

Deed of Amendment
for the
Sellec (Special Cables) Ltd Pension Fund

TRUST DEED is made the 16 day of June 2000
BETWEEN Sellec (Special Cables) Ltd whose registered office is situate at Wellington House 39 Wellington Street Sheffield S1 1XB (hereinafter called 'the Principal Employer') of the first part Stephen Ron Hoole of 242 Carlton Road Worksop Nottinghamshire and Kay Hoole of 242 Carlton Road Worksop Nottinghamshire (hereinafter called 'the Managing Trustees') of the second part AND CGU Trustees Limited whose registered office is situate at 2 Rougier Street York YO90 1UU (hereinafter called 'the Special Trustee') of the third part the Managing Trustees and the Special Trustee being hereinafter together referred to where appropriate as 'the Trustees'

WHEREAS

(A) This Deed is supplemental to a deed made on 29 October 1986 between the parties named therein (hereinafter called 'the Principal Trust Deed') and any deeds made supplemental thereto (hereinafter jointly with the Principal Trust Deed called 'the Trust Deeds') but before the date of this Deed establishing the scheme known as the Sellec (Special Cables) Ltd Pension Fund (hereinafter called 'the Fund') for the purpose of providing relevant benefits within the meaning in Chapter 1 of Part XIV of the Income and Corporation Taxes Act 1988 for certain persons therein stated

(B) The Fund is defined in and administered in accordance with the Trust Deeds and rules (hereinafter called 'the Rules') executed or adopted by the Trust Deeds

(C) Pursuant to the powers contained in the Trust Deeds the Managing Trustees and the Principal Employer are desirous of amending the Trust Deeds and the Rules in the manner hereinafter appearing

NOW THIS DEED WITNESSETH and it is hereby agreed and declared that

(1) The provisions of this Deed shall override any provisions of the Trust Deeds and/or of the Rules which are inconsistent with them other than any provisions necessary to ensure the approval of the Fund by the Board of Inland Revenue under Chapter 1 Part XIV of the Income and Corporation Taxes Act 1988 is not prejudiced

(2) Unless the context otherwise requires any words or expressions used in this Deed which are defined in the Trust Deeds and/or the Rules shall have the same meaning as is assigned to them in the Trust Deeds and/or the Rules

(3) The following shall apply with effect from 6th April 1997

(a) Any decision of the Managing Trustees as to the investment of the assets of the fund shall be agreed in writing by all the Managing Trustees prior to any such investment being made

(b) If at any time a decision is being made there are two or more Members in the Fund then notwithstanding any regulations adopted by the Managing Trustees in accordance with the powers

contained in the Trust Deeds any decisions made by the Managing Trustees in accordance with the powers vested in them by the Trust Deeds and the Rules must be made by unanimous agreement of all the Managing Trustees who at the time are Members except that the participation of the Special Trustee in the making of a decision (other than a decision to wind-up the Fund to which the Special Trustee must be in agreement) may be disregarded

(c) The Managing Trustees may only exercise any power of delegation vested in them by the Trust Deeds and the Rules by unanimous agreement

(4) With effect from 18th March 1998 the following Clause set out below and the Appendix attached hereto are added to the Trust Deeds

'Z. Notwithstanding anything to the contrary contained in the Trust Deeds and the Rules the Appendix to this Deed shall override any other provisions of the Trust Deeds and the Rules which are inconsistent with the Appendix'

IN WITNESS WHEREOF the parties hereto have signed this DEED the day and year first above written

SIGNED as a DEED by SELEC (SPECIAL CABLES) LTD.

~~SIGNED as a DEED by SELEC (SPECIAL CABLES) LTD.~~
acting by a Director and Secretary

Director

Secretary

SIGNED as a DEED by the said
Stephen Ron Hoole

Signature



in the presence of

Full name KEVIN CHARLES METHLEY

Address 12 CHARLES ASHMORE RD

MEADOWHEAD

SHEFFIELD

S8 89J

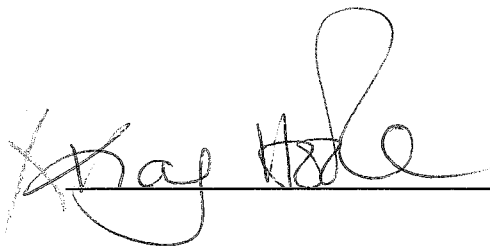
Occupation DIRECTOR

Signature

K.C. Methley

SIGNED as a DEED by the said
Kay Hoole

Signature



in the presence of

Full name KEVIN CHARLES METHLEY

Address 12 CHARLES ASHMORE RD

MEADOWHEAD

SHEFFIELD

S8 89J

Occupation DIRECTOR

Signature

K.C. Methley

THE COMMON SEAL of
CGU Trustees Limited

was hereunto affixed in the presence of



Authorised

Signatory



Authorised

Signatory

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APPENDIX

1 Notwithstanding anything to the contrary in the Fund provisions the following rules 2 to 8 shall have full effect except that they may not be construed as conferring powers on the Trustees which they do not otherwise have by virtue of the Trust Deeds and the Rules.

(1) In these rules the following expressions shall have the meanings ascribed to them:

(a) 'Business' includes:

(i) a trade or profession, or

(ii) any activity other than investment carried on by a body of persons, whether corporate or unincorporate, or

(iii) any activity carried on by a holding company for a trading group.

(b) 'Close Company' has the meaning given by sections 414 and 415 of the Act.

(c) 'Company' means any body corporate or unincorporated association, but does not include a partnership.

(d) 'Control' in relation to a body corporate (other than a close company) or partnership shall be construed in accordance with section 840 of the Act and in relation to an unincorporated association that section shall be applied as it applies to a body corporate.

In relation to a Close Company 'control' shall be construed in accordance with section 416 of the Act.

(e) 'Fund Member' means a member of the Fund to whom benefit is currently accruing by virtue of service as an employee.

(f) 'Ordinary Annual Contribution' means for the purpose of rule 2 the smaller of:

(i) the amount found -

(A) where the Fund has been established for three years or more at the time of any borrowing, by dividing the amount of the contributions paid by employers in the period of three years which ended at the end of the previous accounting period of the Fund by three, or,

(B) where the Fund has been established for less than three years at the time of any borrowing, by dividing the amount of the contributions paid by employers in the period since the Fund was established ending at the time of that borrowing by the number of years falling within that period (a part of a year being counted as one year), and

(ii) the amount of the annual contributions which, within the period of 3 years immediately preceding the date of the borrowing, an Actuary has advised in writing would be necessary to secure the benefits payable under the Fund.

- (g) 'Pensioner Trustee' means a Trustee of the Fund who:
 - (i) is approved by the Board of Inland Revenue to act as such, and
 - (ii) is not connected with a Fund Member, another Trustee or an Employer.
 - (h) 'Private Company' means a company which is not officially listed on a recognised stock exchange within the meaning of section 841 of the Act.
 - (i) 'Relative' means a brother, sister, ancestor or lineal descendant.
 - (j) 'Residential Property' means property normally used, or adapted for use as one or more dwellings.
- (2) For the purpose of these rules any question of whether a person is connected with another shall be determined as follows:
- (a) a person is connected with an individual if that person is the individual's spouse or is a Relative or the spouse of a Relative of the individual or of the individual's spouse;
 - (b) a Fund Member is connected with an Employer if:
 - (i) the Employer is a partnership and the Fund Member is connected with a partner, or
 - (ii) the Employer is a Company and the Fund Member or any person connected with him or her is, or has been during the last 10 years a Controlling Director of the Company;
 - (c) a Company is connected with another Company if:
 - (i) the same person has Control of both, or
 - (ii) a person has Control of one and persons connected with that person have Control of the other, or
 - (iii) a person has Control of one and that person and persons connected with that person have control over the other;
 - (d) a Company is connected with another person if that person has Control of it or if that person and a person or persons connected with him or her together have Control of it;
 - (e) any two or more persons acting together to secure or exercise Control of a Company shall be treated in relation to that Company as connected one with another and with any person acting on the directions of any of them to secure or exercise Control of the Company.
- (3) For the purpose of these rules a company is associated with an Employer if (directly or indirectly) the Employer controls that company or that company controls the Employer or if both are controlled by a third person.

(4) For the purpose of these rules a member of the Fund includes:

- (a) a Fund Member,
- (b) a person in receipt of a pension from the Fund, or
- (c) a person who has been Fund Member.

2 Provisions as to borrowing

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

- (a) three times the Ordinary Annual Contribution, and
- (b) three times the annual amount of contributions paid or payable as a condition of membership by Fund Members in the year of assessment ending immediately before that time, and
- (c) the amount found by the formula -

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

where-

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

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

3 Provisions as to investment

The Managing Trustees' powers of investment shall be restricted to preclude investment either directly or indirectly in:

- (a) personal chattels other than choses in action; or
- (b) Residential Property other than that which is, or is to be, occupied:
 - (i) by an employee who is not connected with his or her Employer and who is required as a condition of employment to occupy that property, or

(ii) by a person other than a Fund Member or a person connected with a Fund Member where that person also occupies connected business premises which are also held by the Managing Trustees as an investment of the Fund; or

(c) Stock or shares in a Private Company which:

(i) carry more than thirty per cent of the voting power in the Company, or

(ii) entitle the holder to more than thirty per cent of any dividends declared by the Company in respect of shares of the class held.

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

(A) holding a Residential Property where they hold as an investment units in a unit trust scheme

(i) which is an authorised unit trust scheme within the meaning of section 468(6) of the Act, or

(ii) an exempt unit trust within the meaning of section 96 of the Capital Gains Tax Act 1979, and

(iii) that unit trust scheme holds Residential Property as an investment.

(B) indirectly holding as an investment Residential Property other than that specified in paragraph (b) where -

(i) they hold as an investment subject to the trusts of the Fund a right which confers entitlement to receive payment of any rentcharge, ground annual, feu duty or other annual payment reserved in respect of, or charged on or issuing out of, that property, and

(ii) the property is not occupied by a Fund Member or a person connected with him.

4 The Managing Trustees in that capacity shall not directly or indirectly lend money:

(a) to a member of the Fund or to a person who is connected with a member of the Fund other than an Employer or any Company associated with an Employer; or

(b) to an Employer or a Company associated with an Employer unless the loan is:

(i) utilised for the purpose of the borrower's Business, and

(ii) for a fixed term, and

(iii) at a commercial rate of interest, and

(iv) evidenced by an agreement in writing which contains all the conditions on which it is made and, in particular, the provisions specified in paragraph (c) below;

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

(i) the borrower is in breach of the conditions of the agreement; or

(ii) the borrower ceases to carry on business; or

(iii) the borrower becomes insolvent within the meaning defined for the purposes of Regulation 6 of the Retirement Benefit Schemes (Restriction on Discretion to Approve) (Small Self-administered Schemes) Regulations 1991; or

(iv) the money is required to enable the Managing Trustees to pay benefits which have already become due under the Fund.

5 At the time any money is lent, or any shares in the Employer or any company associated with an Employer are acquired, the aggregate of:

(a) the amount outstanding of any lending to an Employer and/or a Company associated with an Employer made in accordance with Rule 4(b) and (c) above, and

(b) the market value of stock and shares in an Employer and/or a Company associated with an Employer held by the Managing Trustees in that capacity

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

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

where-

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

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

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

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

where-

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

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

6 Provisions as to transactions with members of the Fund

The Managing Trustees in that capacity shall not directly or indirectly purchase, sell or lease any investment or asset from or to a member of the Fund or a person (other than an Employer or a company associated with an Employer) connected with a member. A purchase will not be construed as being an indirect purchase from a member of the Fund or a connected person if at the time of purchase 3 or more years have elapsed since the investment or asset was owned by the member or connected person. A sale will not be construed as an indirect sale to a member of the Fund or a connected person if the purchase by the member or connected person takes place 3 years or more after the sale by the Managing Trustees.

7 Provisions as to transactions with Employers and associated companies

The Managing Trustees in that capacity shall not directly or indirectly purchase, sell or lease any investment or asset from or to an Employer or a Company associated with an Employer except in accordance with independent professional advice obtained in writing.

8 Provisions as to Pensioner Trustees

One of the Trustees shall be a Pensioner Trustee and the appointment of that trustee and his obligation and entitlement to act as a Pensioner Trustee, shall be incapable of termination at any time except:

- (a) by the death of the trustee,
- (b) by an order of the court,
- (c) by virtue of section 3, 4 or 29 of the Pensions Act 1995 or Article 3, 4 or 29 of the Pensions (Northern Ireland) Order 1995 (prohibition, suspension or disqualification),
- (d) by withdrawal by the Board of Inland Revenue of their approval of the trustee to act as a Pensioner Trustee, or
- (e) where termination occurs by virtue of the trustee having committed a fraudulent breach of trust in relation to the Fund
- (f) where another trustee is appointed to act as Pensioner Trustee in place of the trustee, and the appointment of the other trustee takes effect at the same time as the termination.

The appointment of a successor to the former Pensioner Trustee shall, except where (f) above applies, be made no more than 30 days after the termination.