal Employer) may at such person's written request receive a transfer payment in respect of such participation. A person in respect of whom the Trustees have received a transfer payment pursuant to this Rule 17 shall be a Member for the purposes of this Rule 17.
- 17.2 Upon receipt of the transfer payment the Member's Accumulated Credit shall be credited with such notional assets as the Trustees may determine provided this does not prejudice Registration or result in the Scheme being treated as making an Unauthorised Payment.
- 17.3 The Trustees may impose such conditions in relation to the acceptance of any transfer as appears to them to be necessary or expedient for the purpose of ensuring compliance with relevant legislation.

The Schedule

Pension Sharing Requirements

Part 1) - Pension Sharing on Divorce

1. Definitions

For the purposes of this part 1 of the schedule :

1999 Act means the Welfare Reform and Pensions Act 1999

Ex-Spouse means an individual in respect of whom a Pension Sharing Order, agreement or equivalent provision has been made.

Member means someone in membership of the Scheme.

Negative Deferred Pension means the amount by which the Member's pension or deferred pension under the Scheme which arose/arises from Service with the Employer(s), is reduced at the Relevant Date by section 31 of the 1999 Act or under corresponding Northern Ireland legislation, following a Pension Sharing Order, agreement or equivalent provision. For this purpose, Service with the Employer(s) includes all periods of service with other employers which have been treated as if they were Service with the Employer(s) where a transfer payment has been made to the Scheme in respect of that other service.

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

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

Pension Debit means a debit under section 29(1)(a) of the 1999 Act or under corresponding Northern Ireland legislation.

Pension Debit Member means a Member whose benefits have been permanently reduced by a Pension Debit.

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.

Pension Sharing Rules means the provisions of this Part 1) of the Schedule

2. Assignment

Rule 14 shall not prevent the assignment of part or all of the Member's retirement 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.

3. Disclosure to receiving schemes

The Trustees must give full details of the Pension Debit and any related information to the extent required by legislation, to the receiving scheme/arrangement where the fund underlying the benefits for a Pension Debit Member is transferred to another Registered Pension Scheme.

4. Transfers in of Pension Debts

Where the Trustees accept a transfer payment and are informed by the transferor of the details of a Pension Debit relating to the transfer payment, the Trustees must take account of the Pension Debit, if, and to the extent required by law, in the calculation of benefits for that Member. If a transfer of the fund underlying the benefits for the Member is made to a scheme approved under Chapter I Part XIV of the 1988 Act or a scheme approved under Chapter IV

Part XIV of the 1988 Act, the Trustees must give full details of the Pension Debit to the receiving scheme/arrangement.

5. Death of an ex-spouse after a Pension Sharing Order is made but not Implemented

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, the following benefits may be paid at the absolute discretion of the Trustees with the consent of the Principal Employer:

- (a) a lump sum death benefit may be paid to any person in accordance with the discretionary trust provisions of Rule 12.12, to the extent that this can be done without the Scheme making an Unauthorised Payment;
- (b) the balance of the cash equivalent of the fund which would have provided the Pension Credit Rights for the Ex-Spouse may be used to provide a pension to a Dependant of the Ex-Spouse – subject to compliance with the Pension Death Benefit Rules;
- (c) such pensions must be payable in accordance with the Pension Death Benefit Rules. Such pensions may be commuted, however, to the extent permitted by the Lump Sum Death Benefit Rule.

6. Provision for the Trustees to charge

The Trustees may charge for:

- (a) providing any information to anyone that relates directly or indirectly to the Scheme and to divorce or nullity proceedings; and
- (b) implementing Pension Sharing Orders and earmarking orders; and
- (c) and in which either case:
 - (i) is allowed by the Pensions on Divorce etc (Charging) Regulations 2000; or
 - (ii) is not prohibited by law.

7. Pension Credits – Mode of Discharge

Subject to Pension Sharing Rules 8 and 9, the Trustees may discharge their liability in respect of a Pension Credit in any manner authorised by the 1999 Act, and related regulations, and the manner in which they discharge their liability shall, subject to overriding statutory requirements, be at their absolute discretion. The Trustees shall have such ancillary powers as may be necessary to enable them to discharge their liability in respect of a Pension Credit in the manner provided for by either paragraph 1(2) or paragraph 1(3) of Schedule 5 of the 1999 Act and may exercise such powers (including the power to select a qualifying arrangement pursuant to paragraph 1(3) of Schedule 5 of the 1999 Act) without the consent of the person entitled to the Pension Credit to the extent permitted by legislation.

8. No Pension Credit Membership

The Trustees shall not discharge their liability in respect of a Pension Credit by granting Pension Credit Rights under the Scheme.

9. Compliance with FA 2004

In implementing the Pension Sharing Rules, the Trustees shall act in a manner which is consistent with maintaining the Scheme's Registration and which they are satisfied will not result in the Scheme being treated as having made an Unauthorised Payment.

3.2 Clause 5.3 of the Definitive Deed is deleted in its entirety and replaced with the following:

"5.3 Subject to the consent of the Administrator the Principal Employer may by deed appoint new or additional Trustees or remove any Trustee. If the Principal Employer has ceased to exist, the power to appoint and remove Trustees contained in this clause 5.3 may be exercised by the Trustees subject to the consent of the Administrator. The Principal Employer (or, where applicable, the Trustees) shall exercise its powers under this clause 5.3 in such manner as to ensure that the Scheme has an Independent Trustee. If the Administrator elects to resign as Administrator pursuant to this clause 5.3, it shall forthwith give written notice of such fact to the Principal Employer or, if the Principal Employer has ceased to exist or its powers have vested in the Trustees by operation of the Scheme's provisions, to the Member Trustees".

3.3 Rule 1.1 of the Definitive Deed is deleted in its entirety and replaced with the following:

"1.1 Subject to the requirement that there shall at all times be no more than one member a person shall be eligible to join the Scheme on the invitation of the Principal Employer.

If at any time:

- (a) the Scheme has funds which are not allocated to the Accumulated Credit of any person or required for the purpose of meeting any existing benefit entitlement under the Scheme;
- (b) all existing Members, Deferred Members, Postponed Pensioners and Pensioners agree;
- (c) the Scheme's Registration would not thereby be prejudiced, and
- (d) the Trustees are satisfied that no Unauthorised Payment would thereby result, the Trustees may admit a person to Membership (which for this purpose shall include the status of being a Former Member or a Pensioner) on such terms as the Trustees decide provided that such terms may not be such as would impose any additional liability (including contingent liability) on any Employer without its agreement."

3.4 In all other respects the provisions of the Scheme shall continue in full force and effect.