

Conformed copy incorporating
amendments made by deeds dated
31 March 2004, 2 December 2009,
29 January 2010, 2 December 2013,
19 June 2015, 31 March 2016,
29 September 2016, 28 February 2017, 30 March 2017, 30 April 2019, 30 June
2019, 1 August 2019 and 30 September 2019

DATED 9 March 2004

**CAMBRIDGE COLLEGES (1)
SUPERANNUATION TRUSTEES LIMITED**

and

**CERTAIN COLLEGES IN THE (2)
UNIVERSITY OF CAMBRIDGE**

**DEFINITIVE TRUST DEED AND RULES
of the Cambridge Colleges
Federated Pension Scheme**

MILLS & REEVE

CONTENTS

Trust Deed

1	Effective Date and Persons Affected	2
2	Administrator	3
3	Definitions	3
4	Trust Period.....	3
5	Admission of Colleges	3
6	Constitution of the Fund	4
7	Trustee to Control Fund.....	4
8	Bank Accounts and Deposits.....	4
9	Powers of Investment and Borrowing	4
10	Trustees and their appointment and removal.....	5
11	Insurance	6
12	Books and records.....	6
13	Accounts	6
14	Advisers	6
15	Agents and staff	7
16	Delegation	7
17	Trustee Meetings.....	7
18	Actuarial Advice.....	7
19	Trustee not liable	8
20	Withdrawal of a Participating College	8
21	Closing the Scheme	9
22	Winding-up	9
23	Power of Amendment.....	12
24	Contracting-out.....	13
25	Notices	14
26	Trustee Discretions.....	14
27	Interpretation and Overriding Provisions.....	14
28	Elimination of Excess Surplus	15

Rules

1	Definitions	17
2	Membership.....	31
3	Contributions	34
4	Retirement at Pensionable Age	35
5	Early Retirement.....	40

6	Late Retirement.....	42
6A	Salary Sacrifice	43
7	Spouse's Pension on Death after Pensionable Age or Earlier	
	Date of Retirement	43
8	Benefits on death before Pensionable Age.....	45
9	Other benefits payable on death.....	48
10	Commutation Option.....	49
11	Optional pensions for spouses and Dependants.....	50
12	Annual Increases in Pension	50
13	Application of death benefit at Trustee's discretion	52
14	Leaving before Pensionable Age	53
15	Liens, Charges and Rights of set-off.....	54
16	Pensions and their payment	55
17	Transfers from the Scheme	56
18	Transfers to the Scheme	58
19	Inter Participating College Transfers.....	58
20	Augmentation of Benefits	60
21	Absence in Special Circumstances.....	60
22	Maternity Absence.....	61
23	Resolution of Disputes.....	63
24	Tax and Duty	63
25	Records and Accounts	63
26	Interpretation and Construction	63
27	Maximum Benefits	63
28	Pension Sharing on Divorce	63
29	Group Income Protection Scheme Claimants	68
30	Paternity leave.....	69
31	Adoption leave.....	70
32	Auto-enrolment under the Pensions Act 2008.....	70
33	Contractual enrolment	72
34	Same sex marriages.....	74
	Appendix 1	
	Inland Revenue Limits.....	75
	Appendix 2	
	Contracting-out	91
	Appendix 3	
	Participating Colleges in respect of whose Arrangements the basic State pension offset and the Lump Sum Benefit were removed in respect of Pensionable Service on and after a Material Date.....	101

Appendix 4	
Participating Colleges in respect of whose Arrangements the basic State pension offset was made proportional in respect of part-time Members relating to Pensionable Service on and after an Appropriate Date.	102
Appendix 5	
Rates of contribution of Members.....	103
Appendix 6	
Participating Colleges in relation to whose Arrangements pensionable service is limited to 40 years and the option to take an undiscounted pension from age 60 is removed, in both cases with effect from 1 April 2004 and in respect of the categories of Member set out below.	106
Appendix 7	
Participating Colleges in relation to whose Arrangements, in respect of pensionable service on and after 1 April 2004 and relating to the categories of Member set out below (a) pensionable service is limited to 40 years, (b) the option to take an undiscounted pension from age 60 is removed and (c) the rate of increase to pensions in payment under Rule 12.2 is capped at 5% pa.	107
Appendix 8	
Participating Colleges in relation to whose Arrangements death in service benefits are changed with effect from 1 April 2004 by removing the lump sum and children's pensions and altering the Spouse's pension to 50% of the Member's prospective pension.	108

THIS DEFINITIVE TRUST DEED AND RULES is made on 9 March 2004

BETWEEN:

- (1) **CAMBRIDGE COLLEGES SUPERANNUATION TRUSTEES LIMITED** (No. 01388310) the registered office of which is at Salisbury House, Station Road, Cambridge CB1 2LA (“Trustee”); and
- (2) **THE PARTICIPATING COLLEGES** as defined in Rule 1.2.

RECITALS

- (A) The Cambridge Colleges Federated Pension Plan A (“Plan A”) was established by an interim pension trust deed dated 19 July 1977 made by Kenneth Polack, Stephen George Fleet, Dorothy Hahn, Hywel George and Charles Kenyon Phillips.
- (B) The Cambridge Colleges Federated Pension Plan B (“Plan B”) was established by an interim pension trust deed dated 19 July 1977 made by the same parties.
- (C) By various deeds of adherence various Colleges in the University of Cambridge have entered into participation in Plan A and Plan B.
- (D) With effect from 25 October 1978 the Cambridge Bursars' Committee constituted by Colleges in the University of Cambridge accepted the resignations of the then trustees of Plan B and appointed the Trustee to act as the trustee and administrator of Plan B for the purposes of the Finance Act 1970 in their stead.
- (E) Plan B was amended by a supplemental interim pension trust deed made by the Trustee and dated 8 May 1989.
- (F) Definitive trust deeds dated 21 July 1989 with rules scheduled thereto were executed in respect of both Plan A and Plan B on 21 July 1989 (“Definitive Deeds”).
- (G) Deeds of amendment made by the Trustee in relation to Plan A were executed on 3 January 1991, 1 July 1992 and 4 March 1993 and deeds of amendment made by the Trustee in relation to Plan B were executed on 3 January 1991 and 1 July 1992 while a deed of amendment made by the Trustee on 16 October 1995 related to both Plans.
- (H) By a deed of amendment dated 1 April 1996 the Trustee amended Plan A to permit a bulk transfer of assets and liabilities to Plan B and at a meeting of the board of directors of the Trustee on 4 August 1995 it was resolved that Plan A and Plan B should be merged in such manner.
- (I) The merged scheme is hereinafter referred to as the “Scheme”.
- (J) By a deed of amendment dated 1 April 1996 the Trustee changed the name of the Scheme to “The Cambridge Colleges Federated Pension Scheme” and the Trustee executed a further deed of amendment relating to the Scheme on 18 June 1999.

- (K) Doubt having arisen as to the validity of the Definitive Deeds subsequent amending deeds and actions taken in pursuance of them the Participating Colleges ratified those deeds and actions by a deed of ratification dated 19 March 2003.
- (L) By a deed of amendment dated 19 March 2003 the contribution rule was altered to provide for the phased increase in the member contribution rate for Members in the service of Clare Hall.
- (M) By a further deed of amendment dated 19 March 2003 the Scheme's power of amendment in clause 21 of the Definitive Deed relating to Plan B was deleted and replaced by a power which requires the consent of the Participating Colleges as more particularly set out therein.
- (N) By a deed of amendment dated 22 October 2003 the contribution rule was altered to provide for an increase in the member contribution rate for Members in the service of Peterhouse.
- (O) The Trustee is the present trustee of the Scheme.
- (P) Pursuant to the power conferred on the Trustee and the Participating Colleges by the amended clause 21 of the Definitive Deed relating to Plan B the Trustee and the Participating Colleges wish to amend that deed in order to consolidate the provisions of Plan A and Plan B.

OPERATIVE PROVISIONS

1 Effective Date and Persons Affected

- 1.1 Subject to this clause 1 the Trustee and the Participating Colleges amend the provisions of the Scheme pursuant to clause 21 of the Definitive Deed relating to Plan B by replacing the interim pension trust deed dated 19 July 1977, the said Definitive Deed and the deeds of amendment dated 8 May 1989, 3 January 1991, 1 July 1992, 16 October 1995, 1 April 1996, 18 June 1999 and the three deeds dated 19 March 2003 by this Deed, the Rules which form part of it and the Appendices, but no decision or exercise of a power by the Trustee or any Participating College pursuant to any of the recited deeds before the execution of this Deed shall be invalidated.
- 1.2 The Trustee holds the Fund on irrevocable trusts to apply it in accordance with the provisions of the Scheme as amended by this Deed, but subject to amendment as later provided.
- 1.3 Each Participating College participates in the Scheme by reference to the Arrangement relating to it specified in the Rules and the employments of Members employed by a College shall be contracted-out by reference to the Scheme for the purposes of the 1993 Act if those employments are stated to be so contracted-out in a contracting-out certificate issued under Chapter I of that Act.
- 1.4 This Deed has effect from 1 April 1996 save where otherwise provided. Any provision of the 1995 Act referred to in this Deed which is not already in force is effective from the later of the Effective Date and the date when it comes into force. The deeds of amendment recited above dated 8 June 1999 and 19 March 2003 are

deemed nonetheless to have effect as stated therein rather than from the Effective Date.

- 1.5 Except where expressly stated otherwise, nothing contained in this Deed shall be interpreted as affecting:
- (a) the calculation or payment of the benefits payable to or in respect of any Deferred Pensioner or Pensioner who last ceased to be a Member before the Effective Date, which shall continue to be calculated under the provisions of Plan B and/or Plan A in force at the time he last ceased to be a Member; or
 - (b) any period of Membership in respect of which a transfer payment or a refund of contributions was made before the Effective Date.
- 1.6 Subject to clause 1.5 the provisions of this Deed and the Rules apply to the benefits of all persons absolutely or contingently entitled to a benefit from the Scheme.

2 Administrator

- 2.1 The Trustee is the administrator of the Scheme for the purposes of the 1988 Act.

3 Definitions

- 3.1 Words and expressions defined in Rule 1 shall have the same meanings where they are used in this Deed.

4 Trust Period

- 4.1 The trusts contained in this Deed and the Rules shall continue in force indefinitely subject to the exercise of the powers of termination and amendment contained in this Deed for the period of 80 years from 19 July 1977 (which is the perpetuity period applicable to the Scheme) or for such longer period as may be permitted by law.

5 Admission of Colleges

- 5.1 A College in the University of Cambridge shall become a party to the Scheme by entering into a deed of adherence with the Trustee binding itself to observe and perform the provisions and conditions hereof and of the Rules and any additions and amendments thereto whether in connection with its participation in the Scheme or otherwise. The said College shall thereby become a party to the Scheme as from the date of the deed of adherence or such earlier or later date as is specified therein and the Trustee shall admit employees of the said College who are first eligible to join with effect from such date as shall be agreed between the College and the Trustee.
- 5.2 Any College in the University of Cambridge which enters the Scheme in accordance with clause 5.1 shall become a Participating College.
- 5.3 The costs and expenses incurred by the Trustee in admitting a College to participation in the Scheme pursuant to this clause shall be paid by such College.

6 Constitution of the Fund

6.1 The benefits under the Arrangements which from time to time collectively constitute the Scheme shall be payable out of the Fund which shall consist of:

- (a) the contributions paid under the Rules by the Participating Colleges including payments by the Participating Colleges in respect of augmented benefits;
- (b) any contributions paid under the Rules by Members;
- (c) any gifts received by the Trustee for the purposes of the Scheme;
- (d) any transfer payments received by the Trustee under Rule 18;
- (e) any other property which the Trustee may hold for the purposes of the Scheme;
- (f) the cash and other assets from time to time representing items described in (a) to (e) and the income derived from them;

and no payment shall be made out of the Fund except in accordance with this Deed and the Rules.

7 Trustee to Control Fund

7.1 The Trustee shall hold the assets from time to time constituting the Fund upon the trusts contained in this Deed and the Rules.

7.2 The Trustee shall hold the collective assets of the Fund as Fund Units deemed to be constituting the Arrangements of the Participating Colleges.

8 Bank Accounts and Deposits

8.1 The Trustee may from time to time retain on current or deposit account at any institution authorised under the Banking Act 1987 such moneys as it in its discretion considers necessary or desirable and may make such regulations as it thinks fit for the operation of any bank account or deposit of the Fund including regulations as to the signing and endorsement of cheques.

9 Powers of Investment and Borrowing

9.1 The Trustee may invest the Fund and may retain or transpose and vary any such investment, in any form of investment which they could make if it were a sole, absolute and beneficial owner of the Fund.

9.2 An investment authorised by clause 9.1 may involve a liability on the Fund, need not produce income or be authorised by law for the investment of trust moneys, and may be of a wasting or reversionary nature.

9.3 The Trustee may improve, repair or develop land or other property.

9.4 The Trustee may underwrite, sub-underwrite or guarantee the subscription of any stocks, shares, debentures, debenture stock, bearer securities or other investments

and may deal in commodities, commodity futures, financial futures, traded options and derivatives of all kinds.

- 9.5 The following sections of the 1995 Act apply:
- (a) section 33 {investment powers: duty of care};
 - (b) section 34 {power of investment and delegation};
 - (c) section 35 {preparation and maintenance of a written statement of investment principles}; and
 - (d) section 36 {choosing investments}.
- 9.6 The Trustee may invest all or any part of the Fund in a common investment fund or in a unit trust, mutual fund or managed fund of an insurance company or in the purchase of shares in an investment trust which, in any of these cases, meets the requirements of sections 34-36 1995 Act in relation to the Scheme.
- 9.7 The Occupational Pension Schemes (Investment) Regulations 1996 {not more than 5% of the Fund to be invested in employer-related investments} apply.
- 9.8 The Trustee may hold assets either in the name of the Trustee or jointly with some other person or in the name of a nominee or custodian or sub-custodian. The Trustee may appoint a custodian of Fund assets on any terms including power to appoint sub-custodians and nominees without the approval of the Trustee.
- 9.9 At any time when the Trustee is a sole corporate trustee and not a trust corporation, the Trustee may appoint another person to hold any real property in the Fund jointly with it.
- 9.10 The Trustee may raise or borrow money from any of the Participating Colleges or any other person or body for the purposes of the Scheme (including the purposes in the foregoing sub-clauses of this clause) and the repayment of money so raised or borrowed may be secured in such manner and upon such terms and conditions as the Trustee thinks fit.

10 Trustees and their appointment and removal

- 10.1 For so long as the Scheme has a sole corporate trustee the powers, duties, authorities and discretions vested under this Deed in the trustee company shall be exercised by the Management Committee of the Trustee or by any proper officer of the Trustee authorised to do so.
- 10.2 Subject to the agreement of a majority of at least 75% by number of the Participating Colleges the Trustee or any director of a corporate Trustee may receive from the Scheme or the Participating Colleges such remuneration as shall be agreed between such majority of the Participating Colleges and the Trustee which remuneration shall be deemed to be part of the necessary expenses incurred by the Trustee in or about the execution and carrying out of the trusts and provisions of the Scheme.

- 10.3 The Trustee shall be entitled to pay out of the Fund any expenses incurred in connection with the Scheme, to be paid in priority to all other claims falling to be met out of the Fund.
- 10.4 A Trustee or director of a corporate Trustee paid or intended to be paid under clause 10.2 may participate in taking a decision under clause 10.1 notwithstanding his personal interest in it and may retain for himself any reasonable remuneration which the Trustee decided to pay to him.
- 10.5 Subject to sections 16 and 18 1995 Act {overriding requirements relating to member-nominated trustees and directors} a majority comprising at least 75% by number of the Participating Colleges shall have power by deed to appoint a new or additional Trustee and to remove a Trustee provided that, unless the Trustee is or includes a body corporate (whether or not a trustee corporation), the number of Trustees shall not be less than 3.
- 10.6 If the Participating Colleges at any time exercise their power to appoint individual Trustees and as a result of the death, dismissal, resignation or disappearance for a period of more than two months of any of the Trustees less than three Trustees (not including a corporate trustee) remain actively in office and the Participating Colleges fail or neglect for a period of not less than 6 months to appoint an additional Trustee or Trustees to increase the number to not less than three the remaining Trustee or Trustees shall have power by deed to appoint a new or additional Trustee or Trustees to increase the number of Trustees to not more than three.

11 Insurance

- 11.1 The Trustee may insure any assets of the Scheme against any risks and for any amounts.

12 Books and records

- 12.1 The Trustee shall keep such records as are necessary for the proper working of the Scheme and as required by section 47 1995 Act.

13 Accounts

- 13.1 The Trustee shall cause accounts to be prepared and audited at intervals of not more than 12 months by the auditor to the Scheme as required by section 41 1995 Act and a statement from the auditor about contributions under the Scheme to accompany such accounts.

14 Advisers

- 14.1 The Trustee shall appoint advisers so far as it is required to do so by section 47 1995 Act {professional advisers} and may appoint any advisers when not required to do so by the 1995 Act and, subject to sections 47 and 48 1995 Act, may appoint and remove any advisers on such terms as to remuneration and otherwise as it thinks fit.
- 14.2 The Trustee shall not rely upon the advice of any adviser unless he is appointed by the Trustee but the Trustee may appoint an adviser who also advises any Participating College provided the Trustee instructs the adviser to notify the Trustee

as soon as the adviser becomes aware of any conflict of interest between the Trustee and any Participating College.

- 14.3 Subject to clause 14.2 and sections 33 and 34(4) 1995 Act {duty of care in relation to investment}, the Trustee may act in accordance with advice given by an adviser and shall not be liable for any resulting loss.

15 Agents and staff

- 15.1 The Trustee may employ or engage such persons and on such terms as to remuneration and otherwise as they think fit to transact any business of the Scheme or to administer the Scheme, save that if any such person is a Trustee or director of a corporate Trustee their remuneration must be authorised under clause 10.2.

16 Delegation

- 16.1 Subject to clauses 16.2 and 16.4 the Trustee may delegate its powers, duties, trusts and discretions (including the power to delegate in this clause 16.1) to any person on such terms, for such periods and at such remuneration (if any) as it thinks fit, but any remuneration for a Trustee or director of a corporate Trustee must be authorised under clause 10.2.

- 16.2 Section 34 1995 Act {power of investment and delegation} applies.

- 16.3 Any investment manager to whom the Trustee delegates its power of investment in clause 9 shall be supervised by a committee established by the Trustee consisting of not less than three directors of the Trustee or not less than three Trustees if the Scheme does not have a sole corporate trustee.

- 16.4 Clause 16.1 does not apply to the power of amendment in clause 23.

17 Trustee Meetings

- 17.1 This clause 17 is subject to section 32 1995 Act {decisions of trustees and notices of meetings}.

- 17.2 The Management Committee of the Trustee shall meet for the purpose of considering the affairs of the Scheme at least once a year. Subject to that, the meetings and procedures of the Trustee will be regulated by its memorandum and articles of association.

18 Actuarial Advice

- 18.1 The Trustee shall from time to time seek Actuarial Advice in connection with the Scheme as it shall in its discretion think fit.

- 18.2 The Trustee shall in respect of any period ending not later than three years from the commencement of participation in the Scheme of a Participating College and thereafter in respect of consecutive periods of not more than three years obtain written Actuarial Advice with recommendations on the financial state of that part of the Fund which comprises the Fund Units relating to the Arrangement of the Participating College. The Trustee shall submit such recommendations to the

Participating College and the Participating College shall take such steps (if any) as are necessary to implement the recommendations so made.

19 Trustee not liable

19.1 No Trustee hereof (nor any member of the Management Committee of the Trustee) shall be responsible, chargeable or liable in any manner whatsoever for:

- (a) any loss or depreciation in the assets comprising the Fund;
- (b) any delay which may occur from whatever cause in the investment of any monies forming part of the assets of the Fund;
- (c) the safety of any securities or documents of title deposited for safe custody;
- (d) the exercise of any discretionary powers vested in any Trustee by this Deed or by the Rules including any act or omission by a person firm or company employed or appointed by the Trustee

unless such thing was done omitted or concurred in by the Trustee either fraudulently or in bad faith.

19.2 Subject to section 31 1995 Act, the Trustee may effect any insurance or policy of indemnity in relation to acts or omissions or liabilities of themselves, their servants, agents or other persons in connection with the Scheme and may pay the premiums for the insurance or policy from the Fund.

20 Withdrawal of a Participating College

20.1 A Participating College may give written notice of not less than three months' duration to the Trustee that it intends to cease contributing to the Fund and on the expiration of such notice the participation of that Participating College in the Scheme by reference to its Arrangement shall terminate on the 31st March following the expiry of such notice.

20.2 After receiving such notice from any Participating College the Trustee shall give notice to the Members, Deferred Pensioners and Pensioners in relation to the Arrangement of that Participating College by writing to their last known address stating that the Membership of the Members employed by the Participating College is to terminate and that the Arrangement will continue as a closed fund.

20.3 On the Participating College ceasing to participate in accordance with clause 20.1 its Arrangement shall become a closed fund and clause 21 {closing the scheme} shall start to apply.

20.4 The costs and expenses of operating an Arrangement as a closed fund and ultimately of winding it up shall be borne by the Arrangement to which this clause is being applied. On completion of the winding-up of the Arrangement in question the Trustee shall be discharged from the trusts thereof without the necessity of written discharges or resignations.

21 Closing the Scheme

21.1 On the first of the following dates:

- (a) the date on which all the Participating Colleges give notice to the Trustee under clause 20.1; and
- (b) two years before the expiry of the perpetuity period specified in clause 4 or of any longer perpetuity period permitted by law;

all the Members shall cease to accrue benefits and shall cease to be Members and the Scheme will be continued as the number of closed funds equal to the number of Arrangements.

21.2 On the expiry of a notice given by a Participating College under clause 20.1 {withdrawal of a participating college} all the Members of the Arrangement relating to that Participating College shall cease to be Members and the Arrangement shall continue as a closed fund under which the Participating College shall, subject to section 56 1995 Act (if applicable), pay such contributions as shall be agreed from time to time between the Participating College and the Trustee.

21.3 At any time while the Scheme or an Arrangement is being continued as a closed fund under clauses 21.1 or 21.2 the Trustee may terminate the obligation to contribute of all the Participating Colleges or of the relevant Participating College by written notice to all the Participating Colleges or the relevant Participating College as appropriate and shall then wind-up the Scheme or any Arrangement under clause 22 {winding-up} and shall do so in advance of the expiry of the period specified in clause 21.1(b).

21.4 Until the Scheme is completely wound-up all the provisions of the Scheme and the powers exercisable under the Scheme, including clause 23 {amendment} shall continue to operate.

22 Winding-up

22.1 Subject to section 73 {preferential liabilities on winding-up} and 74 {discharge of liabilities by insurance etc} 1995 Act on the Dissolution Date the Trustee shall pay or reserve from the Fund Units of each Arrangement all costs, charges and expenses including all costs, charges and expenses of and incidental to its winding-up attributable to that Arrangement and the remainder of the relevant Fund Units shall be applied in securing benefits in the following order of priority in relation to each Arrangement. The Trustee must ensure that the benefits in each priority are fully secured before the benefit in a subsequent priority is secured and where the amounts of the benefits mentioned in any one of clauses 22.1(a), (b), (c), (d) and (e) cannot be satisfied in full, those amounts must be satisfied in the same proportions.

First

- (a) in applying the part of the Fund Units which represent Additional Voluntary Contributions and the accrued investment return thereon in securing those benefits for and in respect of Members and Deferred Pensioners who have paid such contributions;

Secondly

- (b) in securing pensions and other benefits in respect of Pensioners and those Members who have reached Pensionable Age including contingent benefits for Spouses and Dependants generally and pursuant to Rule 11 {optional pensions for spouses and dependants};

Thirdly

- (c) in securing the payment of:
 - (i) Equivalent Pension Benefits;
 - (ii) Guaranteed Minimum Pensions and accrued rights to such pensions of Members and Deferred Pensioners who have not reached their State pension ages at the Dissolution Date;
 - (iii) Section 9(2B) rights (within the meaning of regulation 1(2) of the Contracting-out (Transfer and Transfer Payments) Regulations 1996); and
 - (iv) a return of contributions for any Member or Deferred Pensioner who is so entitled under Rules 14.8 and 14.9 {leaving before pensionable age} and of any associated Contributions Equivalent Premiums;

Fourthly

- (d) in securing (having regard to the liabilities already secured under paragraph (c) above) those pensions and other benefits and contingent benefits payable or prospectively payable to or in respect of Members who have not reached Pensionable Age as if each such Member had left Service on the date on which his Participating College ceased to participate in the Scheme;

Fifthly

- (e) in securing (having regard to the liabilities already secured under paragraph (c) above) those pensions and other benefits and contingent benefits payable or prospectively payable to or in respect of Deferred Pensioners who have not reached Pensionable Age or such greater benefits as the Trustee after taking Actuarial Advice may in its discretion decide;

Sixthly

- (f) in applying the whole or any part of any remaining assets in making such increases in such of the benefits referred to in paragraphs (b), (d) and (e) as the Trustee in its absolute discretion decides provided that no such augmentation will be such as would prejudice Approval; and

Seventhly

- (g) subject to section 76 1995 Act {excess assets on winding-up} in paying any balance remaining in each Arrangement to the Participating College which is the employer in relation to that Arrangement.
- 22.2 If the assets of any Arrangement are insufficient fully to provide the benefits set forth in clause 23(a), (b), (c), (d) and (e) section 73 {preferential liabilities on winding-up} and section 74 {discharge of liabilities by insurances etc} 1995 Act shall apply and the relevant Participating College shall not be liable to make any further contribution or payment to the Scheme, save as may be required by legislation.
- 22.3 Subject to clause 22.6 the amount allocated to each Beneficiary pursuant to clause 22.1 shall be applied to purchase a non-assignable and save as hereinafter provided non-commutable annuity on his life from an Insurance Company as the Trustee decides. Such annuity shall in the case of Pensioners and those Members who have reached Pensionable Age be an immediate annuity, and shall in the case of other Beneficiaries be a deferred annuity (with provision if the Trustee so determines for payment of a capital sum on death before reaching Pensionable Age) commencing not earlier than the date on which a pension would have become payable to the Beneficiary had the Scheme been continued. Any such annuity payable to a Member (who for this purpose only and notwithstanding the other provisions of this Deed and the Rules shall be only the person by virtue of whose membership of the Scheme the benefit arises) shall be commutable to the same extent and on the same terms and conditions as apply under Rule 10 {commutation option} but not earlier than the date upon which commutation could have taken place under Rule 10 had the Scheme been continued, unless commutation is on account of triviality.
- 22.4 The Trustee may in its absolute discretion in lieu of purchasing immediate and deferred annuities under clause 22.3 continue to invest the Fund Units attributable to the relevant Arrangement or Arrangements and retain liability in the Scheme for the payment of the benefits hereinbefore described.
- 22.5 All or any of the benefits required to be secured under this clause 22 may if the relevant Participating College so directs or if the Trustee at its absolute discretion so determines be secured by effecting a transfer of the appropriate available assets to a Receiving Scheme pursuant to Rule 17 {transfers from the scheme} save that neither a written request from nor the consent of the Beneficiaries in question shall be required where that Receiving Scheme relates to the same employment or another employment with the same Participating College or its successor and provided that where such a transfer is made at the direction of a Participating College the Trustee shall only be obliged to comply with the direction if by so doing all the assets of the Arrangement in question shall be transferred to a Receiving Scheme in compliance with the Preservation Requirements, the Contracting-out Requirements (if applicable) and the requirements for Approval. A transfer of assets under this clause 22.6 is an alternative to and shall be made in substitution for securing the benefits of the relevant Beneficiaries under clause 22.3 and the Trustee shall be discharged accordingly on making such a transfer.
- 22.6 The determination of the Trustee as regards the allocation and application of the Fund shall be absolute and final and every Beneficiary shall accept the amount (if any) which shall be allotted to or in respect of him 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 the Scheme or otherwise.

22.7 If upon the winding-up of the Scheme or of any Arrangement, the Fund shall comprise annuity contracts or annuity policies with any Insurance Company the Trustee shall have and may exercise the following powers:

- (a) power at the discretion of the Trustee to enter into any arrangements with the Insurance Company concerned whereby the whole or any part or parts of the benefits secured by any contract or policy shall be transferred or secured to, or in trust for, any Beneficiary or Beneficiaries in the form of non-commutable (except as provided by the Rules) and non-assignable annuities (whether immediate, deferred or contingent as the circumstances require) and whereby any such contract or policy which has not matured shall either be continued in force (in the name of the Trustee or otherwise) upon terms not requiring the payment of future premiums or surrendered by the Trustee in consideration of a lump sum to be applied as provided in this clause 22, and
- (b) power to assign such contracts or policies which shall not have matured or any of them and the benefits and moneys thereby assured to any Receiving Scheme of which Beneficiaries have become members upon such terms as the Trustee shall (having regard in the case of each Beneficiary to his rights and prospective rights under the Scheme) consider to be just and equitable.

22.8 The Trustee shall not apply the Fund Units of any Participating College's Arrangement in securing the benefits of Pensioners under this clause in such a manner that any one Pensioner receives a priority of any nature whatsoever over any other Pensioner.

22.9 When all the Participating Colleges have ceased to participate and the Trustee has disposed of the Fund in accordance with the governing documents of the Scheme it shall be terminated and the Trustee shall be discharged from the trusts thereof without the necessity of written discharges or resignations.

23 Power of Amendment

23.1 Subject to clauses 23.2, 23.3 and 23.4 below, the Trustee may at any time by deed amend, delete or add to any of the provisions of this Deed or of the Rules

PROVIDED that no amendment deletion or addition may be made:

- (a) in contravention of section 37 1993 Act {alteration of rules of contracted-out Schemes}; or
- (b) if it would result in the payment or transfer of all or any part of the Fund to any of the Participating Colleges except:
 - (i) under clause 22.1 on winding-up;
 - (ii) to repay any loan made to the Trustee; or
 - (iii) in any other circumstances approved by the Revenue at the time the amendment is made; or

- (c) if it would lead to the withdrawal of the approval of the Scheme by the Revenue under the 1988 Act.

23.2 Any exercise of the power of amendment under clause 23.1 shall require the consent of a Participating College if such exercise would or might have the effect of:

- (a) varying the contributions payable by the Members employed by that Participating College;
- (b) increasing the contributions payable by that Participating College;
- (c) varying the rights under the Scheme of any Member, Deferred Pensioner or Pensioner who is or was at the time of ceasing to be a Member an employee of the Participating College; or
- (d) affecting the rights of that Participating College on withdrawing from the Scheme

PROVIDED that this clause 23.2 shall not apply to any amendment which is required by law or to safeguard Approval.

23.3 Any exercise of the power of amendment in clause 23.1 shall require the consent of at least 75% by number of all Participating Colleges if it would have the effect of:

- (a) increasing the powers of the Trustee or varying its obligations or liabilities; or
- (b) amending the provisions for appointing or removing the Trustee

PROVIDED that this clause 23.3 shall not apply to any amendment which is required by law or to safeguard Approval.

23.4 Any exercise of the power of amendment in clause 23.1 shall require the consent of all the Participating Colleges if it amends or purports to amend this clause 23.

23.5 Any reference to this Deed or in the Rules to this Deed or to the Rules shall be deemed a reference to them as altered by an amendment made in accordance with clause 23.1.

23.6 The provisions of:

- (a) section 65 1995 Act {equal treatment rule: alteration of schemes by trustees};
- (b) section 67 1995 Act {protection of accrued rights}; and
- (c) section 68 1995 Act {limited powers of trustees to modify schemes}

apply.

24 Contracting-out

24.1 The contracting-out model rules in Appendix 2 apply to the Scheme in relation to:

- (a) a Member, Deferred Pensioner or Pensioner whose employment before 6 April 1997 was contracted-out by reference to the Scheme; and
- (b) his Pensionable Service during the period of employment specified in the above paragraph.

24.2 To the extent set out in clause 24.1 the model rules override the other provisions of this Deed and the Rules except to the extent specified in the model rules.

Note: see clause 13 of the deed dated 2 December 2009 as follows:

13 Guaranteed Minimum Pensions

13.1 If the Trustee and the Participating Colleges (or the relevant Participating College in relation to a particular Member or Former Member) agree the provisions of the Rules shall be subject to the easements prescribed under sections 282 to 284 of the Pensions Act 2004 in relation to the commutation and early payment of guaranteed minimum pensions.

24.3 Those of the Arrangements in respect of which a contracting-out certificate was in force on 5 April 2016 ceased to be contracted-out of the State Second Pension Scheme on 6 April 2016 but the contracting-out requirements relating to Guaranteed Minimum Pensions and to Pensionable Service between 6 April 1997 and 5 April 2016 imposed by section 24 and Schedule 13 of the Pensions Act 2014 and by regulations relating to the continued supervision of formerly contracted-out schemes including the Occupational Pension Schemes (Schemes that were Contracted-out) (No 2) Regulations 2015 [SI 2015/1677] apply.

25 Notices

25.1 Any notice relating to the amendment or termination of the Scheme which is required to be given by the Trustee shall be deemed to have been properly given to any person entitled to receive it if it is posted to his last known address or if, in the case of Members, it is posted on the staff notice boards of the Participating Colleges, provided that any inadvertent failure on the part of the Trustee to give notice to any one or more individuals entitled to receive it shall not invalidate the amendment or termination to which it relates, nor shall the Trustee be required to give notice to any person in respect of whom it does not hold an address or in respect of whom the last known address which it holds is known to the Trustee not to be a current address.

26 Trustee Discretions

26.1 The powers and discretions vested in the Trustee by this Deed and the Rules shall be absolute and unfettered and the Trustee shall not be bound to give any person any reason or justification for any exercise of any such power or discretion.

27 Interpretation and Overriding Provisions

27.1 Any reference in this Deed or in the Rules to any statute (or to a particular chapter, part of, section of, or schedule to a statute) shall be deemed to include reference to that statute as altered or replaced by any amending or substituted legislation enacted at any time and any regulation made it for the time being in force.

- 27.2 Words importing one gender (except the words “male” and “female”) or the neuter include the other gender and the neuter as the case may be.
- 27.3 The table of contents, the headings to the clauses of this Deed and to the Rules and words between the symbols { } are for reference purposes only and shall not affect the meaning or construction of this Deed and the Rules.
- 27.4 Each of the Participating Colleges and the Trustee in making any decision or in giving or withholding its agreement or consent or in exercising or not exercising any power in relation to the Scheme shall comply with:
- (a) the Revenue limits rules in Appendix 1 (which may require benefits to be restricted) and any requirements of the Revenue to obtain and maintain Approval;
 - (b) the Preservation Requirements;
 - (c) the Disclosure Requirements;
 - (d) the Equal Treatment Requirements; and
 - (e) the Contracting-out Requirements if any employment is contracted-out by reference to the Arrangement or Arrangements in question.

28 Elimination of Excess Surplus

- 28.1 If on the basis of Actuarial Advice prepared in accordance with the principles and requirements of any regulations made for the purposes of paragraph 2(2) of Schedule 22 1988 Act the value of that part of the Scheme's assets which relate to a Participating College exceeds the value of the liabilities in respect of that Participating College by a percentage which is more than the maximum prescribed for the purposes of paragraph 3(1) of the said Schedule 22 (“Allowable Maximum”) the Trustee shall arrange for the reduction of such surplus to the Allowable Maximum by such one or more of the following methods as it shall subject to the consent of the relevant Participating College and the Commissioners of Inland Revenue determine:
- (a) subject to section 37 1995 Act, by making a payment to the relevant Participating College;
 - (b) suspending for a period (of 5 years or less) the relevant Participating College's obligation to pay contributions to the Scheme or reducing for such a period the amount of such contributions;
 - (c) suspending for a period (of 5 years or less) the obligation of any relevant Member to pay contributions or reducing for such a period the amount of such contributions;
 - (d) improving existing or providing new benefits under the Scheme for Members Deferred Pensioners or Pensioners who are or were employees of the relevant Participating College;
 - (e) such other method as may be permitted by the Commissioners of Inland Revenue.

IN WITNESS whereof the Trustee and the Participating Colleges have executed and delivered this document as a deed on the day and year first before written.

The Schedule

The Rules of The Cambridge Colleges Federated Pension Scheme

1 Definitions

1.1 Throughout these Rules except where the context otherwise requires words in the singular shall be construed as including words in the plural and words in the plural as including words in the singular and words importing one gender (except the words “male” and “female”) or the neuter shall be construed as including the other gender and neuter as the case may be.

1.2 Throughout these Rules the following words and expressions shall have the following meanings:

“**2 Years’ Qualifying Service**” has the meaning in section 71(7) 1993 Act.

“**1988 Act**” Income and Corporation Taxes Act 1988.

“**1992 Act**” Social Security Contributions and Benefits Act 1992.

“**1993 Act**” Pension Schemes Act 1993.

“**1995 Act**” Pensions Act 1995.

“**1996 Act**” Employment Rights Act 1996.

“**2008 Act**” means the Pensions Act 2008.

“**Actuary**” A Fellow of the Institute or Faculty of Actuaries (or a firm making available the services of such a person) appointed under clause 14 of the Deed.

“**Actuarial Advice**” Advice given by a Fellow of the Institute of Actuaries or the Faculty of Actuaries in Scotland or by a corporate body making available the advice given to it by such a Fellow.

“**Additional Pensionable Service**” The number of years and additional completed months of Pensionable Service granted to any Member under the Scheme by reference to his Participating College’s Arrangement and notified in writing to him by or on behalf of the Trustee arising from (a) a transfer payment which has been accepted under Rule 18 from a Transferring Scheme (other than a transfer payment relating to membership of a Former Arrangement in respect of which the Participating College has elected to provide additional years and months of Pensionable Service for the Member under the Scheme) or (b) an inter Participating College transfer in accordance with Rule 19 (or in either case under the equivalent rules which applied at the time of the transfer).

“Additional Voluntary Contributions” Contributions paid by Members within the meaning of “voluntary contributions” in section 111 1993 Act.

“Applicable Pay Reference Period” has the meaning given in regulation 1 of the Automatic Enrolment Regulations.

“Appropriate Date” means the date with effect from which the deduction in the calculation of Contribution Pay in respect of the flat rate State retirement pension was made proportional in respect of Members employed on Part-time Service by the Participating Colleges listed in Appendix 4 in accordance with proviso (d) to the definition of Contribution Pay.

“Approval” Approval of the Scheme as an exempt approved Scheme under Chapter I Part XIV 1988 Act.

“Arrangement” The Fund Units relating to each Participating College which are deemed for all purposes of identification to be held under the Scheme through arrangements known as “The Cambridge Colleges Federated Pension Scheme” followed by the name of the Participating College in question.

“Automatic Enrolment Date” means the date on which a person qualifies as an Eligible Jobholder.

“Automatic Enrolment Regulations” means the Occupational and Personal Pension Schemes (Automatic Enrolment) Regulations 2010 (SI 2010/772).

“Automatic Re-enrolment Date” means the date on which an Eligible Jobholder is automatically re-enrolled in the Arrangement in accordance with section 5 of the 2008 Act and regulation 12 of the Automatic Enrolment Regulations.

“AVC Service” The number of years and months of pensionable service granted to a Member under the Scheme arising from the payment of Additional Voluntary Contributions.

“Beneficiary” Any person absolutely or contingently entitled to a benefit from the Scheme.

“Cash Equivalent” has the meaning in section 94 1993 Act.

“College” means any college in the University of Cambridge including any approved foundation or approved society within the University of Cambridge.

“Commencement Date” The date on which a Participating College commences membership of the Scheme in respect of its Eligible Employees at that date being:

(a) 1 April 1978 in respect of the following Participating Colleges:

Christ's College
Churchill College
Corpus Christi College
Darwin College
Downing College
Girton College

Gonville & Caius College
King's College
Magdalene College
New Hall
Newnham College
Pembroke College
Peterhouse
Queens' College
Robinson College
St Catharine's College
St Edmund's College
St John's College
Selwyn College
Trinity Hall
Wolfson College

- (b) 1 January 1981 in respect of Emmanuel College.
- (c) 1 January 1984 in respect of Hughes Hall.
- (d) 1 January 1985 in respect of Lucy Cavendish College.
- (e) 1 April 1997 in respect of Clare Hall.

“Consumer Prices Index” on any date means the index of consumer prices published by the Office for National Statistics, or any index published in substitution of it, or any other index of prices adopted by the Trustee for the purposes of the Scheme.

“Contracted-in Member” means a Member who is not a Contracted-out Member.

“Contracted-out Member” means a Member whose employment is contracted-out by reference to the Scheme within the meaning of section 8(1) 1993 Act or whose employment would be so contracted-out by his Participating College if he had not passed his State pension age and in respect of any period of Pensionable Service or after 6 April 2016 it means a Member employed by a Participating College which was named in a contracting-out certificate in relation to the Scheme on 5 April 2016.

“Contracting-out Requirements” means the requirements to be met for the purpose of obtaining and maintaining a contracting-out certificate under Chapter I Part III 1993 Act by reference to the Scheme in respect of any period of active membership before 6 April 1997.

“Contracted-out Employment” has the meaning in section 8(1) 1993 Act.

“Contribution Pay” means:

- (a) in respect of Members employed by Participating Colleges who are weekly paid their Gross Earnings from their Participating College less an amount equal to the single person's weekly flat rate State retirement pension in force for the week to which such Gross Earnings are attributable;

- (b) in respect of Members employed by Participating Colleges who are paid calendar monthly their Gross Earnings from their Participating College less an amount equal to $4\frac{1}{3}$ times the single person's weekly flat rate State retirement pension in force on the last day of the month to which such Gross Earnings are attributable.

Provided that

- (c) the deductions in (a) and (b) above in respect of the flat rate State retirement pension do not apply in respect of Pensionable Service on and after the Material Date in relation to the Arrangements of the Participating Colleges listed in Appendix 3;
- (d) in respect of Pensionable Service on and after the Appropriate Date in relation to the Arrangements of the Participating Colleges listed in Appendix 4 the deductions in (a) and (b) above in respect of the flat rate State retirement pension are reduced in respect of any Member who is employed on Part-time Service to that proportion of the deduction which the number of hours actually worked bears to the number of hours which the Member would be contractually bound to work if he was employed in Full-time Service;
- (e) Rule 29.4 applies in relation to a Group Income Protection Scheme Claimant;
- (f) a weekly paid Member whose Gross Earnings in respect of any week are less than an amount equal to the single person's weekly flat rate State retirement pension in respect of that week has a figure of nil in respect of paragraph (a) above and likewise a monthly paid Member whose Gross Earnings are less than $4\frac{1}{3}$ times the single person's weekly flat rate State retirement pension in force on the last day of the relevant month has a figure of nil in respect of paragraph (b) above;
- (g) in relation to the Arrangements of the Participating Colleges listed in both Appendix 3 and Appendix 4, proviso (d) above shall apply in relation to Pensionable Service beginning with the Appropriate Date stated in Appendix 4 and ending on the day before the Material Date stated in Appendix 3 in relation to those Participating Colleges;
- (h) in respect of Pensionable Service on and from 6 April 2016 in relation to the Arrangement of Hughes Hall the references in the paragraphs above to the flat rate State retirement pension are replaced by references to the single tier pension as defined in Part I of the Pensions Act 2014; and
- (i) in respect of Pensionable Service on and from 6 April 2016 in relation to the Arrangements of Robinson College and King's College the references in the paragraphs above to the flat rate State retirement pension are replaced by references to the single tier pension as defined in Part I of the Pensions Act 2014.

“Deed” The Definitive Trust Deed relating to the Scheme to which these Rules are attached as a schedule.

“Deferral Date” means a date not later than three months after an Eligible Jobholder's Automatic Enrolment Date as notified in writing by a Participating College to the Trustee.

“Deferred Pensioner” A person who is prospectively entitled under Rule 14 {leaving before pensionable age} but not yet in receipt of a pension commencing at Pensionable Age by virtue of his earlier Membership of the Scheme which has ceased.

“Dependant” means any person who is maintained or financially assisted by a Member or former Member.

“Disclosure Requirements” means the requirements for the obtaining and disclosure of information in relation to the Scheme under the 1995 Act.

“Dissolution Date” The date on which the Trustee determines to wind-up the Scheme under clause 21.2 of the Deed.

“Divorce Requirements” means the requirement for the disclosure of information in relation to the Scheme and the provision of benefits under the Scheme in respect of the former spouse of a Member or former Member under the 1995 Act.

“Effective Date” The date specified in clause 1.4 of the Deed.

“Eligible Employee” An employee of any Participating College who has been on the pensionable payroll of his Participating College for at least 6 consecutive months, who satisfies such other conditions as are required by his Participating College and who is not a member of the Universities Superannuation Scheme. Any person who is either assessed to tax on his earnings from a Participating College under Schedule D or who would otherwise prejudice approval of the Scheme under the 1988 Act is not an Eligible Employee. The decision of his Participating College as to whether a person qualifies as an Eligible Employee shall be binding.

“Eligible Jobholder” means an employee who meets the requirements of sections 1(1) and 3(1) of the 2008 Act in relation to the Participating College with which he is in Service.

“Equal Treatment Requirements” means the requirement of sections 62-66 1995 Act.

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

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

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

“Final Pensionable Salary” The highest total of Contribution Pay received by a Member or Deferred Pensioner for the period of 36 complete and consecutive months of Service ending not earlier than 10 years before his Pensionable Age, the date of retirement from Service, the date of leaving Service or the date of death whichever occurs the earliest (“relevant date”) divided by 3 except that:

- (a) if by such date the Member or Deferred Pensioner has completed less than 36 complete and consecutive months of Service Final Pensionable Salary is computed by reference to the average annual equivalent of the complete and consecutive months of Service completed by the Member immediately prior to such date; and

Provided That

- (b) where Contribution Pay is computed by reference to any year other than the last complete year ending on the relevant date the Contribution Pay shall be increased in proportion to any increase in the Index from the last day of that year up to the relevant date;
- (c) where the relevant date in relation to the Member or Deferred Pensioner fell before 1 October 1996 the opening paragraph for this definition shall be deemed to be deleted and to be replaced by:

“The total Contribution Pay received by the Member or Deferred Pensioner for the period of 36 complete and consecutive months of Service immediately preceding his Pensionable Age, the date of retirement from Service, the date of leaving Service or the date of death whichever occurs the earliest (“relevant date”) divided by 3 except that:”

and proviso (b) above shall not apply;

- (d) the references above in relation to the relevant date to the “date of leaving Service” shall be deemed to be references to the “date of ceasing to be a Member” in relation to any Member who withdraws from active Membership under Rule 2.4 after the date of this Deed;
- (e) in relation to a Member who with the consent of his Participating College remains in Service after Pensionable Age and continues to pay contributions under Rule 3 the highest total of Contribution Pay shall be calculated in relation to the last period of 36 complete and consecutive months ending not earlier than 10 years before the date of his retirement from Service, the date of leaving Service or the date of death, whichever occurs the earliest; and
- (f) in relation to:
 - (i) Pensionable Service on and after 6 April 2016;
 - (i) the Arrangements of Hughes Hall, King’s College and Robinson College; and

- (iii) the figures for Contribution Pay to be used in the computation required by this defined term (but, for the avoidance of doubt, not in relation to the payment of Members' contributions)

where such figures relate to the period before 6 April 2016 they shall be Gross Earnings as set out in paragraphs (a) and (b) of the definition of Contribution Pay but instead of being reduced by an amount equal to or a factor of the single person's weekly flat rate State retirement pension for the pay periods in question they shall be reduced by a fraction of the single tier pension as defined in Part I of the Pensions Act 2014 in respect of the year ending 5 April 2017 in accordance with the following formula:

$$\text{Offset} = \frac{A \times B}{C}$$

Where:

- (1) "Tax Year" means the 12 months ending on 5 April 2016 or on 5 April in any of the preceding years;
- (2) "A" means the amount of the single person's flat rate State retirement pension in respect of the relevant Tax Year;
- (3) "B" means £155.65, being the amount of the single tier pension as defined in Part I of the Pensions Act 2014 in respect of the Tax Year ended 5 April 2017;
- (4) "C" means £119.30, being the amount of the single person's flat rate State retirement pension in respect of the Tax Year ended 5 April 2017; and
- (5) the relevant Tax Year means the Tax Year in respect of which the Contribution Pay is computed.

The Offset shall be divided by 52 to find the reduction in Gross Earnings in respect of Members who were paid weekly at the time of receipt of the relevant Gross Earnings and by 12 in respect of Members who were paid monthly at the time of receipt of the relevant Gross Earnings and then applied to reduce Contribution Pay for the relevant pay period.

"Fiscal Year" A period of twelve consecutive months commencing on 6th April and ending on the following 5th April.

"Former Arrangements" Any one or more of the following:

- (a) Magdalene College Excepted Provident Fund
- (b) Trinity Hall Staff Superannuation Fund
- (c) Trinity Hall Employees Pension Scheme

- (d) New Hall Contributory Pension Fund
- (e) King's College Employees Pension Fund
- (f) Pembroke College Pension Scheme
- (g) Selwyn College Employees Pension Fund
- (h) Selwyn College Employees Supplemental Pension Scheme
- (i) St Catharine's College Servants Contributory Pension Fund
- (j) Churchill College Staff Pension Fund
- (k) Peterhouse Staff Pension Fund
- (l) St John's College Servants Contributory Pension Scheme
- (m) Queens' College Pension Scheme

“Former Pensionable Service” means:

- (a) The number of years and additional completed months of Pensionable Service granted to a Member and notified to him by or on behalf of the Trustee arising from a transfer payment accepted in accordance with Rule 18 (or the equivalent rule which applied at the time of the transfer) from a Former Arrangement; and
- (b) the number of years and additional completed months of Pensionable Service (if any) notified in writing to Members who are employed by Robinson College or Corpus Christi College granted in respect of Service completed by the Member prior to the Commencement Date.

“Full-time Service” means service with a Participating College of that number of hours per week which a Member's Participating College determines to be full-time for the purposes of the job in question.

“Fund” The fund consisting of the contributions to the Scheme and the other assets held by the Trustee for the purposes of the Scheme.

“Fund Units” The units of investment deemed to be held by the Trustee under the Scheme in respect of Participating Colleges under their Arrangements.

“Gross Earnings” means the gross earnings of Members as notified by Participating Colleges to the Trustee. Participating Colleges may designate any part of a Member's earnings as non-pensionable for the purposes of the Scheme.

“Group Income Protection Scheme” means the Cambridge Colleges Federated Ill-Health Insurance Scheme which is separate from the Scheme and provides insured sick pay for Members who join the Scheme when first eligible and are prevented by long-term sickness or disability from working for their Participating Colleges, subject to the terms and conditions thereof.

“Group Income Protection Scheme Claimant” means a Member who is or has been in receipt of income from the Group Income Protection Scheme

“Guaranteed Minimum Pension” has the meaning in section 8 1993 Act.

“Incapacity” A person shall be deemed to be suffering from incapacity when

- (a) his earning capacity is destroyed or seriously impaired by physical or mental deterioration; and
- (b) such destruction or impairment of earning capacity is in the opinion of the Trustee at the time when the early retirement pension starts to be paid likely to be permanent

Provided that paragraph (b) shall not apply to any Member who started to draw an incapacity pension before the date of this Deed.

“Index” on any date means the index of retail prices for all items published by the Central Statistical Office, or any index that may be published in substitution for it, or any other index of retail prices adopted by the Trustee for the purposes of the Scheme.

“Insurance Company” Any insurance company to which the Insurance Companies Act 1982 applies and which is authorised by or under sections 3 or 4 of that Act to carry on ordinary long term business as defined in that Act.

“Insured Salary” means the greater of:

- (a) the rate of annual basic salary of the Member at the date of death (which for the purposes of Members paid on a weekly basis is 52 times the basic weekly wage) excluding all fluctuating emoluments; and
- (b) in the case of an employee whose last or only period of Service includes the whole of at least one Fiscal Year the earnings from his Participating College in the Fiscal Year immediately preceding the date of death (such rate of earnings being ascertained by reference to form P60 issued to the employee in respect of such Fiscal Year and being inclusive of the employee's own contributions to the Scheme in such Fiscal Year)

Except that alternative (b) shall not be relevant to the Member if he has not been in the Service of his Participating College for the whole of the Fiscal Year ending on or prior to the date of death unless such Member was a Member of the Scheme with another Participating College for the balance of the said Fiscal Year in which case the earnings from both or all such Participating Colleges shall be taken into account.

Rule 29.5 applies in relation to a Group Income Protection Scheme Claimant.

“Jobholder” means an employee who meets the requirements of section 1(1) of the 2008 Act in relation to a Participating College with which he is in Service.

“Life Assurance Benefit” means a lump sum equal to twice the Insured Salary of a Member or such other amount as may be advised in writing to the Members from time to time.

“Lump Sum Benefit” means:

- (a) In respect of a Contracted-out Member a lump sum equal to the annual rate of the pension payable to him under Rule 4.1, Rule 5 or Rules 6.1 or 6.2 at the date when that pension starts (ignoring any prospective increases under Rule 12); and
- (b) in respect of a Contracted-in Member a lump sum equal to the annual rate of the pension payable to him under Rule 4.2, Rule 5 or Rules 6.1 or 6.2 at the date when that pension starts (ignoring any prospective increases under Rule 12) but on the basis that the reductions on account of the State Additional Pension in Rules 4.2 (a) and (b) and Rule 6.2 do not apply

Provided that no benefit as described in (a) and (b) above shall be payable in respect of Pensionable Service on and after the Material Date in relation to the Arrangements of the Participating Colleges listed in Appendix 3.

“Management Committee” means the directors of the Trustee present at a duly convened meeting of the directors at which a quorum is present (which shall be deemed to be a minimum of 3 directors present) or otherwise the directors acting pursuant to article 37 of the articles of association of the Trustee (written resolution of directors).

“Material Date” means the date with effect from which the Lump Sum Benefit ceased to accrue and the deduction in the calculation of Contribution Pay in respect of the flat rate State retirement pension ceased to apply in relation to Members employed by the Participating Colleges listed in Appendix 3 in accordance with proviso (c) to the definition of Contribution Pay.

“Minimum Funding Requirement” has the meaning in section 56 1995 Act.

“Member” A person who has joined an Arrangement under the Scheme in accordance with Rule 2 and has not become a Pensioner died or ceased to be in Pensionable Service. A Deferred Pensioner is not a Member.

“Membership” means the status of being a Member.

“Negative Deferred Pension” means the amount by which the Member’s pension or deferred pension under the Scheme which arose/arises from Service, is reduced at the Relevant Date by section 31 Welfare Reform and Pensions Act 1999 following a Pension Sharing Order, agreement or equivalent provision. For this purpose, Service includes all periods of service with other employers which have been treated as if they were Service with the Member’s Participating College where a transfer payment has been made to the Scheme in respect of that other service.

“Opt-in Notice” means a notice by which an employee opts into Pensionable Service in a form determined by his Participating College, provided it complies with the requirements of regulation 18 of the Automatic Enrolment Regulations.

“Opt-out Notice” means a notice by which a Member opts out of Pensionable Service in a form determined by the Trustee, provided it complies with the requirements of regulation 9 of the Automatic Enrolment Regulations.

“Part-time Service” means Service with a Participating College for a number of hours per week which the Participating College determines to be fewer than the number of hours required for such Service to be Full-time Service.

“Participating College” Any one or more of the following:

The President and Fellows of Clare Hall in the University of Cambridge (“Clare Hall”)

The Master Fellows and Scholars of Christ's College in the University of Cambridge (“Christ's College”)

The Master Fellows and Scholars of Churchill College in Cambridge (“Churchill College”)

The Master Fellows and Scholars of the College of Corpus Christi and the Blessed Virgin Mary in the University of Cambridge (“Corpus Christi College”)

The Master and Fellows of Darwin College in the University of Cambridge (“Darwin College”)

The Master Fellows and Scholars of Downing College in the University of Cambridge (“Downing College”)

The Master Fellows and Scholars of Emmanuel College in the University of Cambridge (“Emmanuel College”)

The Mistress Fellows and Scholars of Girton College in the University of Cambridge (“Girton College”)

The Master and Fellows of Gonville and Caius College in the University of Cambridge founded in the honour of the Annunciation of the Blessed Mary the Virgin (“Gonville & Caius College”).

Elizabeth Phillips Hughes Hall Company known as Hughes Hall in the University of Cambridge (“Hughes Hall”)

The Provost and Scholars of the King's College of our Lady and Saint Nicholas in Cambridge (“King's College”)

Lucy Cavendish College (“Lucy Cavendish College”)

The Master and Fellows of Magdalene College in the University of Cambridge founded in honour of St Mary Magdalene (“Magdalene College”)

The President and Fellows of New Hall in the University of Cambridge (“New Hall”)

The Principal and Fellows of Newnham College in the University of Cambridge (“Newnham College”)

The Master Fellows and Scholars of the College or Hall of Valence Mary commonly called Pembroke College in the University of Cambridge (“Pembroke College”)

The Master (or Keeper) and Fellows of Peterhouse in the University of Cambridge (“Peterhouse”)

The President and Fellows of the Queen’s College of St Margaret and St Bernard commonly called Queens' College in the University of Cambridge (“Queens' College”)

The Warden and Fellows of Robinson College in the University of Cambridge (“Robinson College”)

The Master and Fellows of the College or Hall of St Catharine the Virgin in the University of Cambridge (“St Catharine’s College”)

St Edmund's College in the University of Cambridge (“St Edmund's College”)

The Master Fellows and Scholars of the College of Saint John the Evangelist in the University of Cambridge (“St John's College”)

The Master Fellows and Scholars of Selwyn College (“Selwyn College”)

The Master, Fellows and Scholars of the College or Hall of the Holy Trinity in the University of Cambridge (“Trinity Hall”)

The President and Fellows of Wolfson College in the University of Cambridge (“Wolfson College”)

and any other college in the University of Cambridge which participates in the Scheme in accordance with the provisions relating to such participation contained in the Deed.

“**Partner**” means a person falling within paragraph (b) of the definition of Spouse.

“**Pension Credit**” means a credit under section 29(1)(b) Welfare Reform and Pensions Act 1999.

“**Pension Credit Benefit**” in relation to a scheme, including the Scheme, means the benefits payable under the scheme to or in respect of a person by virtue of rights under the scheme attributable (directly or indirectly) to a Pension Credit.

“**Pension Credit Rights**” means the 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) Welfare Reform and Pensions Act 1999.

“**Pension Debit Member**” means a Member Deferred Pensioner or Pensioner whose benefits have been permanently reduced by a Pension Debit. Such a member will either be:

- (i) a member who is a controlling director of a company which is his employer if he is a director of the company to whom paragraph (b) of section 417(5) 1988 Act applies either at the date on which the marriage was dissolved or annulled, or at any time within the period of 10 years before that date; or,

- (ii) a member whose earnings at the date at which his marriage was dissolved or annulled exceeded $\frac{1}{4}$ of the permitted maximum (as defined in Section 590C(2) 1988 Act) for the year of assessment in which the dissolution or annulment occurred. Earnings for these purposes shall be taken to be the total emoluments:
 - (a) which were paid to the member in consequence of pensionable service to which the Scheme relates during the year of assessment before the year of assessment in which the marriage was dissolved or annulled, and
 - (b) from which tax was deducted in accordance with the Income Tax (Employments) Regulations 1993.

“Pension Sharing Order” means any order or provision as is mentioned in section 28(1) Welfare Reform and Pensions Act 1999.

“Pensionable Age” means the 65th birthday.

“Pensionable Service” The number of years and additional completed months of continuous Service to Pensionable Age whilst a Member of the Scheme.

“Pensioner” A former Member who is in receipt of a pension under Rule 4 {normal retirement}, Rule 5 {early retirement} or Rule 6 {late retirement} and a person who having been a Deferred Pensioner has reached his Pensionable Age and so become entitled to a pension.

“Personal Pension Scheme” A personal pension scheme approved by the Revenue under Chapter IV Part XIV 1988 Act.

“Preservation Requirements” means the provisions of Chapters I, II and IV 1993 Act relating to the rights of Deferred Pensioners.

“Qualifying Child” means in respect of any Member who dies in the Service of any of the Participating Colleges prior to Pensionable Age (such Member being hereinafter referred to in this definition as “the Deceased”) a person who is aged less than 18 years or who is aged less than 23 years and is receiving full-time education at any university, college, school or other educational establishment and who:

- (a) is the natural or adopted child of the Deceased; or
- (b) not being the natural or adopted child of the Deceased falls within the definition of “dependant” in paragraph 5 of Schedule 28 in the Finance Act 2004 and is in the absolute discretion of the Trustee deemed to be a Qualifying Child.

“Receiving Scheme” means the trustees or administrators of an occupational pension scheme, a Personal Pension Scheme, annuity contract or policy or other pension arrangement which meets the requirements of section 95 1993 Act {arrangements to which cash equivalents may be taken} or any other scheme or arrangement specifically approved by the Revenue for the purpose of clause 22 or Rule 17.

“Reduced Class 1 Contributor” A married woman or widow who has elected by virtue of section 19(4) Social Security Contributions and Benefits Act 1992 to pay primary Class 1 contributions to the State at a reduced rate.

“Relevant Date” means the date of retirement, leaving Pensionable Service or death as the case may be.

“Retirement Benefits Scheme” A retirement benefits scheme as defined in section 611 1988 Act.

“Revenue” The Commissioners of Inland Revenue.

“Robinson College Member Contribution Rate” means one third of the Robinson College Overall Contribution Rate from time to time (rounded down to the nearest 0.25%). Any change in the Robinson College Member Contribution Rate shall be notified to the affected Members before the effective date of such change.

“Robinson College Overall Contribution Rate” means the aggregate rate, expressed as a percentage, at which Robinson College is required to contribute in relation to the accrual of future service benefits and death in service benefits under the Arrangement of Robinson College pursuant to the applicable schedule of contributions (as defined in section 227 of the Pensions Act 2004) in force from time to time.

“Rules” These rules as amended from time to time.

“Salary Sacrifice Arrangement” means an arrangement whereby a Member’s contract of employment with his Participating College is varied so as to reduce the cash remuneration which the Member would otherwise be entitled to in respect of Service after the date of the variation and whereby the Participating College either provides the Member with non-cash benefits which are specified on a list of applicable non-cash benefits maintained by the Participating College, and/or the Member is relieved of the duty to pay Member’s contributions under Rules 3.1 or 3.2 but his benefits from the Scheme are calculated as though his cash remuneration had not been reduced.

“Schedule of Contributions” The schedule of contributions as defined in section 58 1995 Act.

“Scheme” The Cambridge Colleges Federated Pension Scheme governed by the Deed and these Rules.

“Service” Service of a Member as an employee with his Participating College.

“Short Service Benefit” has the meaning in section 71(2) 1993 Act.

“Spouse” in relation to a deceased individual means

- (a) the person (if any) who was married to him at date of his death; **or**
- (b) if the deceased was unmarried at the date of his death the person (if any) of the same or the opposite sex as the deceased with whom he was co-habiting in a relationship akin to marriage at the time of his death provided such

person was financially dependent on the deceased at the time of the death or such person and the deceased were financially interdependent at the time of the death;

provided that:

- (c) the Trustee shall in its absolute discretion determine whether any person falls within paragraph (b); and
- (d) if it determines that two or more persons fall within paragraph (b) the Trustee shall in its absolute discretion determine which one of them shall be treated as falling within that paragraph; and
- (e) paragraph (b) does not apply in relation to a deceased individual who died before 1 April 2000.

“Spouse's Death in Service Pension” An annual pension of 25% of the Member's Insured Salary.

“Stakeholder Scheme” means a stakeholder pension scheme approved by the Revenue under Chapter IV Part XIV 1988 Act.

“State Additional Pension” The additional component of the Category A retirement pension provided by the State in accordance with the 1992 Act.

“Transferring Scheme” means the trustees or administrators of an occupational pension scheme, a Personal Pension Scheme, annuity contract or policy or other pension arrangement which meets the requirements of section 95 1993 Act {arrangements to which cash equivalents may be taken} or any other scheme or arrangement specifically approved by the Revenue for the purpose of Rule 18.

“Trivial Pension” means in relation to an individual a pension which when added to all pensions payable in respect of employment with the Participating Colleges and the pension equivalent of any lump sum and including any pension arising from the payment of additional voluntary contributions is not more than £260 per annum (or such higher amount as may be prescribed from time to time by regulations made under sections 21(1) and 77(5) 1993 Act).

“Trustee” Cambridge Colleges Superannuation Trustees Limited or such other body or person or persons as are for the time being appointed trustee or trustees of the Scheme.

“Unit Dealing Date” The last working day of each month.

2 Membership

2.1 The eligibility requirements for an Eligible Employee are that:

- (a) he is aged 18 years or more but is less than 61 years old on the date of admission to the Scheme;

- (b) he is not contributing to a Personal Pension Scheme or a Stakeholder Scheme to an extent which is inconsistent with membership of the Scheme for the purpose of Approval;
- (c) he falls within the meaning of Eligible Employee; and
- (d) he properly completes and gives to the Trustee an application in the form required by the Trustee and supplies such evidence of age and other information as the Trustee requires;

Provided that an employee of a Participating College who satisfies all of the above conditions save for the condition of 6 months Service with his Participating College shall nevertheless be admitted to Membership at the request of his Participating College with effect from such date as the Trustee decides, but not earlier than the first day of employment by the Participating College in question.

2.2 An Eligible Employee who satisfies the eligibility requirements in Rule 2.1 (or who is treated as doing so) shall be admitted to his Participating College's Arrangement on the first day of the month coincident with or following the day on which he satisfies those requirements and (for the avoidance of doubt) the Trustee shall not be under any obligation to provide any benefits prior to such admission date including any benefits payable on death.

2.3 If an Eligible Employee declines to join the Scheme by reference to an Arrangement when first eligible he shall not in any circumstances be entitled to join the Scheme at a later date except that the Trustee may in its absolute discretion and with the permission of his Participating College allow any person who so refused or neglected to join when first eligible to take up Membership of the Scheme by reference to his Participating College's Arrangement at a later date on such conditions and with entitlement to such benefits and with effect from such date as may be decided by the Trustee and his Participating College

Provided that:

- (a) such person furnishes at his own expense such information relating to his state of health as may be required by the Trustee;
- (b) the inclusion or continued inclusion of such person does not prejudice approval of the Scheme under the 1988 Act;
- (c) such person has not attained his 61st birthday at such date as the Trustee and his Participating College agrees he shall be admitted to the Scheme; and
- (d) benefits shall be payable on death in service before Pensionable Age only under Rules 8.9 and 8.10 {death in service}.

2.4 A Member may withdraw from active Membership of the Scheme by giving at least one month's prior written notice to his Participating College and he shall become a Deferred Pensioner on the expiration of that notice. His Participating College shall give written notice of the withdrawal to the Trustee as soon as practicable.

2.5 A former Member who is an Eligible Employee may by giving at least one month's written notice to the Trustee reapply for Membership of the Scheme after at least 3

years have elapsed since he withdrew from Membership under Rule 2.4. Any such application shall be made under Rule 2.3 and if such person is re-admitted the two (or more) periods of Pensionable Service shall not be treated as continuous unless the Member's Participating College directs that such treatment shall apply.

- 2.6 A Member who is absent from work for his Participating College on account of ill-health and in receipt of an income from the Group Income Protection Scheme shall become a Deferred Pensioner on the date when such income is terminated or, if earlier, suspended unless the Member thereupon recommences work for his Participating College.
- 2.7 The Trustee shall have a discretion to admit an Ex-Spouse Participant to membership of the Scheme for the purposes of Rule 28 {pension sharing on divorce}. An Ex-Spouse Participant cannot, in the capacity of Ex-Spouse Participant, be a Member and shall be entitled to such benefits as the Trustee shall in its discretion decide but not exceeding the value of such person's Pension Credit.
- 2.8 No employee of Corpus Christi College, Downing College, Hughes Hall, King's College, Lucy Cavendish College, New Hall or Newnham College shall be admitted to Membership of the Scheme after 31 March 2004 and this restriction includes any former Member who might otherwise be re-admitted under Rule 2.5.
- 2.9 No employee of Magdalene College shall be admitted to Membership after 31 December 2006 and this restriction includes any former Member who might otherwise be re-admitted under Rule 2.5.
- 2.10 No employee of Pembroke College shall be admitted to Membership after 31 January 2006 and this restriction includes any former Member who might otherwise be re-admitted under Rule 2.5.
- 2.11 No employee of Gonville & Caius College shall be admitted to Membership after 31 March 2007 save for any employee who was on that date in a waiting period and this restriction includes any former Member who might otherwise be re-admitted under Rule 2.5.
- 2.12 Churchill College withdraw from participation in the Scheme pursuant to clause 20 of the Deed with effect from 31 March 2007.
- 2.13 No employee of Wolfson College shall be admitted to Membership after 29 February 2008 and this restriction includes any former Member who might otherwise be re-admitted under Rule 2.5.
- 2.14 No employee of St John's College shall be admitted to Membership after 31 December 2016 and this restriction includes any former Member who might otherwise be re-admitted under Rule 2.5.
- 2.15 No employee of Clare Hall shall be admitted to Membership after 1 April 2017 and this restriction includes any such employee who is a former Member who might otherwise be re-admitted under Rule 2.5.
- 2.16 No employee of Darwin College shall be admitted to Membership of the Scheme after 30 September 2019 and this restriction includes any former Member who might otherwise be re-admitted under Rule 2.5.

3 Contributions

By the Members

- 3.1 A Contracted-out Member shall contribute to the Scheme at the rate of that percentage of his Contribution Pay which is set out in Part I of Appendix 5.
- 3.2 A Contracted-in Member shall contribute to the Scheme at the rate of that percentage of his Contribution Pay which is set out in Part II of Appendix 5.
- 3.3 Contributions shall be calculated by reference to the Contribution Pay of the Member last before he attained Pensionable Age (irrespective of any later change in Contribution Pay) where a Member continues to contribute after Pensionable Age and earns late retirement credits under Rule 6.2, but a Member who continues in Pensionable Service after Pensionable Age under Rule 6.6(b) on the basis that his actual date of retirement will be treated as Pensionable Age will continue to contribute by reference to his current Contribution Pay.
- 3.4 A Member may pay Additional Voluntary Contributions to the Scheme to secure such additional years and months of AVC Service as shall be determined by the Trustee after taking Actuarial Advice.
- 3.5 A Member may pay Additional Voluntary Contributions either monthly or as a lump sum or series of lump sums. The payment of Additional Voluntary Contributions on a monthly basis may only be made on the first business day of each month and may be commenced on any such day during the year.
- 3.6 A Member must give the Trustee and his Participating College at least one month's prior written notice of his wish to start, stop or vary the payment of Additional Voluntary Contributions.
- 3.7 The upper limit for Additional Voluntary Contributions is that amount which when added to the Member's contributions under Rule 3.1 or Rule 3.2 is 15% of the Member's remuneration from his Participating College, ignoring any remuneration in kind, in respect of the year to 5 April in which the contributions are paid, provided that:
 - (a) any Member who was paying Additional Voluntary Contributions on 6 April 2006 of an amount which exceeded this upper limit may continue to do so without increase until an increase is permitted by the 15% limit;
 - (b) the number of added years of AVC Service which a Member may purchase is limited to 10 but without prejudice to the terms of any contract entered into between the Trustee and any Member before 2 December 2009 under Rule 3.4 to purchase more than 10 years of AVC Service; and
 - (c) a Member may pay Additional Voluntary Contributions of an amount which when taken together with his ordinary contributions exceed 15% of his remuneration if the excess over 15% is attributable to an increase in the rate of ordinary contributions payable by the Member and provided that this easement does not apply to permit the payment of Additional Voluntary Contributions in excess of the 15% limit where the Member wishes to start or

to increase such contributions after the effective date of the relevant increase in the rate of ordinary Member contributions.

- 3.8 Each Member's Participating College will deduct Members' contributions in accordance with Rules 3.1, 3.2, 3.3 and 3.5 from the Members' salary or wage and will pay them to the Trustee.
- 3.9 A Member who is unable to work on account of ill-health and whose pay from his Participating College has been replaced by an income from the Group Income Protection Scheme shall not be required to contribute for so long as he continues to receive such income.
- 3.9A Any Member whose pensionable service is restricted by paragraph (e) or (i) to Rule 4.1 {normal retirement pension} shall cease to contribute under Rule 3.1 or 3.2 as appropriate when such restriction starts to apply.

By the Participating Colleges

- 3.10 Each Participating College shall make such contributions (if any) to the Scheme by reference to its Arrangement in addition to the contributions paid by the Members under this Rule as are from time to time determined by the Trustee after obtaining Actuarial Advice and consulting with each Participating College to be necessary in order to secure the benefits payable under the Scheme.
- 3.11 A Participating College may by written notice to the Trustee terminate its liability to contribute to the Scheme under clause 20.1 of the Deed.
- 3.12 The rates of contribution payable by each Participating College shall not be less than the rates shown in the current Schedule of Contributions applying to it (if any).
- 3.13 A Participating College must pay the contributions shown in the current Schedule of Contributions applying to it (if any) on or before the due dates shown in the Schedule of Contributions.
- 3.14 A Participating College shall be required to pay to the Scheme both the employer's contributions and the contributions which the Member would be obliged to pay but for Rule 3.9 in respect of a Member who is receiving an income from the Group Income Protection Insurance Scheme, albeit the Participating College may be entitled to be reimbursed in respect of such contributions by the insurer in relation to the Group Income Protection Insurance Scheme.

4 Retirement at Pensionable Age

- 4.1 On retirement from Service at Pensionable Age a Contracted-out Member shall be entitled under the Scheme by reference to his Participating College's Arrangement to an annual pension for life equal to the sum of:
 - (a) $1/60^{\text{th}}$ of Final Pensionable Salary for each complete year of Pensionable Service together with a proportionate amount thereof for each additional complete month of his Pensionable Service;

- (b) 1/60th of Final Pensionable Salary for each complete year of Additional Pensionable Service (if any) together with a proportionate amount thereof for each additional complete month of Additional Pensionable Service;
- (c) 1/60th of Final Pensionable Salary for each complete year of Former Pensionable Service (if any) together with a proportionate amount of thereof for each complete month of Former Pensionable Service; and
- (d) 1/60th of Final Pensionable Salary for each year of AVC Service (if any) together with a proportionate amount thereof for each complete additional month of AVC Service.

Provided that with effect from 1 April 2004 in relation to the Arrangements of those Participating Colleges which are listed in Appendix 6 and Appendix 7 in respect of the categories of Member entered there

- (e) the maximum period allowed under paragraphs (a)-(d) above shall be 40 years SAVE in relation to any Member who has at that date accrued pensionable service in one or more of the categories set out in those paragraphs totalling in excess of 40 years in respect of whom Pensionable Service and AVC Service shall cease on that date;
- (f) any Member whose pension benefits are limited by paragraph (e) shall continue to qualify for benefits under Rule 8 {death in service benefits};
- (g) for the purposes of paragraph (e) any Part-time Service shall be treated as Full-time Service; and
- (h) for the avoidance of doubt, the restriction under paragraph (e) applies to any Member who qualifies for a late retirement pension under Rule 6.2 {late retirement} and to the aggregate of two or more periods of Pensionable Service if a Pensioner commences his pension while in Service and continues in or recommences Pensionable Service as a Member.

Provided further that with effect from 1 April 2005 in relation to the Arrangement of Downing College and in respect of Members as at 31 March 2005

- (i) the maximum period allowed under paragraphs (a)-(d) above shall be 40 years SAVE in relation to any Member who has at 1 April 2005 accrued pensionable service in one or more of the categories set out in those paragraphs totalling in excess of 40 years in respect of whom Pensionable Service and AVC Service shall cease on that date;
- (j) any Member whose pension benefits are limited by paragraph (i) shall continue to qualify for benefits under Rule 8 {death in service benefits};
- (k) for the purposes of paragraph (i) any Part-time Service shall be treated as Full-time Service; and
- (l) for the avoidance of doubt, the restriction under paragraph (i) applies to any Member who qualifies for a late retirement pension under Rule 6.2 {late retirement}.

- 4.2 On retirement from Service at Pensionable Age a Contracted-in Member shall be entitled under the Scheme by reference to his Participating College's Arrangement to an annual pension for life calculated under Rule 4.1 but reduced as follows:
- (a) if the Member is not a Reduced Class 1 Contributor by his State Additional Pension attributable to the period or periods of his active Membership of the Scheme before 6 April 2002 and, in respect of the period or periods of his active Membership on and after that date by the amount by which his State Additional Pension would have been reduced in accordance with Part III of Schedule 4A to the 1992 Act if he had been a Contracted-out Member; or
 - (b) if the Member is a Reduced Class 1 Contributor by such amount of State Additional Pension that the Trustee calculates would have been earned by such Member if she had contributed the full primary Class 1 contributions to the State for the period or periods of her active Membership of the Scheme before 6 April 2002 and, in respect of the period or periods of her active Membership on and after that date by the amount by which her State Additional Pension would have been reduced in accordance with Part III of Schedule 4A of the 1992 Act if she had been a Contracted-out Member.

With effect on and from 6 April 2016, in relation to Pensionable Service before that date and in consequence of the abolition of the State Additional Pension for persons attaining State pension age on and after 6 April 2016 the reductions to pension contained in paragraphs (a) and (b) above shall be calculated as at 5 April 2016 and increased to Pensionable Age by Social Security Revaluation of Earnings Factor Orders made under the Social Security Administration Act 1992 or in the absence of such orders by earnings inflation as decided by the Trustee in the light of advice from the Actuary.

- 4.3 On retirement from Service at Pensionable Age a Member shall in addition to the pension payable in accordance with the earlier provisions of this Rule receive, if applicable, his Lump Sum Benefit.
- 4.4 Proviso (c) to the definition of Contribution Pay and the proviso to the definition of Lump Sum Benefit in Rule 1.2 whereby both the offset in respect of the basic State pension and the retirement lump sum are disapplied in relation to certain Arrangements in respect of Pensionable Service on and after the Material Date have effect in relation to pension benefits under those Arrangements (other than death in service pensions payable under Rule 8) such that those benefits shall be calculated separately in respect of periods falling before and periods falling on and after the Material Date. Pension benefits in respect of periods on and after the Material Date shall be calculated subject to the said proviso (c) but pension benefits and the Lump Sum Benefit in respect of periods before the Material Date shall be calculated as though proviso (c) did not apply and therefore by reference to Final Pensionable Salary in relation to which the total of Contribution Pay is reduced by the appropriate amount or amounts of the single person's flat rate State retirement pension.
- 4.5 Proviso (d) to the definition of Contribution Pay whereby the offset in respect of the basic State pension is reduced where Pensionable Service includes Part-time Service on and after the Appropriate Date has effect in relation to pension benefits under certain Arrangements (other than death in service pensions payable under Rule 8) such that those benefits shall be calculated separately in respect of periods falling before and periods falling on and after the Appropriate Date. Pension benefits

(including the Lump Sum Benefit) in respect of periods on and after the Appropriate Date shall be calculated subject to the said proviso (d), but such benefits in respect of periods before the Appropriate Date shall be calculated as though proviso (d) did not apply and therefore by reference to Final Pensionable Salary in relation to which the total of Contribution Pay is reduced by the appropriate amount or amounts of the single person's flat rate State retirement pension. The treatment hereinbefore described shall apply only in relation to Pensionable Service beginning with the Appropriate Date listed in Appendix 4 and ending on the day before the Material Date listed in Appendix 3 where an Arrangement is listed in both of those Appendices.

4.6 Subject to Rules 4.4 and 4.5, with effect on and from 6 April 2016 and in relation to the Arrangements of all the Participating Colleges pension benefits (other than death in service pensions payable under Rule 8) and the Lump Sum Benefit (if applicable) shall be calculated separately in respect of periods falling before and periods falling on and after 6 April 2016. Pension benefits (including the Lump Sum Benefit (if applicable) but excluding death in service pensions payable under Rule 8) in respect of periods before that date relating to Members in Pensionable Service on that date and such benefits relating to a Member who re-joins the Scheme and is awarded continuous service in respect of a period of Pensionable Service before 6 April 2016 shall be calculated using Contribution Pay (including provisos (c) – (g)) but with the following paragraphs substituted for paragraphs (a) and (b) of that defined term:

- “(a) in respect of Members employed by Participating Colleges who are weekly paid their Gross Earnings from their Participating College less an amount equal to the single person's weekly basic State pension payable to those who attained State pension age before 6 April 2016 in force for the week to which such Gross Earnings are attributable; and
- (b) in respect of Members employed by Participating Colleges who are paid calendar monthly their Gross Earnings from their Participating College less an amount equal to 4½ times the single person's weekly basic State pension payable to those who attained State pension age before 6 April 2016 in force on the last day of the month to which such Gross Earnings are attributable.”

and with the references in proviso (f) to the single person's weekly flat rate State retirement pension being treated as references to the single person's weekly basic State pension payable to a single person who attained State pension age before 6 April 2016.

Pension benefits (including the Lump Sum Benefit (if applicable) but excluding death in service pensions payable under Rule 8) in respect of periods of Pensionable Service on and after 6 April 2016 shall be calculated by reference to Contribution Pay applying proviso (h) of that defined term in relation to the Arrangement of Hughes Hall, applying proviso (i) of that defined term to the Arrangements of King's College and Robinson College and in relation to proviso (f) the references therein to the single person's weekly flat rate State retirement pension are treated as references to the Offset as described in paragraph (f) of Final Pensionable Salary to the extent that the pension is calculated by reference to Contribution Pay paid before 6 April 2016 and such references are treated as references to the single tier pension as defined in Part I of the Pensions Act 2014 to the extent that the pension is calculated by reference to Contribution Pay paid on or after 6 April 2016.

Provided that if figures for the weekly basic State pension payable to a single person who attained State pension age before 6 April 2016 cease to be published the deductions applied under the foregoing provisions of this Rule 4.6 will be calculated by the Trustee in the light of advice from the Actuary by increasing (if at all) the last such published figure in proportion to any increases in the single tier pension as defined in Part I of the Pensions Act 2014. [See notes ¹ and ²]

4.7 If a Member's Pensionable Service consists of Pensionable Service the whole of which comprises either Part-time Service or Full-time Service his pension under Rules 4.1 or 4.2 shall be calculated as set out therein without adjustment.

4.8 If a Member's Pensionable Service comprises both Part-time Service and Full-time Service his pension under Rules 4.1 or 4.2 shall be calculated as follows:

(a) if his Full-time Service follows his Part-time Service his pension will be calculated using his Final Pensionable Salary in respect of his Full-time Service provided that the Part-time Service is converted into its full-time equivalent using the formula:

years of Part-time Service x actual part-time working hours

contractual full-time working hours; and

(b) if his Part-time Service follows his Full-time Service his pension will be calculated by converting his Part-time Service to its full-time equivalent in accordance with the formula set out in Rule 4.7(a) and his Final Pensionable Salary (earned in respect of Part-time Service) shall likewise be converted to its full-time equivalent and any restriction to the permitted maximum (as defined in section 590C, 1988 Act) required by Revenue practice or by regulations shall apply to the Final Pensionable Salary after conversion; and

(c) if a Member's Pensionable Service shall change more than once from full-time to part-time or vice versa his Pensionable Service and his Final Pensionable Salary shall be converted to their full-time equivalents as necessary to ensure that the Member receives a proper value in respect of each period of his Pensionable Service as the Trustee decides.

4.9 If

(a) a Member being absent from work for his Participating College on account of ill-health and in receipt of an income from the Group Income Protection Scheme has such income reduced; or

(b) a Member's continuous Pensionable Service includes Membership as a Contracted-out Member and as a Contracted-in Member

¹ Note: All Participating Colleges except for Hughes Hall, King's and Robinson ceased to apply the basic State pension offset before 6 April 2016 and therefore the deductions in paragraphs (a) and (b) of Contribution Pay in respect of future Pensionable Service were only relevant to those named Colleges as at that date.

² Note: Pre and post-April 2016 accrual is by reference to ultimate Final Pensionable Salary but the basic State pension offset in Contribution Pay applies to pre-April 2016 Pensionable Service (where relevant to a Participating College's Arrangement) and the single tier pension offset applies to post-April 2016 Pensionable Service, again where relevant.

his benefits will be adjusted as the Trustee considers appropriate.

5 Early Retirement

5.1 In Normal Circumstances

A Member may retire from Service on immediate pension or whilst remaining in Service commence to draw a pension on or at any time after he reaches age 50³ and before he reaches Pensionable Age, such pension to be calculated under Rule 4 {normal retirement} but reduced as advised by the Actuary to take account of early payment if the pension starts to be paid before the Member's 60th birthday but no such reduction will apply if the pension starts to be paid on or after the Member's 60th birthday. The consent of the Trustee and of the Member's Participating College to such early retirement shall be required if the Member retires before his 60th birthday, but a Member shall be entitled to an immediate pension on retirement from Service on or after his 60th birthday as of right.

Provided that with effect from 1 April 2004 in respect of Pensionable Service, Additional Pensionable Service and AVC Service on and after that date relating to the Arrangements of the Participating Colleges listed in Appendix 6 and Appendix 7 in relation to the categories of Member entered there the actuarial reduction referred to above shall apply to any retirement before Pensionable Age and the consent of both the Trustee and the Member's Participating College shall be required.

Provided further that with effect from 1 April 2005 in respect of Pensionable Service, Additional Pensionable Service and AVC Service on and after that date relating to the Arrangement of Downing College in relation to Members as at 31 March 2005 and Members joining or rejoining after that date the actuarial reduction referred to above shall apply to any retirement before Pensionable Age and the consent of both the Trustee and Downing College shall be required.

5.2 Due to Incapacity

If with the consent of the Trustee and his Participating College a Member retires from Service at any time before Pensionable Age on account of Incapacity⁴ certified to the satisfaction of the Trustee and his Participating College by a qualified medical practitioner appointed by his Participating College the Trustee will subject to the agreement of his Participating College pay to such Member an immediate pension calculated as provided in Rule 4 {normal retirement} as though the Member's date of retirement was his Pensionable Age, provided that this Rule 5.2 shall not apply if the Member qualifies for benefits under the Group Income Protection Insurance Scheme.

5.3 Deferred Pensioner

A Deferred Pensioner who has attained the age of 50 may commence to receive his pension at any time before Pensionable Age, such pension to be calculated under

³ Normal minimum pension age increased to 55; see clause 18 of the deed dated 2 December 2009.

⁴ See clause 12 of the deed dated 2 December 2009

Rule 4 {normal retirement} but reduced as advised by the Actuary to take account of early payment if the pension starts to be paid before the Deferred Pensioner's 60th birthday, but no such reduction will apply if the pension starts to be paid on or after the Deferred Pensioner's 60th birthday. The consent of the Trustee to such early payment of pension shall be required if the pension starts to be paid before the Deferred Pensioner's 60th birthday.

Provided that with effect from 1 April 2004 in respect of Pensionable Service, Additional Pensionable Service and AVC Service on and after that date relating to the Arrangements of the Participating Colleges listed in Appendix 6 and Appendix 7 in relation to the categories of Member entered there the actuarial reduction referred to above shall apply to any retirement before Pensionable Age and the consent of both the Trustee and the Member's Participating College shall be required.

Provided further that with effect from 1 April 2005 in respect of Pensionable Service, Additional Pensionable Service and AVC Service on and after that date relating to the Arrangement of Downing College in relation to Members as at 31 March 2005 and Members joining or rejoining after that date the actuarial reduction referred to above shall apply to any retirement before Pensionable Age and the consent of both the Trustee and Downing College shall be required.

5.4 Contracting-out minimum

- (a) A pension shall not start to be paid under Rules 5.1 or 5.3 in respect of a person who is or was a Contracted-out Member if the pension of the Member or Deferred Pensioner in question shall be less than the guaranteed minimum to which he is entitled at the proposed date of early retirement and/or cessation of Contracted-out Employment increased by 5% compound per annum for each complete Fiscal Year following the date of such proposed early retirement and/or cessation of Contracted-out Employment up to and including the last complete Fiscal Year preceding his State pension age.
- (b) A pension in payment to any person who is entitled to a guaranteed minimum in relation to the Scheme and who has retired under this Rule 5 shall not on and after his State pension age be less than his Guaranteed Minimum Pension.

5.5 Other Benefit

If a Member or Deferred Pensioner starts to receive his pension under this Rule he will receive his Lump Sum Benefit (if any) calculated in accordance with Rule 4 {normal retirement} but reduced as advised by the Actuary to take account of early payment if the Lump Sum Benefit is paid before the Member's or Deferred Pensioner's 60th birthday, but no such reduction will apply if the benefit is paid on or after the Member's or Deferred Pensioner's 60th birthday.

Provided that with effect from 1 April 2004 in respect of Pensionable Service, Additional Pensionable Service and AVC Service on and after that date relating to the Arrangements of the Participating Colleges listed in Appendix 6 and Appendix 7 in relation to the categories of Member entered there the actuarial reduction referred to above shall apply to any retirement before Pensionable Age and the consent of both the Trustee and the Member's Participating College shall be required.

Provided further that with effect from 1 April 2005 in respect of Pensionable Service, Additional Pensionable Service and AVC Service on and after that date relating to the Arrangement of Downing College in relation to Members as at 31 March 2005 and Members joining or rejoining after that date the actuarial reduction referred to above shall apply to any retirement before Pensionable Age and the consent of both the Trustee and Downing College shall be required.

6 Late Retirement

6.1 If with the consent of his Participating College a Member continues in Service after Pensionable Age but does not continue to pay contributions he will on his eventual retirement be entitled to receive a pension for life calculated as described in Rule 4 {normal retirement} but increased as advised by the Actuary to take account of late payment, provided that with effect from 2 December 2009 Members may not opt for late retirement under this sub-Rule.

6.2

(a) Subject to Rule 6.2(b), if a Member with the consent of his Participating College remains in Service after Pensionable Age and continues to pay contributions under Rule 3 (based on his current Contribution Pay) his pension shall be calculated under Rule 4 {normal retirement} based on his ultimate Final Pensionable Salary as though his actual date of retirement was his Pensionable Age, and shall be reduced in respect of a Contracted-in Member by 1/80th of such Final Pensionable Salary for each complete year of Pensionable Service after 1 March 2017 with a proportionate reduction for each complete additional month of such Pensionable Service.

(b) If a Member was in Service on 2 December 2009 after Pensionable Age his pension shall be calculated as the greater of the pension calculated in accordance with Rule 6.2(a) and the pension calculated under Rule 4 {normal retirement} based on his Final Pensionable Salary at his Pensionable Age, but increased subject to the applicable restrictions in Appendix 1 by 1/60th of such Final Pensionable Salary for each complete year of Service as a Member after Pensionable Age with a proportionate amount for each complete additional month of such service and reduced in respect of a Contracted-in Member by 1/80th of such Final Pensionable Salary for each complete year of Pensionable Service after Pensionable Age with a proportionate reduction for each complete additional month of such service, provided that on coming into payment that part of the Member's pension which is attributable to Service before Pensionable Age shall be increased as advised by the Actuary to take account of late payment.

6.3 Notwithstanding Rule 6.1 a Member who is not a Class A Member as defined in Appendix 1 and who continues in Service after Pensionable Age may with the consent of his Participating College at any date on or after Pensionable Age whilst remaining in Service commence to receive his pension calculated in accordance with Rule 4 {normal retirement} as if such date were the date of his actual retirement and he shall for the purposes of the Scheme be deemed to have retired on that date.

6.4 A Deferred Pensioner may before Pensionable Age elect to start receiving his pension at any time between Pensionable Age and his 75th birthday.

- 6.5 The Member or Deferred Pensioner shall receive his Lump Sum Benefit, if applicable, in addition to his pension when his pension starts to be paid in accordance with the earlier provisions of this Rule.

6A Salary Sacrifice

6A.1 This Rule applies to any Member in respect of whom written notice is received by the Trustee from a Participating College that the Member in question has entered into a Salary Sacrifice Arrangement. A Participating College may by a further written notice or notices to the Trustee at any time and from time to time direct that this Rule ceases to apply to a Member or reapplies to him in connection with maternity leave, sickness absence, unpaid leave, a change to the Member's hours of work, the Member's election that this Rule shall apply or cease to apply, or otherwise.

6A.2 The purpose of salary sacrifice is to save National Insurance contributions in relation to the cash remuneration which would otherwise have been paid to a Member, while maintaining the same level of Scheme benefits as though the Member's Contribution Pay had not been so reduced and in relation to the Life Assurance Benefit under Rule 8.2 as though the Members' Insured Salary had not been so reduced.

6A.3 For so long as this Rule applies to a Member:

- (a) the Member's Contribution Pay and his Insured Salary shall be deemed to be the amounts which they would have been if the Member was not participating in a Salary Sacrifice Arrangement (and the Member's Participating College shall notify the Trustee of those amounts);
- (b) if the Member's Participating College provides him with a non-cash benefit the Member shall pay Member's contributions under Rules 3.1 or 3.2 on his deemed Contribution Pay as described in (a) above, but if the Member is relieved of the duty to pay Member's contributions (whether or not he also receives a non-cash benefit or benefits pursuant to another component or components of the Salary Sacrifice Arrangement) he shall not pay Member contributions under Rules 3.1 or 3.2 but may pay Additional Voluntary Contributions under Rule 3.5, provided that for the purpose of the 15% limit on such contributions contained in Rule 3.7 the Member shall be deemed to continue to pay as ordinary contributions that percentage of his remuneration which he was paying at the time when he sacrificed such contributions; and
- (c) a certificate of his Participating College as to the amount of Contribution Pay in respect of any period or of his Insured Salary at any time shall be final and binding on the Member and the Trustee.

7 Spouse's Pension on Death after Pensionable Age or Earlier Date of Retirement

- 7.1 A Member who dies after reaching Pensionable Age whilst still in the Service and a Deferred Pensioner who, having opted for late retirement under Rule 6.4, dies after Pensionable Age and before his pension has started to be paid shall for the purposes

of this Rule be treated as if he had retired on the day before his death and throughout this Rule "Pensioner" shall be construed accordingly.

7.2 On the death of a Contracted-out Member after Pensionable Age or earlier date of retirement the Spouse of the Pensioner at the date of death shall be entitled to a pension for life equal to half of the pension in payment or prospectively payable to the Pensioner under Rule 4.1 {normal retirement} Rule 5 {early retirement} or Rule 6 {late retirement} as appropriate but on the basis that:

- (a) any commutation of pension under Rule 10 {commutation option}; and
- (b) any surrender of pension for the benefit of a spouse or Dependant under Rule 11 {optional pensions for spouses and dependants};

shall be disregarded and that for this purpose any pension in payment shall be deemed to include any pension increases which would have been paid under Rule 12 {annual increases in pension} had no such commutation or surrender taken place in addition to any such increases actually paid.

7.3 On the death of a Contracted-in Member after Pensionable Age or earlier date of retirement the Spouse of the Pensioner at the date of death shall be entitled to a pension for life equal to half of the pension in payment or prospectively payable to the Pensioner under Rule 4.2 {normal retirement}, Rule 5 {early retirement} or Rule 6 {late retirement} as appropriate but on the basis that:

- (a) any commutation of pension under Rule 10 {commutation option}; and
- (b) any surrender of pension for the benefit of a spouse or Dependant under Rule 11 {optional pensions for spouses and dependants};

shall be disregarded and that for this purpose any pension in payment shall be deemed to include any pension increases which would have been paid under Rule 12 {annual increases in pension} had no such commutation or surrender taken place in addition to any such increases actually paid.

7.4 Subject to Rule 7.5, any pension payable under this Rule to a Spouse who is more than 10 years younger than the Pensioner shall be reduced by such amount as the Trustee decides after taking Actuarial Advice except that such reduction shall not exceed 2 ½ % for each complete year in excess of the aforesaid 10 years.

7.5 The widow's or widower's Guaranteed Minimum Pension will be paid to the person entitled to it under section 17, 1993 Act and a widow or widower for whom the Scheme would be required to provide a pension in order to be a reference scheme in accordance with the 1993 Act shall receive a pension, in addition to any Guaranteed Minimum Pension, at the minimum level necessary for the Scheme to be a reference scheme.

7.6 In the event of two or more persons claiming to be the widow or widower of the deceased Pensioner the Trustee shall (having particular regard where appropriate to the requirements relating to payment of a spouse's pension in accordance with the Contracting-out Requirements) have absolute discretion to decide which of the persons shall be the widow or widower for the purposes of the Scheme and the decision of the Trustee shall be final.

- 7.7 This Rule 7.7 has effect from 2 December 2009 by adding the following words in italics to the opening words of Rule 7.1:

“A Member who dies after reaching Pensionable Age whilst still in the Service having opted before 2 December 2009 not to pay contributions under Rule 6.1, and a Deferred Pensioner...”

8 Benefits on death before Pensionable Age

Insured Death Benefits

- 8.1 Rules 8.2 – 8.7 apply to Members who were admitted to the Scheme;
- (a) before 1 October 1998 and either when first eligible or at a later time but on the basis that they qualified for death in service benefits comparable to those set out in Rules 8.2 - 8.7; and
 - (b) to Members admitted when first eligible on or after 1 October 1998.

Rules 8.2 - 8.7 do not apply to any Member who is or was re-admitted to Membership on or after 1 October 1998 under Rule 2.5 (or its equivalent in force at the relevant time).

- 8.2 If a Member dies whilst in Service before Pensionable Age there will be payable by the Trustee in accordance with Rule 13 {application of death benefit at trustee's discretion} an amount equal to his Life Assurance Benefit.
- 8.3 If a Member who has paid Additional Voluntary Contributions to the Scheme in accordance with Rule 3 to secure additional retirement benefits dies in Service before Pensionable Age there will be payable by the Trustee in accordance with Rule 13 {application of death benefit at trustee's discretion} a sum equal to the contributions so paid together with interest thereon at 5 % per annum compound up to and including the date of payment.
- 8.4 If a Member dies in Service before Pensionable Age the Spouse's Death in Service Pension shall become payable to the Member's Spouse at the date of his death, such pension to continue for the life of the Spouse and in the case of a Contracted-out Member such pension shall not be less than the Guaranteed Minimum Pension nor in respect of Pensionable Service on or after 6 April 1997 less than the minimum level required for the Scheme to be a reference scheme in accordance with the 1993 Act.
- 8.5 If at the date of death of the Spouse there is surviving a Qualifying Child or Qualifying Children of the deceased Member the Trustee shall continue to pay the Spouse's Death in Service Pension to or for the benefit of such Qualifying Child or Qualifying Children in such shares as the Trustee shall in its absolute discretion decide until the last or only Qualifying Child ceases to be a Qualifying Child.
- 8.6 If a Member dies in Service before Pensionable Age and he is not survived by a Spouse but is survived by a Qualifying Child or Qualifying Children the Trustee shall pay the Spouse's Death in Service Pension to or for the benefit of such Qualifying Child or Qualifying Children in such shares as the Trustee shall in its absolute

discretion decide until the last or only Qualifying Child ceases to be a Qualifying Child.

- 8.7 If a Member dies in Service before Pensionable Age and he is survived by a Qualifying Child or Qualifying Children there shall be payable by the Trustee to or for the benefit of each Qualifying Child of the deceased Member until such Qualifying Child ceases to be a Qualifying Child (and where appropriate in addition to any pension payable in respect of such Qualifying Child under Rules 8.5 and 8.6) a pension of 12 ½ % of the Member's Insured Salary subject to a maximum total pension for all Qualifying Children of the deceased Member of 25 % of his Insured Salary provided that the maximum pension payable to any one Qualifying Child under this Rule 8.7 is 12 ½ % of the deceased Member's Insured Salary and subject thereto where at any time there are three or more Qualifying Children the pension shall be divided between them in such shares as the Trustee shall in its absolute discretion decide.
- 8.7A With effect from 1 April 2004 Rule 8.2 {life assurance benefit} and Rules 8.5-8.7 {children's pensions} cease to apply to the Arrangements of the Participating Colleges listed in Appendix 8 in relation to the categories of Member entered there and in relation to Rule 8.4 {spouse's death in service pension} the Spouse's Death in Service Pension means (in substitution for the meaning given in Rule 1.2) 50% of the normal retirement pension and Lump Sum Benefit (if applicable) to which the deceased Member would have been entitled under Rule 4 {normal retirement pension} had he remained in Pensionable Service up to Pensionable Age and started to draw his pension at that age but without any increase in his Contribution Pay during the period between the date of his death and Pensionable Age and this modification of Rule 8.4 likewise applies to the Arrangements of the Colleges listed in Appendix 8 in relation to the categories of Member entered there.
- 8.7B With effect from 1 April 2004 Rules 8.2 {life assurance benefits} and Rules 8.5-8.7 {children's pensions} cease to apply to the Arrangements of Christ's College and St John's College in relation to Members joining or rejoining those Arrangements after 31 March 2004 and in relation to Rule 8.4 {spouse's death in service pension} the Spouse's Death in Service Pension means (in substitution for the meaning given in Rule 1.2) 50% of the normal retirement pension and Lump Sum Benefit (if applicable) to which the deceased Member would have been entitled under Rule 4 {normal retirement pension} had the date of his death been his Pensionable Age and had he been alive on that day and this modification to Rule 8.4 likewise applies to the Arrangements of Christ's College and St John's College in relation to Members joining or rejoining those Arrangements after 31 March 2004.

Non-insured death benefits

- 8.8 Rules 8.9 and 8.10 apply to Members who do not qualify under Rule 8.1 for insured death benefits under Rules 8.2 - 8.7.
- 8.9 If a Member to whom this sub-Rule applies dies in Service before his Pensionable Age there shall be payable by the Trustee in accordance with Rule 13 {application of death benefit at trustee's discretion} a sum equal to the Member's own contributions paid under Rules 3.1 or 3.2 together with any Additional Voluntary Contributions paid by the Member increased by interest at the rate of 5% per annum compound up to and including the date of payment.

- 8.10 If a Contracted-out Member to whom this sub-Rule applies dies in Service before Pensionable Age and leaves a Spouse an annual pension will be paid to that person for the remainder of his life:
- (a) in respect of Pensionable Service before 6 April 1997 of an amount equal to the Guaranteed Minimum Pension; and
 - (b) in respect of Pensionable Service on and after that date of an amount equal to the minimum amount required for the Scheme to be a reference scheme in accordance with the 1993 Act.
- 8.10A With effect on and from 6 April 2016 and in consequence of the abolition of contracting-out Rule 8.10 ceased to apply and was deemed to be deleted but without prejudice to the application of Rule 8.10 in respect of the period ended on 5 April 2016.

Other Provisions

- 8.11 If a Deferred Pensioner who was formerly a Contracted-out Member dies before attaining Pensionable Age and leaves a Spouse an annual pension will be paid to such person until the date of his death of an amount equal:
- (a) in respect of Pensionable Service before 6 April 1997 to the greater of:
 - (i) $1/160^{\text{th}}$ of Final Pensionable Salary for each complete year of Pensionable Service actually completed by the Deferred Pensioner in the Scheme whilst he was in Contracted-out Employment together with a proportionate amount for each complete additional month of Pensionable Service so completed; and
 - (ii) the Guaranteed Minimum Pension; and
 - (b) in respect of Pensionable Service on and after 6 April 1997 of an amount equal to the minimum amount required for the Scheme to be a reference scheme in accordance with the 1993 Act.
- 8.11A With effect on and from 6 April 2016 and in consequence of the abolition of contracting-out Rule 8.11 ceased to apply and was deemed to be deleted but without prejudice to the application of Rule 8.11 in respect of the period ended on 5 April 2016.
- 8.12 If at the date of death a Member's Spouse was born more than ten years after him the pension payable to his Spouse under this Rule shall be reduced by such amount as the Trustee determines but such reduction shall not exceed $2 \frac{1}{2} \%$ for each complete year in excess of the aforesaid ten years provided that the pension actually payable to any widow or widower in respect of a Contracted-out Member shall not in any event be less than the Guaranteed Minimum Pension and, in respect of Pensionable Service on and after 6 April 1997, the minimum amount required for the Scheme to be a reference scheme in accordance with the 1993 Act.
- 8.13 Rule 29.5 applies in relation to the benefits payable under this Rule for a Group Income Protection Scheme Claimant and if such a Member has his income from the

Group Income Protection Scheme reduced, his benefits under this Rule shall be adjusted as the Trustee considers appropriate.

9 Other benefits payable on death

- 9.1 If a Member dies after Pensionable Age while still in Service or if a Deferred Pensioner who has opted for late retirement under Rule 6.4 dies after Pensionable Age and before his pension has started to be paid the Trustee shall pay in accordance with Rule 13 {application of death benefit at trustee's discretion} an amount equal to the aggregate of the instalments of pension which he would have received for a period of five years had he retired on the day before his death (but without any increases under Rule 12 {annual increases in pension} which such pension would have received) and, in addition, an amount equal to his Lump Sum Benefit, if applicable. The Lump Sum Benefit shall be paid to the personal representatives of the deceased Member or Deferred Pensioner.
- 9.2 If a Pensioner or Deferred Pensioner (including a Pensioner or Deferred Pensioner who has surrendered part of his pension to provide annuity for his spouse or Dependant under Rule 11 or commuted part of his pension for a cash sum under Rule 10) dies within the period of five years following the date of commencement of his pension the Trustee shall pay in accordance with Rule 13 {application of death benefit at trustee's discretion} an amount equal to the aggregate of instalments of pension that the Pensioner or Deferred Pensioner would have received had he lived for the remainder of that period but without any increases under Rule 12 {annual increases in pension} which such pension would have received.
- 9.3 If a Deferred Pensioner dies before Pensionable Age there shall be payable by the Trustee in accordance with Rule 13 {application of death benefit at trustee's discretion} a sum equal to the contributions paid by the Deferred Pensioner to the Scheme in accordance with Rule 3 together with interest thereon at 5% per annum compound for each year between the date of cessation of Pensionable Service and the date of payment.
- 9.4 (a) This Rule has effect from 2 December 2009 in substitution for Rule 9.1.
- (b) If a Member dies after Pensionable Age while still in Service and before his pension has started to be paid and he would have qualified for the insured death benefits under Rules 8.1 – 8.7 had he died before Pensionable Age the benefits set out in those rules shall nonetheless be paid as if the Member had died before Pensionable Age provided the Member has continued to pay contributions under Rule 6.6.
- (c) A Member who dies after Pensionable Age while still in Service and before his pension has started to be paid, who has continued to pay contributions under Rule 6.6 {late retirement} and who would not qualify for the insured death benefits under Rules 8.1 – 8.7 had he died before Pensionable Age shall be treated as though he qualified for non-insured death benefits under Rules 8.8 – 8.10.
- (d) If a Member who has opted before 2 December 2009 not to pay contributions pursuant to Rule 6.1 {late retirement} dies after Pensionable Age while still in Service or if a Deferred Pensioner who has opted for late retirement under Rule 6.4 dies after Pensionable Age and before his pension has started to be

paid the Trustee shall pay in accordance with Rule 13 {application of death benefit at trustee's discretion} an amount equal to the aggregate of the instalments of pension which he would have received for a period of five years had he retired on the date before his death (but without any increases under Rule 12 {annual increases in pension} which such pension would have received) and, in addition, an amount equal to his Lump Sum Benefit, if applicable. The Lump Sum Benefit shall be paid to the personal representatives of the deceased Member or Deferred Pensioner.

10 Commutation Option

10.1 With the consent of the Trustee, a Member or Deferred Pensioner may elect, by giving the Trustee notice in writing before his pension becomes payable, to be paid a lump sum in place of part of his pension, provided that any pension deriving from Additional Voluntary Contributions paid under Rule 3.4 may not be commuted if such contributions started to be paid on or after 8 April 1987. Any commutation under this Rule shall not apply to the Spouse's pension payable under Rule 7 {spouse's pension on death in retirement}.

[Note: see clause 14 of the deed dated 2 December 2009]

10.2 The lump sum shall not exceed (when aggregated with the total value of all other benefits in a form other than non-commutable pension under the Scheme and all other Retirement Benefit Schemes of any of the Participating Colleges or to which any of the Participating Colleges contributes or has contributed) 1/320th of Final Remuneration (as defined in Appendix 1) for each complete month of Service not exceeding 40 years or, with the permission of the Trustee, such larger sum as the Revenue will allow.

10.3 The lump sum payable to a Deferred Pensioner who starts to receive his pension before Pensionable Age under Rule 5.3 will be reduced to reflect its early payment as the Trustee shall decide after taking Actuarial Advice.

10.4 The lump sum will be payable at the date when the pension begins to be paid except that a Class B or Class C Member (as defined in Appendix 1) who remains in service after Pensionable Age may elect by notice in writing to the Trustee to take the lump sum calculated under Rule 10.2 either at Pensionable Age or at any time between that date and the date of his actual retirement.

10.5 The reduction in pension to take account of the lump sum will be calculated by the Trustee on a basis certified as reasonable in accordance with Actuarial Advice but, in relation to Contracted-out Members commutation may not reduce the Member's or Deferred Pensioner's residual pension below his Guaranteed Minimum Pension, nor in respect of Pensionable Service on and after 6 April 1997, below the minimum level required for the Scheme to be a reference scheme in accordance with the 1993 Act.

10.6 The Trustees may, with the consent of a Member's Participating College or with the consent of the Participating College by which a Deferred Pensioner was last employed, and provided that the Trustee is satisfied that the conditions imposed by section 21(1) of the 1993 Act relating to Guaranteed Minimum Pensions and set out in paragraph 4 of Schedule 29 to FA2004 are met commute all of a Member's or Deferred Pensioner's benefits under the Scheme together with the benefits payable

on his death in return for payment of a lump sum. The amount of the lump sum payable shall be determined by the Trustee having consulted the Actuary.

- 10.7 The Trustee may extinguish the entitlement to benefits under the Scheme of a Member, Deferred Pensioner or Pensioner if the payment meets the requirements of regulations 11 or 12 of the Registered Pension Schemes (Authorised Payments) Regulations 2009 [SI 2009/1171] as amended or replaced from time to time and if the Contracting-out Requirements will allow.

11 Optional pensions for spouses and Dependants

- 11.1 A Member or Deferred Pensioner may provide that he elects to do so in writing not earlier than six calendar months and not later than one calendar month prior to the date of retirement surrender part of the pension to which he would otherwise be entitled on his retirement before any commutation under Rule 10 and request the Trustee instead to pay a separate pension to the spouse to whom he is married at the date of the surrender.

- 11.2 The amount of pension payable to the spouse will be calculated by the Trustee in the light of Actuarial Advice and having regard to any contracting-out requirements (if applicable) and to the reduction in pension to be suffered by the Member or Deferred Pensioner and to his age and his spouse's age PROVIDED that he may not surrender so much of his pension under this Rule 11.2 that the pension payable to the spouse would exceed the pension remaining payable to the Member or Deferred Pensioner before any surrender of pension in accordance with Rule 10 {commutation option}.

- 11.3 The spouse's pension will commence on the Member's or Deferred Pensioner's death and will be payable for the remainder of the spouse's lifetime.

- 11.4 If the Member or Deferred Pensioner elects to surrender part of his pension under the provisions of this Rule the exercise of this option shall be cancelled by the Trustee only in the following circumstances:

- (a) if the Member or Deferred Pensioner or the Member's or Deferred Pensioner's spouse dies before Pensionable Age and before commencement of any pension under these Rules;
- (b) if the spouse of a Member dies after Pensionable Age whilst the Member remains in the Service and payment of pension is withheld in accordance with Rule 6 {late retirement}.

- 11.5 A Member or Deferred Pensioner may with the consent of the Trustee exercise the option contained in this Rule in favour of a Dependant other than his spouse or in favour of his Partner and if he does so the word "spouse" shall in this Rule be construed accordingly.

12 Annual Increases in Pension

- 12.1 In this Rule "Aggregate Pension" means the total pension being paid to a person pursuant to Rule 4 {normal retirement}, Rule 5 {early retirement}, Rule 6 {late retirement}, Rule 7 {spouse's pensions} and 14 {leaving before pensionable age} less the Guaranteed Minimum Pension.

Increases to pensions other than pensions payable on death before Pensionable Age

- 12.2 The Trustee on each 1st November will increase the annual amount of any pension being paid to a person pursuant to Rule 4 {normal retirement}, Rule 5 {early retirement}, Rule 6 {late retirement}, Rule 7 {spouse's pensions} and Rule 14 {leaving before pensionable age}. The amount of the increase will be the difference between the annual rate of the Aggregate Pension on 31 October immediately preceding the relevant 1st November and the said annual rate of the Aggregate Pension increased in proportion to the increase (if any) in the Index over the twelve month period to the 1st September immediately preceding the relevant 1st November. If the person in question has been receiving the pension for less than 12 months the amount of the increase will be a proportional amount having regard to the date on which the pension commenced.

Provided that in relation to the Aggregate Pension payable in respect of Pensionable Service, Additional Pensionable Service and AVC Service falling on and after 1 April 2004 the increase (if any) payable under the foregoing provisions of this Rule 12.2 shall not exceed 5% in respect of any period of 12 months to the 1st September preceding the relevant 1st November and this proviso shall apply to the Arrangements of the Participating Colleges listed in Appendix 7 in relation to the categories of Member entered there.

- 12.2A In relation to the Aggregate Pension payable in respect of Pensionable Service, Additional Pensionable Service and Additional Voluntary Contributions Service falling on and after 1 April 2016 the increase (if any) payable under Rule 12.2 shall be calculated by reference to the Consumer Prices Index (instead of the Index) provided that
- (a) the increase (if any) payable in respect of any period of 12 months to the 1 September preceding the relevant 1 November shall not exceed 2.5%; and
 - (b) if in any period of 12 months the increase in the Consumer Prices Index exceeds 2.5% the Trustee may award an increase in excess of 2.5% (but no greater than the increase in the said index) subject to the consent of each Participating College in relation to whose Arrangement the increase applies.

- 12.3 Any Guaranteed Minimum Pensions being paid under Rule 4 {normal retirement}, Rule 5 {early retirement}, Rule 6 {late retirement}, Rule 7 {spouse's pensions} and Rule 14 {leaving before pensionable age} will be increased (if at all) in accordance with the Contracting-out Requirements with effect from 1 April in each year but any such increase shall start to be paid on the following 1 November with the arrears covering the months of April - October being paid in November.

Increases to pensions payable on death before Pensionable Age

- 12.4 The Trustee on each 1st November will increase the annual amount of any pension being paid to a person pursuant to Rule 8 {benefits on death before pensionable age}, except that this Rule 12.4 shall not apply to any spouse's pension payable under Rule 8.10 {death in service of a contracted-out member not entitled to insured death benefits} nor to any spouse's pension payable under Rule 8.11 {death in deferment of a formerly contracted-out member} following the death of a Deferred Pensioner. The pension shall be increased by 5% per annum or, if less, by an

amount proportionate to the increase (if any) in the Index for the 12 month period to the 1 September immediately preceding the relevant 1 November.

- 12.4A With effect on and from 1 April 2016 any pension payable under Rule 8 in respect of the death of a Member on or after that date will be increased under Rule 12.4 by 2.5% per annum or, if less, by an amount proportionate to the increase (if any) in the Consumer Prices Index for the 12 month period to the 1 September immediately preceding the relevant 1 November provided that if in any period of 12 months the increase in the Consumer Prices Index exceeds 2.5% the Trustee may award an increase in excess of 2.5% (but no greater than the increase in the said index) subject to the consent of each Participating College in relation to whose Arrangement the increase applies.
- 12.5 Any pension payable under Rule 8.10 to the Spouse of a Contracted-out Member who was not entitled to insured death in service benefits shall be increased as follows:
- (a) any Guaranteed Minimum Pension will be increased (if at all) in accordance with the Contracting-out Requirements with effect from 1 April in each year but any such increase shall start to be paid on the following 1 November with the arrears covering the months of April - October being paid in November; and
 - (b) any pension payable under Rule 8.10(b) will be increased (if at all) on each 1 November to the minimum level necessary for the Scheme to be a reference scheme in accordance with the 1993 Act.
- 12.6 Any pension payable under Rule 8.11 to the Spouse of a Deferred Pensioner shall be increased as follows:
- (a) the pension payable under Rule 8.11(a) will be (if at all) increased in accordance with the Contracting-out Requirements (treating any pension in excess of the Guaranteed Minimum Pension as if it formed part of the Guaranteed Minimum Pension) with effect from 1 April in each year but any such increase shall start to be paid on the following 1 November with the arrears covering the months of April - October being paid in November; and
 - (b) the pension payable under Rule 8.11(b) will be increased (if at all) on each 1 November to the minimum level necessary for the Scheme to be a reference scheme in accordance with the 1993 Act.

13 Application of death benefit at Trustee's discretion

- 13.1 Any lump sum arising on the death of a Member Pensioner or Deferred Pensioner (hereinafter in this Rule referred to as "the Deceased") which is expressed to be payable in accordance with this Rule may be paid or applied by the Trustee to or for the benefit of such one or more of the Potential Beneficiaries (as defined in Rule 13.3) in such amounts at such times and generally in such manner as the Trustee in its discretion thinks fit. The Trustee may pay such benefit or any part thereof to the Deceased's personal representatives or to trustees to hold upon such trusts for the principal benefit of a Potential Beneficiary and subject to such powers and provisions as the Trustee may direct. The Trustee may recover from such sums in whole or in part any legal costs incurred by it in exercising its powers under this Rule 13.1.

- 13.2 Any lump sum or the balance thereof remaining unpaid or unapplied two years after the Deceased's death shall forthwith be paid to his personal representatives unless the Trustee is satisfied after making all reasonable enquires that no grant of representation has then been obtained or that the Deceased's estate was insolvent or would devolve as bona vacantia when such lump sum or balance shall become free from any claim in respect of the Deceased and shall be applied as though it was a contribution received pursuant to Rule 3.10 from the Participating College by whom the Deceased was last employed prior to his death.
- 13.3 For the purposes of this Rule "Potential Beneficiaries" means:
- (a) the Deceased's widow or widower or Spouse;
 - (b) the Deceased's children and remoter issue and the spouses widows and widowers of such children and remoter issue;
 - (c) the Deceased's grandparents and their children and remoter issue (other than the Deceased and his children and remoter issue) and the spouses widows and widowers of such children and remoter issue;
 - (d) any other person towards whose maintenance or education the Deceased regularly contributed or made provision prior to his death together with any person whom the Trustee may consider to have been wholly or partly dependent upon the Deceased;
 - (e) any charity society or club mentioned in any will or testament of the Deceased except that no declaration in the will or testament relating to the charity society or club shall be binding upon the Trustee in the exercise of its discretion hereunder; and
 - (f) any other person corporate or unincorporate whom the Trustee may select.

14 Leaving before Pensionable Age

14.1 This Rule has effect on and from 6 April 1997.

[Note: see clause 23 of the deed date 2 December 2009]

14.2 If a Member ceases to be a Member for any reason other than retirement on pension or death before Pensionable Age and either:

- (a) he has completed 2 Years' Qualifying Service when he ceases to be a Member and does not then become entitled to an immediate pension under Rules 4 or 5 {normal and early retirement pensions}; or
- (b) a transfer payment in respect of his rights under a Personal Pension Scheme has been received under Rule 18 {transfers in},

he will be entitled to Short Service Benefit calculated in accordance with this Rule and the Preservation Requirements.

- 14.3 If a Member ceases to be a Member and he is not entitled to Short Service Benefit under Rule 14.2 then Rule 14.8 will apply provided that the Trustee may provide a transfer under Rule 17.1 {transfers from the scheme}.
- 14.4 Unless a Member is entitled to an immediate pension under Rule 5 {early retirement} or elects to transfer his Cash Equivalent under Rule 17 {transfers out} a deferred pension will be payable from Pensionable Age. The amount will be calculated under Rule 4 {normal retirement pension} but by reference to his Final Pensionable Salary and Pensionable Service at the date his Membership ends.
- 14.5 A deferred pension calculated under Rule 14.4 will be re-valued during the period between the date Membership ends and the deferred pension begins to be paid. The Guaranteed Minimum Pension will be re-valued in accordance with the Contracting-out Requirements as applied by Appendix 2 and in the balance will be re-valued in accordance with the Preservation Requirements.
- 14.6 A deferred pension under Rule 14.4 will be payable before Pensionable Age in the circumstances set out in Rule 5 {early retirement} but will be reduced by the amount decided by the Trustee after taking Actuarial Advice to take account of early payment.
- 14.7 A deferred pension may be payable after Pensionable Age in the circumstances set out in Rule 6 {late retirement} and subject to the Preservation Requirements.
- 14.8 A Member who ceases to be a Member for any reason other than retirement on pension or death before Pensionable Age and who is not entitled to Short Service Benefit under Rule 14.2 will receive a refund of his own contributions (including Additional Voluntary Contributions) including any transferred into the Scheme under Rule 18 {transfers in} (subject to any restrictions on refunds of contributions deriving from the Transferring Scheme) without interest adjusted under Rule 14.9.
- 14.9 A refund under Rule 14.8 will be reduced by:
- (a) the certified amount of any Contributions Equivalent Premium paid by the Trustee under the 1993 Act; and
 - (b) the amount of any tax for which the Trustee is liable in respect of the refund.
- 14.10 The refund under Rule 14.8 will be paid not earlier than the time when the Member's Pensionable Service ends.
- 14.11 If a Deferred Pensioner is re-admitted to Membership under Rule 2 the benefits for each period of Pensionable Service ending before Pensionable Age will be treated and calculated under this Rule 14 and the benefits for the period of Pensionable Service, if any, ending at Pensionable Age will be treated and calculated under Rule 4 {retirement at pensionable age} except that the Trustee may treat two or more periods of Pensionable Service as continuous if the Participating College by whom the Deferred Pensioner was last employed directs that such treatment shall apply.

15 Liens, Charges and Rights of set-off

- 15.1 Subject to sections 93(2)-(5) 1995 Act, if a Member or former Member incurs a monetary obligation to any of the Participating Colleges arising out of a criminal or

fraudulent act or omission by him, then that person's entitlement, or accrued right, to any benefit under the Scheme shall be reduced by an amount equal to the monetary obligation which shall be paid to the Participating College Provided that:

- (a) the amount recovered or retained by the Trustee will not in any event be greater than the debt or the amount which the Trustee considers to be the actuarial value of the said person's actual or prospective benefits at the date of such criminal or fraudulent act or omission;
- (b) the Trustee will not in any circumstances recover or retain any portion of the debt from any benefit which is attributable to membership of the Former Arrangements;
- (c) the Trustee will not in any circumstances recover or retain any proportion of the debt from any benefit transferred or attributable to a transfer to the Scheme in accordance with Rule 18 from a scheme relating to a previous employment or an inter College transfer in accordance with Rule 19;
- (d) the said person will be given a certificate showing the portion of the debt recovered or retained and the benefits remaining payable to him (if any); and
- (e) in the event of any dispute as to the amount of the debt the Trustee will not exercise any charge lien or right of set off on behalf of the Participating College until the debt becomes enforceable under a court order or the dispute has been settled by an arbitrator or arbitor.

15.2 Any Participating College on whose behalf payment is sought under this Rule shall indemnify the Trustee against all actions claims demands and expenses arising directly or indirectly in consequence of such payment.

16 Pensions and their payment

16.1 Pensions and annuities will normally be payable monthly or at such periods as the Trustee may in its discretion decide. The first instalment of a pension or annuity will be made not later than the first day of the calendar month on which or immediately following the day on which the pension or annuity becomes due and will be payable for life or in the case of a pension or annuity payable to a Qualifying Child until such person ceases to be a Qualifying Child. No proportion of the payment made last before the death of a Pensioner, Spouse or Qualifying Child will be repayable to the Scheme following the death of the recipient. Subject thereto, any overpayments of pension will be immediately repayable to the Scheme.

16.2 If when a pension first becomes payable the Trustee does not know the exact amount of tax to be deducted from it the Trustee may deduct an estimated amount until the exact amount has been ascertained when the Trustee shall make any corrections that may be due.

16.3 Pensions and annuities will be payable at such place in the United Kingdom as the Trustee shall decide. The Trustee may however and normally will unless directed otherwise by the person entitled to it arrange for a pension or annuity to be paid at that person's risk either by cheque sent by post or through a bank or building society or the Post Office.

- 16.4 All benefits are non-commutable except as provided in Rule 10 {commutation option}.
- 16.5 Subject to sections 91 and 92 1995 Act and section 11 of the Welfare Reform and Pensions Act 1999 {inalienability and forfeiture of pensions} which override this Rule 16.5 and except as provided in Rule 11 {optional pension for spouses and dependants} and save that a Member, Deferred Pensioner or Pensioner may assign all or a part of his retirement benefits or rights to benefits under the Scheme to his Ex-Spouse to the extent necessary to comply with a Pension Sharing Order, agreement or equivalent provision, all pensions and annuities are non-assignable and if any beneficiary becomes bankrupt or attempts to assign charge or in any other way alienate his pension or annuity he shall immediately cease to be entitled to such amount of pension or annuity as exceeds his Guaranteed Minimum Pension and the Trustee may pay it to such one or more of the Beneficiary and his Dependants and in such proportions as the Trustee may in its discretion decide but not to any Dependant who is a purported assignee or chargee unless the payment is made for the personal maintenance or support of that person.
- 16.6 The Trustee shall not be accountable in respect of or obliged to see to the application of any payment which is otherwise made in accordance with the Rules if:
- (a) it is made to an infant direct or to his parent or guardian or to the person with whom he resides;
 - (b) it is made to any person who appears to the Trustee after reasonable enquiry to be a widow, widower, Partner or Dependant to whom the payment might be made under the Rules notwithstanding that such person is not such a widow, widower, Partner or Dependant; or
 - (c) it is made to any institution or individual which or who is or appears to be responsible for the care of a beneficiary if the Trustee considers that the beneficiary's health does not warrant the Trustee making the payment to him direct.
- 16.7 If a pension or other benefit becomes payable in accordance with the Rules and the Trustee is unable to locate the person to whom the pension or other benefit is due to be paid within a period of six years from the date the pension or other benefit became due the Trustee may in its discretion consider the payment of the pension or other benefit to be forfeited by the said person.
- 16.8 Any benefit which would but for this Rule 16.8 pass to the Crown the Duchy of Lancaster or Duchy of Cornwall as bona vacantia shall cease to be payable.

17 Transfers from the Scheme

- 17.1 In respect of a Member, Deferred Pensioner, Pensioner or other Beneficiary or a group of such persons the Trustee may with the consent of the Participating College by whom the Members or former Members concerned are or were last employed transfer to a Receiving Scheme all or part of the Fund Units comprised in the Arrangement of that Participating Employer. The amount or number of Fund Units shall:
- (a) be determined by the Trustee after consulting the Actuary;

- (b) subject to Rules 17.1(c) and 17.4, be equal in value to the benefits which the Trustee is required to provide to the person or group of persons under the Scheme in respect of the period of Membership to which the benefits relate; and
 - (c) where the accrued rights of the person or group of persons to Guaranteed Minimum Pensions are not transferred, exclude the value of those Guaranteed Minimum Pensions.
- 17.2 A transfer made under Rule 17.1 may, but need not, be made on the basis that the person or group of persons shall become entitled under the Receiving Scheme to such benefits (contingent or otherwise) as the Trustee agrees with the Receiving Scheme.
- 17.3 When a transfer is made under Rule 17.1:
- (a) except for Guaranteed Minimum Pensions where Rule 17.1(c) applies, the person shall immediately cease to be entitled to any benefits under the Scheme; and
 - (b) the Trustee shall not be responsible for or required to enquire into the application of the assets so transferred.
- 17.4 (a) Subject to Rule 17.4(b), the value of the benefits to be valued under Rule 17.1(b) shall not exceed the amount calculated by the Actuary in the manner prescribed by regulations for the purpose of section 56(3) 1995 Act {minimum funding requirement}.
- (b) The Participating College by whom the Member, Deferred Pensioner or Pensioner was last employed may increase the value attributable to the benefits described in Rule 17.1 or increase those benefits for the purpose of determining the amount to be transferred under Rule 17.1.
- 17.5 The consent of the Member, Deferred Pensioner, Pensioner or other person to a transfer under Rule 17.1 shall not be required except insofar as his consent is required to comply with the Preservation Requirements, the Contracting-out Requirements or the requirements for Approval.
- 17.6 Sections 93 to 101 1993 Act {right to a cash equivalent} apply to the Scheme.
- 17.7 The amount of any Cash Equivalent payable out of the Fund shall be calculated using the same methods and assumptions:
- (a) as are used for the purpose of applying the Minimum Funding Requirement to the Scheme, and
 - (b) as they apply to the Member, Deferred Pensioner or other person in question.
- provided that with the consent of the Trustee other methods and assumptions may be used on the advice of the Actuary from time to time
- 17.8 Subject to section 96 1993 Act, where a Member or Deferred Pensioner has a right to take a Cash Equivalent under section 95 1993 Act in respect of part of his benefits

and exercises that right, the Trustee may treat the exercise of that right as extending to the remainder of his benefits.

17.9 When giving effect to Rule 17, the Trustee shall:

- (a) ascertain from the trustees or administrator of the Receiving Scheme the Section and Act under which it is approved;
- (b) provide a certificate if necessary showing any restriction on the lump sum benefits that the transfer payment be used to provide;
- (c) provide a certificate showing the part of the transfer payment which should be treated as the Member's or Deferred Pensioner's contributions in the Receiving Scheme and any restrictions on refunds of such contributions;
- (d) provide the trustees or administrators of the Receiving Scheme with a copy of any court order made in respect of the Member or Deferred Pensioner under the Divorce Requirements; and
- (e) provide the trustees or administrator of the Receiving Scheme with any further relevant information they may request.

18 Transfers to the Scheme

18.1 Subject to Rules 18.2 and 18.3 the Trustee may accept a transfer payment from a Transferring Scheme relating to any Member or other person on terms that the Member (or other person) shall be entitled to such benefits under the Scheme as the Trustee after consulting the Actuary decides.

18.2 The Trustee will obtain a certificate from the Transferring Scheme showing any restriction of the lump sum benefits that the transfer payment may be used to provide and will comply with any such restrictions.

18.3 The Trustee will treat as contributions paid by a Member or other person only that part of the transfer payment certified as such by the Transferring Scheme. The Trustee will comply with any restrictions on refunds of contributions notified to it by the Transferring Scheme.

18.4 The Trustee may accept gifts and other transfers of assets to the Scheme and apply them in such manner as it decides within the purposes of the Scheme.

18.5 If the Trustee accepts a liability to pay a Guaranteed Minimum Pension under Rule 18.1, the Trustee may revalue the accrued rights to the Guaranteed Minimum Pension by a method different from that used by the Transferring Scheme.

18.6 With effect on and from 1 April 2016 the Trustee may only accept a transfer payment pursuant to the foregoing provisions of this Rule 18 subject to the prior written consent of the Participating College which employs the Member to whom the transfer payment relates.

19 Inter Participating College Transfers

19.1 In this Rule 19:

- (a) "Original Participating College" means in respect of a Member who leaves Service and subsequently takes up employment with a New Participating College the Participating College by whom he was formerly employed; and
- (b) "New Participating College" means any Participating College with whom a Member takes up employment on leaving the Service of the Original Participating College.

19.2 If a Member leaves the Service of an Original Participating College and either immediately on so leaving commences Service with a New Participating College or at the date of so leaving has agreed in writing to take up employment with a New Participating College at a specified date not more than three calendar months after leaving the Service of the Original Participating College at the first expedient Unit Dealing Date following the date on which the Member enters the Service of the New Participating College the Trustee shall realise such Fund Units held in respect of the Original Participating College as are in its opinion necessary after taking Actuarial Advice consistent with a transfer payment calculated as described in Rule 17 but increased to reflect potential increases in the Final Pensionable Salary of the Member had he remained in the Service of his Original Participating College between the date of leaving Service of the Original Participating College and his Pensionable Age and the Trustee shall utilise such sum as is available from such realised Fund Units to purchase Fund Units at the said Unit Dealing Date in respect of the Member's New Participating College but the provisions of this Rule 19.2 shall only apply to the said Member if:

- (a) he recommences Membership with his New Participating College as soon as he is first eligible to do so;
- (b) his employment with his New Participating College is regarded as pensionable employment at the date he enters the Service of the New Participating College even if he is not entitled immediately to rejoin the Scheme by reference to his New Participating College's Arrangement upon entering the Service of the New Participating College and whether or not his entitlement will ultimately rank for pensionable purposes from the said actual date of entry into Service;
- (c) the Member gives his written consent to the transfer in such form as the Trustee shall require; and

PROVIDED that

- (d) the provisions of this Rule 19.2 shall not apply if his employment with his Original Participating College is regarded as Contracted-out Employment and his employment with his New Participating College is not regarded as Contracted-out Employment.

19.3 If a Member leaves the Service of an Original Participating College and does not immediately enter the Service of a New Participating College but does so take up Service with the New Participating College within six calendar months of the date of leaving the Service of the Original Participating College the provisions of Rule 19.2 hereof shall apply but only with the agreement of the Original Participating College and the Trustee.

- 19.4 The Member's Pensionable Service while in the employment of the New Participating College shall be treated as continuous with his Pensionable Service while in the employment of the Old Participating College if his past service benefits are transferred from the Arrangement of the latter to that of the former under Rule 19.2.
- 19.5 In the event of any dispute as to whether or not the provisions of this Rule 19 shall apply the decision of the Trustee shall be final.
- 19.6 This Rule 19 does not apply to any Member who leaves the Service of his Original Participating College after 31 March 2004.

20 Augmentation of Benefits

- 20.1 Subject to the restrictions on maximum benefits in Appendix 1 the Trustee may:
- (a) increase the pension payable under the Rules to any Pensioner or Deferred Pensioner or prospectively payable to any Member;
 - (b) increase the pension or other benefits prospectively payable under the Rules to or on the death of any Member; or
 - (c) provide or increase any benefits payable or prospectively payable on the death of any Pensioner Deferred Pensioner or Member or to his spouse, Partner or any other Dependant

PROVIDED that:

- (d) the Trustee shall obtain (insofar as is possible) the consent of the last Participating College of the person receiving the pension or of the last Participating College of the person in respect of whose Service the pension or other benefits are payable;
 - (e) no contributions shall be required to be paid by the individual unless he is a Member who has agreed to do so; and
 - (f) notwithstanding any other provision of the Rules an increase made under this Rule in the pension payable to a Member Pensioner or Deferred Pensioner shall not automatically result in an increase in his Spouse's pension payable under Rule 7 {spouse's pension on death in retirement}.
- 20.2 If the Trustee exercises its power under Rule 20.1 the Member's, Pensioner's or Deferred Pensioner's last Participating College shall pay to the Trustee such monies (if any) as are certified to be necessary by the Actuary to provide the increased pension or other benefit.

21 Absence in Special Circumstances

- 21.1 The Trustee may in its discretion and with the permission of his Participating College allow a Member who is temporarily absent from Service and does not become a member of any other Retirement Benefits Scheme to remain a Member of the Scheme by reference to his Participating College's Arrangement for any period upon such terms as to the accrual and payment of benefits and the payment of contributions as the Trustee may agree with the Member and Participating College

Provided that the Trustee shall not without the approval of the Commissioners of Inland Revenue allow a person to remain a Member if he is temporarily absent from Service for a period in excess of three years except due to Incapacity.

22 Maternity Absence

22.1 This Rule applies to any Member:

- (a) who is absent from work for her Participating College in exercise of her right to maternity leave pursuant to Part VIII 1996 Act and regulations made pursuant to that part (or the equivalent applicable legislation prior to 22 August 1996 if appropriate), or
- (b) who is absent from work for her Participating College during any period when she has the right to return to work pursuant to Part VIII 1996 Act or regulations made pursuant to that part (or the previous legislation) and where necessary has informed her Participating College of her intention to exercise that right; or
- (c) whose employment with her Participating College has terminated but where the Participating College is obliged to continue to pay her Statutory Maternity Pay ("SMP") notwithstanding the termination of her employment.

22.2 This Rule shall cease to apply to a Member within the meaning of Rule 22.1 on the earliest of the following dates:

- (a) the date on which she returns to work;
- (b) the date on which her Service ends, provided that for the purpose of this Rule a Member shall be deemed to continue in Service beyond her maternity leave period as defined in Part VIII 1996 Act and in regulations made pursuant to that part for so long as she has the right to return to work and has not been dismissed by her Participating College;
- (c) the date on which she withdraws from Membership under Rule 2.4; and
- (d) the date of her death.

22.3 A Member to whom this Rule applies shall be treated as remaining in Pensionable Service for all purposes for the duration of the relevant period of entitlement ("Relevant Period") and benefits will continue to accrue on the same basis and subject to the same terms and conditions which would have applied had she been working normally. The Relevant Period shall be the longest of:

- (a) any period for which she is in receipt of contractual salary payments from her Participating College;
- (b) any period for which she is receipt of SMP (whether or not her employment with the Participating College has terminated); and
- (c) where the Member is not in receipt of SMP, any period of unpaid ordinary maternity leave ("OML")

Provided that paragraph (c) does not apply to a Member whose expected week of childbirth was prior to 30 April 2000.

22.4 A Member's entitlement to SMP or OML and the duration of the Relevant Period in each case will depend upon the legislation applicable at the date of the Member's maternity. Thus:

- (a) for Members whose expected week of childbirth was prior to 30 April 2000:
 - (i) the SMP period was up to 18 weeks; and
 - (ii) the OML period was up to 14 weeks.
- (b) for Members whose expected week of childbirth was between 30 April 2000 and 5 April 2003:
 - (i) the SMP period was up to 18 weeks; and
 - (ii) the OML period was up to 18 weeks (or, if longer, any compulsory maternity leave period following the birth).
- (c) for Members whose expected week of childbirth was between 6 April 2003 and 30 March 2007:
 - (i) the SMP period is up to 26 weeks; and
 - (ii) the OML period is up to 26 weeks (or, if longer, any compulsory maternity leave period following the birth); and
- (d) for Members whose expected week of childbirth is on or after 1 April 2007:
 - (i) the SMP period is up to 39 weeks; and
 - (ii) the OML period is up to 26 weeks (or, if longer, any compulsory maternity leave period following the birth).

22.5 A Member to whom this Rule applies but whose Relevant Period has expired will not earn further accrual of pension benefits but will remain entitled to benefits under Rule 8 {death in service benefits} until this Rule ceases to apply in accordance with Rule 22.2.

22.6 The Member's Participating College will pay contributions in respect of the Member for so long as this Rule applies to her and her Relevant Period subsists and the Member will be required to contribute at the rate applicable to her immediately prior to her absence in relation to her Contribution Pay or SMP actually received from her Participating College.

22.7 If a Member is not credited with Pensionable Service in respect of the whole period of her absence then her future Pensionable Service on returning to work with her Participating College in the exercise of her statutory right to do so shall be treated as continuous with the period of Pensionable Service which ended last before her return.

23 Resolution of Disputes

- 23.1 The Trustee will comply with section 50 1995 Act by maintaining and operating an internal dispute resolution procedure.

24 Tax and Duty

- 24.1 The Trustee may deduct from any payment due under the Rules the tax for which the Trustee may be or may become liable in consequence of such payment.
- 24.2 Where any liability to duty or tax arises in respect of any benefit payable on death under the Scheme the Trustee either may deduct all or part of the amount of the duty or tax (including any interest due thereon) from the benefit and pay it or may postpone the payment of the whole or part of the benefit until the duty or tax has been provided to the satisfaction of the Trustee.

25 Records and Accounts

- 25.1 The Trustee will normally require evidence of age and identity (including widowhood and widowerhood) and survival before any benefit is paid and the Trustee may refuse to pay the benefit until it has received evidence which it regards as satisfactory.
- 25.2 If an incorrect age has been furnished in respect of any person and the Trustee modifies the benefits payable to in or in respect of such person in such manner as it considers appropriate and reasonable after obtaining Actuarial Advice then it may recover the amount of any overpayment by deducting it from future payments.
- 25.3 Each Pensioner and Deferred Pensioner shall notify the Trustee in writing of any change of address.
- 25.4 Accounts of the Scheme shall be prepared and audited at annual intervals and will be available for inspection by Members Deferred Pensioners and Pensioners on request.

26 Interpretation and Construction

- 26.1 The Deed and the Rules shall be governed in all respects by and be interpreted according to the law of England. Subject thereto the decision of the Trustee on any matter of interpretation of the Trust Deed and the Rules and any amendments or additions thereto shall be final and binding upon all parties.

27 Maximum Benefits

- 27.1 Notwithstanding any of the provisions of the Deed and Rules no benefit payable under the Scheme shall exceed the amount of the relevant maximum set out in Appendix 1.

28 Pension Sharing on Divorce

- 28.1 The Trustee must make provision for the Pension Credit Benefits under the Scheme to be treated as provided separately from any benefits provided under the Scheme for the same individual as an employee or as the Dependant of an employee.

28.2 Participation in the Scheme may be offered to an Ex-Spouse either where the requirement in Rule 28.1 is satisfied, or where the Ex-Spouse only has Pension Credit Benefits under the Scheme unless the Trustee requires that the Pension Sharing Order, agreement or equivalent provision should be complied with by the Ex-Spouse's Pension Credit being transferred out of the Scheme to another pension scheme or arrangement.

28.3 The following options may be available to the Ex-Spouse Participant in relation to the Pension Credit Benefit, subject to compliance with Social Security legislation and the definitions in Appendix 1 apply:

- (a) A pension can be paid at the request of the Ex-Spouse Participant at any time between attaining age 50 and 75, or earlier on grounds of incapacity where he is simultaneously taking benefits on incapacity grounds arising from Service as an employee under the Scheme in which the Pension Credit Benefits are held. Additionally a pension not yet in payment may be fully commuted, at any age, on the grounds of exceptional circumstances of serious ill-health. The Ex-Spouse Participant cannot defer commencement of the pension beyond his 75th birthday. If he is aged 75 or over at the date the Pension Sharing Order is implemented, the pension must come into payment immediately. There is no limit on the amount of the pension. Such a pension should not be commuted, surrendered or assigned except in accordance with the Rules. Such a pension must be payable for life unless it is fully commuted under Rule 28.3(f) and may be guaranteed for a term certain.
- (b) No lump sum may be paid to the Ex-Spouse Participant where the Member (who was formerly married to the Ex-Spouse Participant) has already received a Lump Sum Retirement Benefit from the Scheme before the date of the implementation by the Scheme of the Pension Sharing Order, agreement or equivalent provision.

No lump sum may be paid to the Ex-Spouse Participant where all the Pension Credit Rights under the Scheme have been transferred into the Scheme with a lump sum nil certificate.

Otherwise the Ex-Spouse Participant may choose to take a lump sum in commutation for part of the pension, at the time the pension first becomes payable. The lump sum is limited to a maximum of 2.25 x the initial annual pension. For this purpose, the initial annual pension should be calculated on the following bases:

- (i) if the pension payable for the year changes, the initial pension payable should be taken;
 - (ii) it should be assumed that the Ex-Spouse Participant will survive for a year;
 - (iii) the effect of commutation should be ignored.
- (c) Where the Ex-Spouse Participant dies before benefits come into payment a lump sum death benefit may be paid. This lump sum can be paid to any person at the discretion of the Trustee. The lump sum is limited to 25% of

what would have been the cash equivalent of the Pension Credit Rights at the Ex-Spouse Participant's date of death.

The balance of the said cash equivalent may be used to provide a non-commutable pension to a Dependant of the Ex-Spouse Participant. The amount of pension payable to a Dependant is limited to a maximum of 2/3^{rds} of the amount of the pension that could have been paid to the Ex-Spouse Participant at the date of death had the whole of the cash equivalent of the Pension Credit Rights been used to purchase an annuity at an available market rate. For the purpose of determining the pension which could have been paid to the Ex-Spouse Participant, it should be assumed that he was aged 50 at the date of death, where he died at an earlier age. Where more than one pension is to be paid the total of all the pensions cannot exceed the amount of the pension that could have been paid to the Ex-Spouse Participant.

Such pensions must be payable for life, except that pensions paid to children must cease on the attainment of age 18 or, if later, on the cessation of full time education. Such pensions may, however, be fully commuted for a lump sum on the grounds of triviality at the time that such a pension becomes payable.

- (d) Where the Ex-Spouse Participant dies after his pension has come into payment, a non-commutable pension may be payable to a Dependant of the Ex-Spouse Participant.

The amount of pension payable to a Dependant is limited to a maximum of 2/3^{rds} of the initial annual pension which was paid to the Ex-Spouse Participant as increased by any rise in the Index since the commencement of the Ex-Spouse Participant's pension. Where more than one pension is to be paid the total of all the pensions cannot exceed the amount of the initial annual pension which was paid to the Ex-Spouse Participant, as increased by any rise in the Index since the commencement of the Ex-Spouse Participant's pension. For these purposes initial annual pension should be calculated on the same basis as for Rule 28.3(f).

Such pensions must be payable for life, except that pensions paid to children must cease on the attainment of age 18, or, if later, on the cessation of full time education. Such pensions may, however, be fully commuted for a lump sum on the grounds of triviality at the time such a pension becomes payable.

Where the Ex-Spouse Participant selected a guarantee not exceeding 5 years and the guarantee period has not expired, the remaining balance of the pension instalments can be paid as a lump sum. This lump sum can be paid to any person at the discretion of the Trustee. Where the Ex-Spouse Participant selected a guarantee exceeding 5 years and the guarantee period has not expired, the remaining balance of the pension instalments must be paid in pension form to an individual or individuals at the discretion of the Trustee.

- (e) Full commutation of the Pension Credit Rights on the grounds of triviality or exceptional circumstances of serious ill-health is permitted when the pension first becomes payable. Where the Ex-Spouse Participant is also entitled to

benefits under the Scheme arising from Service as an employee, for the purposes of determining the aggregate value of the total benefits payable to the Member under triviality Rule 10.7, benefits from Pension Credit Rights must be included. Where the Ex-Spouse Participant is also entitled to benefits under the Scheme arising from Service as an employee, full commutation of the Pension Credit Rights on the grounds of triviality will only be permitted where benefits arising from Service as an employee are simultaneously commuted.

- (f) The Ex-Spouse Participant may request that the Trustee arranges a transfer of his Pension Credit Rights to another scheme approved under Chapter I Part XIV of the 1988 Act if he is already a member of that scheme or an ex-spouse participant in that scheme or to a scheme approved under Chapter IV Part XIV of the 1988 Act. The Ex-Spouse Participant may request that the Trustee arranges a transfer of his Pension Credit Rights to any other scheme if the Inland Revenue's requirements are satisfied in relation to a transfer to that scheme. The Trustee must confirm to the receiving scheme or arrangement that the transfer value consists wholly or partly of Pension Credit Rights for the benefit of an Ex-Spouse Participant.
- (g) At the point the pension becomes payable, the Ex-Spouse Participant may request that the Trustee arranges for the purchase of an annuity from an Insurance Company of his choice.
- (h) The rights to a Pension Credit Benefit under the Scheme shall not be absolute, but shall be forfeited upon the bankruptcy of the Ex-Spouse Participant. Such benefits may then be paid to any individuals or individual as specified by the Trustee in its absolute discretion.

28.4 Notwithstanding any other provisions of the Rules, the benefits for a Pension Debit Member are additionally subject to the following limits, subject to compliance with Social Security legislation, and the definitions in Appendix 1 apply:

- (a) The pension shall not exceed the Aggregate Retirement Benefit less the Negative Deferred Pension in the Scheme and the Negative Deferred Pension in any Associated Scheme and, furthermore, in the case of a Class A Member the Negative Deferred Pension in any Connected Scheme.
- (b) The lump sum from this and any Associated Scheme shall not exceed:
 - (i) for Pension Debit Members who are Class A Members or Class B Members, an amount determined by $2.25 \times$ the initial annual pension payable;
 - (ii) for Pension Debit Members who are Class C Members, an amount of the greater of:
 - (A) $2.25 \times$ the initial annual pension payable; **or**
 - (B) an amount determined in accordance with Rule 10 {commutation option} as if there had been no Pension Debit, less $2.25 \times$ the Negative Deferred Pension.

- (C) For the purposes of this Rule, the initial annual pension should be calculated on the following basis:
 - (D) if the pension payable for the year changes, the initial pension payable should be taken;
 - (E) it should be assumed that the Pension Debit Member will survive for a year;
 - (F) the effect of commutation should be ignored.
- (c) On the death of the Pension Debit Member, any pension for a Dependant shall not exceed $\frac{2}{3}$ x an amount determined in accordance with Rule 4 {normal retirement} as if there had been no Pension Debit, less the Negative Deferred Pension and the Negative Deferred Pension in any Associated Scheme and, furthermore, in the case of a Class A Member the Negative Deferred Pension in any Connected Scheme. Where more than one pension is to be paid the total of all the pensions cannot exceed 100% of an amount determined in accordance with Rule 4 as if there had been no Pension Debit, less the Negative Deferred Pension and the Negative Deferred Pension in any Associated Scheme and, furthermore, in the case of a Class A Member the Negative Deferred Pension in any Connected Scheme.

28.5 The Trustee must give full details of the Pension Debit and a lump sum certificate specifying the maximum permissible lump sum, to the receiving scheme or arrangement where the fund underlying the benefits for a Pension Debit Member is transferred to another scheme approved under Chapter I Part XIV of the 1988 Act or a scheme approved under Chapter IV Part XIV of the 1988 Act.

28.6 If the Ex-Spouse dies after a Pension Sharing Order, agreement or equivalent provision is made but before it is acted upon by the Trustee the following benefits may be paid:

- (a) A lump sum death benefit may be paid to any person at the discretion of the Trustee. The lump sum is limited to 25% of what would have been the cash equivalent of the fund which would have provided the Pension Credit Rights for the Ex-Spouse.
- (b) The balance of the fund may be used to provide a non-commutable pension to a Dependant of the Ex-Spouse. The amount of pension payable to a Dependant is limited to a maximum of $\frac{2}{3}$ rds of the amount of the pension that could have been paid to the Ex-Spouse at the date of death if the whole of what would have been the cash equivalent of the fund which would have provided the Pension Credit Rights had been used to purchase an annuity at an available market rate. Where more than one pension is to be paid the total of all the pensions cannot exceed the amount of the pension that could have been paid to the Ex-Spouse. Such pensions must be payable for life, except that pensions paid to children must cease on the attainment of age 18 or, if later, on the cessation of full-time education. Such pensions may be fully commuted, however, for a lump sum on the grounds of triviality at the time such a pension becomes payable.

- 28.7 Where the Trustee accepts a transfer payment and is informed by the transferor of the details of a Pension Debit relating to the transfer payment, the Trustee must take account of the Pension Debit, if appropriate, in the calculation of any limit on 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 Trustee must give full details of the Pension Debit to the receiving scheme or arrangement.
- 28.8 Where the Trustee accepts a transfer payment for an individual who is already a member of the Scheme and is informed by the transferor that the transfer value consists wholly or partly of Pension Credit Rights in the former scheme or arrangement, then the Trustee must separately identify the transfer payment relating to the Pension Credit Rights or the part of the transfer payment relating to the Pension Credit Rights from other funds held for the benefit of the member. Furthermore the Trustee must make provision for the Pension Credit Benefits deriving from the Pension Credit Rights to be treated as provided separately from any benefits provided under the Scheme for the same person as an employee or as the Dependant of an employee. Then the individual will acquire the status of an Ex-Spouse Participant in the Scheme in relation to his transferred-in Pension Credit Benefits. Such Pension Credit Benefits will not count towards any limit on benefits for that member.
- 28.9 The Trustee shall ensure that so much of a person's Pension Credit Rights under the Scheme as comprise safeguarded rights within the meaning of section 68A 1993 Act shall be treated in the manner required by section 68B of that Act.

29 Group Income Protection Scheme Claimants

- 29.1 A Group Income Protection Scheme Claimant continues in Pensionable Service as a Member until the earliest of the following:
- (a) his death;
 - (b) he reaches Pensionable Age or starts to draw a pension from the Scheme at an earlier age;
 - (c) he ceases to be in Service with his Participating College;
 - (d) he withdraws from Membership under Rule 2.4;
 - (e) he enters into a Personal Pension Scheme which is inconsistent with his continued Membership for the purpose of Approval; or
 - (f) his income from the Group Income Protection Scheme ceases, provided that in relation to this paragraph (f) the Member's Membership shall continue if he thereupon recommences work for his Participating College.
- 29.2 A Group Income Protection Scheme Claimant is treated in relation to the benefits provided for and in respect of him under the Scheme in the same way as any other Member subject to the provisions of this Rule.
- 29.3 Rules 3.9 and 3.14 apply in relation to the contributions payable in respect of a Group Income Protection Scheme Claimant.

- 29.4 The monthly Contribution Pay in respect of a Group Income Protection Scheme Claimant shall be one twelfth of the Member's Insured Salary as though he had died on the date on which he ceased working for his Participating College:
- (a) increased (if at all) under Rule 29.7; and
 - (b) then reduced, if applicable, in accordance with paragraphs (a)-(d), (f) and (g) in the definition of Contribution Pay in Rule 1.2.

Provided that in respect of a Group Income Protection Scheme Claimant who ceases to work for Hughes Hall, King's College or Robinson College on or after 6 April 2016 paragraphs (h) and (i) of the definition of Contribution Pay apply, as appropriate, in relation to paragraph (b) above.

- 29.5 If a Group Income Protection Scheme Claimant dies and insured death benefits fall to be paid under Rules 8.2 - 8.7 the Life Assurance Benefit, the Spouse's Death in Service Pension and any pensions payable to a Qualifying Child or Qualifying Children under Rule 8.7 shall be calculated by reference to the deceased Member's Insured Salary at the date on which he ceased working (rather than his date of death as mentioned in the definition of Insured Salary) subject to revaluation as provided in Rule 29.7.
- 29.6 The pension and the Lump Sum Benefit (if applicable) payable under Rule 4 {normal retirement}, Rule 5 {early retirement} or Rule 6 {late retirement} to a Group Income Protection Scheme Claimant shall be calculated in the same way as for an ordinary Member save that the special definition of Contribution Pay in Rule 29.4 shall apply.
- 29.7 The Contribution Pay of a Group Income Protection Scheme Claimant as described in Rule 29.4 and the Insured Salary of such a Member as described in Rule 29.5 shall be revalued at a rate of 5% per annum compound in respect of each successive period of 12 months between the date when the Member ceased working for his Participating College and ending on the earliest of the dates set out in paragraphs (a)-(f) of Rule 29.1 save that the proviso to paragraph (f) shall not apply.

Provided that the rate of revaluation which applies to the Contribution Pay and the Insured Salary of a Group Income Protection Scheme Claimant who ceased working for his Participating College on or after 1 April 2001 is the lesser of the rate of increase (if any) in the Index and 5% per annum in respect of each such successive period of 12 months, compounded annually.

30 Paternity leave

- 30.1 A Member who is absent from work for his Participating College during any period of paid paternity leave as defined in paragraph 5A(4) of Schedule 5 to the Social Security Act 1989 will be treated as continuing in Membership as though he were working normally and receiving the remuneration likely to be paid for doing so but he shall only be required to pay contributions under Rule 3 on the amount of contractual remuneration or statutory paternity pay actually paid to or for him in respect of that period.
- 30.2 A Member who returns to work at the end of the period of absence under this Rule may within 12 months of returning to work or within such longer period (being not longer than the period of such suspension) as the Trustee may allow pay in one lump

sum or by instalments in respect of any period of unpaid paternity leave an amount equal to the contributions which he would have paid had he been in receipt of the Pensionable Salary from his Participating College which he was receiving at the start of the period of absence and if he does so he shall be credited with Pensionable Service in respect of that period. If he does not do so his future Pensionable Service following his return to work shall be treated as continuous with the period of Pensionable Service which ended last before his return.

31 Adoption leave

- 31.1 A Member who is absent from work for his Participating College during any period of paid adoption leave as defined in paragraph 5B(4) of Schedule 5 to the Social Security Act 1989 will be treated as continuing in Membership as though he were working normally and receiving the remuneration likely to be paid for doing so but he shall only be required to pay contributions under Rule 3 on the amount of contractual remuneration or statutory adoption pay actually paid to or for him in respect of that period.
- 31.2 A Member who returns to work at the end of the period of absence under this Rule may within 12 months of returning to work or within such longer period (being not longer than the period of such suspension) as the Trustee may allow pay in one lump sum or by instalments in respect of any period of unpaid adoption leave an amount equal to the contributions which he would have paid had he been in receipt of the Pensionable Salary from his Participating College which he was receiving at the start of the period of absence and if he does so he shall be credited with Pensionable Service in respect of that period. If he does not do so his future Pensionable Service following his return to work shall be treated as continuous with the period of Pensionable Service which ended last before his return

32 Auto-enrolment under the Pensions Act 2008

- 32.1 This Rule 32 applies in relation to the Arrangement of a Participating College if the Arrangement satisfies the quality requirement relating to defined benefit schemes contained in section 21 of the 2008 Act and if the Participating College gives at least one month's written notice to the Trustee (or such shorter period as the Trustee may allow) that it designates the Arrangement for the purposes of this Rule. A Participating College may terminate the application of this Rule 32 to its Arrangement by giving at least a month's written notice to the Trustee. The application of this Rule shall be without prejudice to any Members employed or last employed by the Participating College who were admitted to the Scheme under Rule 2 {membership} before Rule 32 started to apply, but the conditions of this Rule shall apply in substitution for those of Rule 2 {membership} in relation to any Eligible Jobholder or Jobholder who joins the Scheme under this Rule 32 save that Rule 2.6 {group income protection scheme} and Rule 2.7 {pension sharing} shall apply.
- 32.2 An Eligible Jobholder will be automatically enrolled as a Member on his Automatic Enrolment Date, unless:
- (a) he opts out of Pensionable Service under Rule 32.4; or
 - (b) his Participating College chooses to postpone his automatic enrolment in the Scheme, in which case the Eligible Jobholder will be automatically enrolled as

- a Member on his Deferral Date unless he opts into Pensionable Service before his Deferral Date in accordance with Rule 32.6; or
- (c) his Participating College gives prior written notice to the Trustee that this paragraph (c) applies to the Arrangement of the Participating College and the Eligible Jobholder is employed under a contract of employment for a term of less than three months.
- 32.3 Within one month after the Automatic Enrolment Date of an Eligible Jobholder automatically enrolled in the Scheme in accordance with Rule 32.2 the Participating College with which the Eligible Jobholder is in Service must provide the Trustee with the information about the Eligible Jobholder referred to in regulation 3 of the Automatic Enrolment Regulations, unless the Trustee notifies the Participating College in advance that it does not require this information (either generally or with reference to a particular Eligible Jobholder).
- 32.4 An Eligible Jobholder who has been automatically enrolled in the Scheme in accordance with Rule 32.2 or automatically re-enrolled in the Scheme in accordance with Rule 32.9 may opt out of Pensionable Service by giving an Opt-out Notice to his Participating College within one month of the later of:
- (a) his Automatic Enrolment Date or Automatic Re-enrolment Date as the case may be; and
- (b) the date on which he received from his Participating College the enrolment information required under regulation 2 of the Automatic Enrolment Regulations.
- 32.5 The Participating College must inform the Trustee as soon as reasonably practicable if it receives an Opt-out Notice in relation to an Eligible Jobholder under Rule 32.4. If informed by the Participating College, the Trustee will treat the Eligible Jobholder as not having become a Member on that occasion.
- 32.6 The Trustee will admit as a Member an Eligible Jobholder who opts into Pensionable Service before or after his Deferral Date by giving an Opt-in Notice under section 7 of the 2008 Act to his Participating College. The Participating College must notify the Trustee as soon as reasonably practicable if it receives an Opt-in Notice from an Eligible Jobholder.
- 32.7 The Trustee will admit as a Member a Jobholder who opts into Pensionable Service by giving an Opt-in Notice to his Participating College. The Participating College must notify the Trustee as soon as reasonably practicable if it receives an Opt-in Notice from a Jobholder.
- 32.8 If an Eligible Jobholder opts out of Pensionable Service under Rule 32.4 after being automatically enrolled in the Scheme:
- (a) his Participating College must refund to the Eligible Jobholder any contributions made to the Scheme by the Eligible Jobholder within one month of the date on which the Eligible Jobholder gave a valid Opt-out Notice to his Participating College or, if a valid Opt-out Notice is given to the Participating College after its payroll arrangements have closed for the Applicable Pay

Reference Period, the last day of the next Applicable Pay Reference Period following the date on which a valid Opt-out Notice is given; and

- (b) provided the Participating College with which the Eligible Jobholder is in Service has informed the Trustee that it has received an Opt-out Notice, the Trustee must refund to the Participating College any contributions made to the Scheme by the Eligible Jobholder within one month of the date on which the Eligible Jobholder gave a valid Opt-out Notice to his Participating College or, if a valid Opt-out Notice is given to the Participating College after its payroll arrangements have closed for the Applicable Pay Reference Period, the last day of the next Applicable Pay Reference Period following the date on which a valid Opt-out Notice is given.

32.9 An Eligible Jobholder who opted out of Pensionable Service under Rule 30.4 will be automatically re-enrolled as a Member on his Automatic Re-enrolment Date, unless he again opts out under Rule 32.4.

32.10 Rules 8.1 – 8.7 {insured death in service benefits} apply to Members who are automatically enrolled under Rule 32.2 even if such Members had not satisfied the conditions of Rule 8.1 in respect of a previous period of Membership which terminated before the date of the adoption of this Rule 32, but Rules 8.1 – 8.7 shall cease to apply to any Member who opts out under Rule 32.4 and shall not apply to any Member who is re-enrolled under Rule 32.9.

33 Contractual enrolment

33.1 This Rule 33 applies in relation to the Arrangement of a Participating College if the Arrangement satisfies the quality requirement relating to defined benefit schemes contained in section 21 of the 2008 Act and if the Participating College gives at least one month's notice (or such shorter period as the Trustee may allow) to the Trustee that it designates its Arrangement for the purposes of this Rule.

33.2 From the expiry of a notice under Rule 33.1 and in relation to the employees of the relevant Participating College:

- (a) the definition of Eligible Employee in Rule 1.2 shall be deemed to be deleted and replaced by:

“**Eligible Employee**” means an employee of any Participating College who is not an active member of the Universities Superannuation Scheme and who satisfies such other conditions (if any) as are required by his Participating College. The decision of his Participating College as to whether a person qualifies as an Eligible Employee shall be binding.”; and

- (b) Rule 2.1 – 2.5 {membership} shall be deemed to be deleted and replaced by:

“2.1 The eligibility requirements for an Eligible Employee are that:

- (a) he is aged 16 or older but under age 75 years; and
- (b) he falls within the definition of Eligible Employee.

- 2.2 An Eligible Employee who satisfies the eligibility requirements in Rule 2.1 shall be admitted to his Participating College's Arrangement on the first day of his employment or on a date not more than three months later if his Participating College elects to postpone the date of the Eligible Employee's admission to the Scheme pursuant to section 4 of the 2008 Act. The Participating College shall provide the Trustee with the full name of the Eligible Employee, his date of admission to the Scheme, his address and National Insurance number and all other information which the Trustee shall reasonably require.
- 2.3 A Member may withdraw from active Membership of the Scheme by giving at least one month's prior written notice to his Participating College and Rule 14 {leaving before pensionable age} shall start to apply on the expiration of that notice. His Participating College shall give written notice of the withdrawal to the Trustee as soon as practicable.
- 2.4 A Member who withdraws from active Membership will be automatically re-enrolled as a Member in accordance with section 5 of the 2008 Act and regulation 12 of the Automatic Enrolment Regulations.
- 2.5 A Member who is an Eligible Jobholder and who withdraws from active Membership under Rule 33 may be automatically enrolled into the Scheme pursuant to the 2008 Act by his Participating College, in which case Rule 32 shall apply."

Rule 2.6 {group income protection scheme} and Rule 2.7 {pension sharing} shall apply.

- 33.3 Rules 8.1 – 8.7 {insured death in service benefits} apply to Members who are enrolled under the substituted Rule 2.2 in Rule 33.2(b) if they are admitted when first eligible as required by Rule 8.1, but those Rules shall cease to apply to any Member who withdraws from the Scheme under the substituted Rule 2.3 or who is re-enrolled under the substituted Rule 2.4 contained in Rule 33.2(b).
- 33.4 The Trustee will admit as a Member an Eligible Jobholder or a Jobholder who exercises his statutory right to join the Scheme under section 7 of the 2008 Act by giving an Opt-in Notice to his Participating College. The Participating College must notify the Trustee as soon as reasonably practicable if it receives an Opt-in notice from an Eligible Jobholder or a Jobholder.
- 33.5 A Participating College may terminate the application of this Rule 33 to its Arrangement by giving at least one month's notice to the Trustee. The application of this Rule shall be without prejudice to any Members employed or last employed by the Participating College who were admitted to the Scheme under Rule 2 {membership} before Rule 33.2 started to apply. A Participating College may apply both Rule 32 and Rule 33 to its Arrangement to permit, inter alia, auto-enrolment of a contractually enrolled Eligible Jobholder who withdraws from active Membership under the substituted Rule 2.3 above.

34 **Same sex marriages**

- 34.1 The Rules shall be read and construed so that following the death of a Member, Deferred Pensioner or Pensioner who does not leave a spouse entitled to benefits under the Scheme but instead leaves a person to whom he was married pursuant to the Marriage (Same Sex Couples) Act 2013 any benefit under the Scheme that would have been payable to a spouse of the said Member, Deferred Pensioner or Pensioner will be paid to the same sex spouse provided that:
- (a) the same sex spouse must meet any requirements in the Rules which would have applied to the spouse before such benefit can be paid; and
 - (b) any benefit which is reduced by reason of a benefit being payable to a spouse will be likewise reduced if the benefit is payable to a same sex spouse.

Appendix 1

Inland Revenue Limits

{Words in italics indicate variations from the Inland Revenue Model Rules}

DEFINITIONS

In these *model* rules the following expressions shall have the meanings ascribed to them:

- 1 “**ACT**” shall mean the Income and Corporation Taxes Act 1988 and any statutory amendment modification or re-enactment thereof.
- 2 “**ACTUARY**” *has the meaning in Rule 1.*
- 3 “**ADMINISTRATOR**” *shall mean the administrator of the Scheme for the purposes of Section 590(2)(c) of the Act.*
- 4 “**AGGREGATE RETIREMENT BENEFIT**” shall mean the aggregate of:
 - (i) the Member's pension under this Scheme and any Associated Scheme; and
 - (ii) the pension equivalent of the Member's Lump Sum Retirement Benefit.
- 5 “**APPROVAL**” shall mean approval of the Scheme by the Board of Inland Revenue under Chapter I Part XIV of the Act.
- 6 “**ASSOCIATED EMPLOYER**” An employer is associated with another employer if one is controlled by the other, or both are controlled by a third party. Control has the meaning in section 840 of the Act, or in the case of a close company, section 416 of the Act.
- 7 “**ASSOCIATED SCHEME**” shall mean any Relevant Scheme providing benefits in respect of Service.
- 8 “**CLASS A MEMBER**” shall be any Member who is not a Class B or Class C Member.
- 9 “**CLASS B MEMBER**” shall mean any Member:
 - (a) who, on or after 17 March 1987 and before 1 June 1989, joined the Scheme being a scheme which commenced before 14 March 1989, or
 - (b) who the Board of Inland Revenue have agreed in writing to be a Class B Member by virtue of previous membership of a Relevant Schemeand, in either case, has not opted to become a Class A Member.

- 10 **“CLASS C MEMBER”** shall mean any Member who joined the Scheme before 17 March 1987 or who joined subsequently and who the Board of Inland Revenue have agreed in writing to be a Class C Member by virtue of previous membership of a Relevant Scheme and, in either case, has not opted to become a Class A Member.
- 11 **“CONNECTED SCHEME”** shall mean any Relevant Scheme which is connected with the Scheme in relation to the Member, i.e. if:
- (a) there is a period during which the Member has been the employee of 2 Associated Employers;
 - (b) that period counts under both schemes as a period in respect of which benefits are payable; and
 - (c) the period counts under one scheme for service with one employer and under the other for service with the other employer.
- 12 **“CONTROLLING DIRECTOR”** shall mean a Member who, at any time on or after 17 March 1987 and in the last 10 years before the Relevant Date has, in relation to the Employer, been both within the definition of a director in section 612(1) of the Act and within paragraph (b) of section 417(5) of that Act.
- 13 **“DEPENDANT”** has the meaning in Rule 1.
- 14 **“EMPLOYER”** means a Participating College as defined in Rule 1.
- 15 **FINAL REMUNERATION** shall mean the greater of:
- (a) the highest remuneration upon which tax liability has been determined for any one of the 5 years preceding 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 provided that Fluctuating Emoluments of a year other than the basic pay year may be increased in proportion to the increase in the Index from the last day of that year up to the last day of the basic pay year. Remuneration that is received after the Relevant Date and upon which tax liability has been determined will be treated as a Fluctuating Emolument (providing it was earned or qualified for prior to the Relevant Date). In these circumstances it may be included provided the yearly average of 3 or more consecutive years begins no later than the commencement of the basic pay year; or
 - (b) The yearly average of the total emoluments from the Employer which are assessable to income tax under Case I or II of Schedule E and upon which tax liability has been determined for any 3 or more consecutive years ending not earlier than 10 years before the Relevant Date. Where such emoluments are received after the Relevant Date but are earned or qualified for prior to that date, they may be included provided that in these circumstances the yearly average of 3 or more consecutive years begins no later than the commencement of the year ending with the Relevant Date.

Provided that:

- (i) remuneration and total emoluments do not include any amounts which arise from the acquisition or disposal of shares or any interest in shares or from a right to acquire shares (except where the shares or rights etc. which give rise to such an amount liable to tax under Schedule E had been acquired before 17 March 1987) or anything in respect of which tax is chargeable by virtue of section 148 or section 313;
- (ii) in relation to a Controlling Director, final remuneration shall be the amount ascertained in accordance with (b) and (a) above shall not apply;
- (iii) in relation to any other employee whose remuneration in any year subsequent to 5 April 1987 used for the purpose of calculating benefits has exceeded £100,000, (or such other figure as may be prescribed by the Treasury), final remuneration shall not exceed the amount ascertained in accordance with (b) above and (a) above shall not apply, unless the individual chooses to adopt £100,000 (or such other figure as may be prescribed by the Treasury);
- (iv) where final remuneration is computed by reference to any year other than the last complete year ending on the Relevant Date, the member's remuneration or total emoluments of any year may be increased in proportion to any increase in the Index from the last day of that year up to the Relevant Date. For a Class C Member this proviso shall not apply to the calculation of the maximum Lump Sum Retirement Benefit unless the member's aggregate total benefits are similarly increased beyond the maximum amount which could be paid but for this proviso and/or the first sentence of (a)(ii) above and then only to the same proportionate extent;
- (v) for Class A Members final remuneration shall not exceed the Permitted Maximum;
- (vi) for the purpose of calculating the maximum Lump Sum Retirement Benefit of a Class B Member final remuneration shall not in any event exceed £100,000 (or such other figure as may be prescribed by the Treasury);
- (vii) an employee who remains, or is treated as remaining, in service but by reason of Incapacity is in receipt of a much reduced remuneration i.e. under a sick pay or permanent health insurance scheme, for more than 10 years up to the Relevant Date, may calculate final remuneration under (a) or (b) above with the final remuneration calculated at the cessation of normal pay and increased in accordance with the Index;
- (viii) the total amount of any profit related pay (whether relieved from income tax or not) may be classed as pensionable remuneration and treated as a Fluctuating Emolument;

- (ix) an early retirement pension in payment from the Employer may not be included in final remuneration.
- (x) any amounts of pay used to buy partnership shares in a Share Incentive Plan (formerly known as an All-Employee Share Ownership Plan) that are classed as pensionable remuneration qualify for the purpose of paragraph 83 of Schedule 8 of the Finance Act 2000.

Notes:

1. Except as in proviso (i) above, benefits in kind may be taken into account when they are assessed to income tax as emoluments under Schedule E, and will normally be regarded as Fluctuating Emoluments. If benefits are not so assessable, they may not be included as part of final remuneration except with the agreement of IR SPSS.
2. Where at the relevant date final remuneration cannot be precisely established because tax liability on all the constituent elements of remuneration for the year or years in question has not been determined, final remuneration may be calculated on the appropriate basis above using those elements of remuneration which have been finally determined for tax purposes. Immediate "on account" pension and lump sum benefits may be provided based on final remuneration so calculated. When tax liability on remuneration is finally determined, and final remuneration recalculated providing scope for further benefits (both pension and lump sum), these may be paid but they must not cause total benefits to exceed Inland Revenue limits calculated as at the date benefits were first taken.

Where the above applies in the case of a member who does not have continued rights and whose lump sum retirement benefit is calculated on the basis set out in PN 8.7, a subsequent additional lump sum will not be possible if final remuneration is not finally determined for tax purposes until after the end of the first year in which the pension has been in payment.

Where immediate benefits are not being provided or where a transfer payment is to be made in respect of accrued pension benefits then final remuneration may only be calculated using remuneration assessable to income tax under Case I or II of Schedule E and upon which tax liability has been determined.

3. Where the relevant date occurs during a period of paid maternity leave or within 12 months of the end of a period of paid maternity leave, Final Remuneration (as defined in this definition) can include an amount based on the greater of:
 - (a) the remuneration that the employer would have been obliged to pay to the employee under a contract of

employment in force in respect of that employee prior to the start of the paid maternity leave, or

- (b) the actual amount of remuneration received by the employee from the employer in the period of 12 months immediately before the commencement of the paid maternity leave.

In the case of 3(a) above the remuneration that the employer would have been obliged to pay to the employee under a contract of employment in force in respect of that employee prior to the start of the paid maternity leave cannot include any amounts that, had they been paid, would not qualify as remuneration.

In the case of 3(b) above only, the remuneration may be increased in proportion to any increase in the National Average Earnings Index from the last day of the 12 month period immediately before the commencement of the paid maternity leave up to the end of that leave.

4. Where fluctuating emoluments have not been paid for the full 3 years, they should be averaged over the period from the commencement of their entitlement to payment (or the beginning of the 3 year period, if later) to the end of the relevant basic pay year. Where, however, it is proposed to include in final remuneration a fluctuating emolument which was payable in a single year only the agreement of IR SPSS must be sought.

16 **“FLUCTUATING EMOLUMENTS”** are any part of an employee's earnings which are not paid on a fixed basis and are additional to the basic wage or salary. They include overtime, commission, bonuses or benefits in kind as long as they are assessable to tax under Case I or II Schedule E and profit related pay (see proviso (viii) to definition of Final Remuneration). Directors' fees may rank as fluctuating emoluments according to the basis on which they are voted.

17 **“INCAPACITY”** has the meaning in Rule 1.

18 **“INDEX”** shall mean the Government's Index of Retail Prices.

19 **“LUMP SUM RETIREMENT BENEFIT”** shall mean the total value of all retirement benefits payable in any form other than non-commutable pension under this and any Associated Scheme.

20 **“MEMBER”** shall mean a Member or former Member (as defined in Rule 1) who has benefits immediately or prospectively payable under the Scheme.

21 **“NORMAL RETIREMENT DATE”** has the meaning given to “Pensionable Age” in Rule 1.

22 **“PENSIONABLE SERVICE”** shall have the meaning ascribed to it by section 70(2) Pension Schemes Act 1993

- 23 **“PERMITTED MAXIMUM”** is to be construed as defined in section 590C(2) of the Act.
- 24 **“RELEVANT DATE”** shall mean the date of retirement, leaving Pensionable Service or death as the case may be.
- 25 **“RELEVANT SCHEME”** shall mean any other scheme approved or seeking approval under Chapter 1 Part XIV of the Act and in respect of a Class A Member who is a Controlling Director also any retirement annuity contract or trust scheme approved under Chapter III Part XIV or any personal pension scheme as approved under Chapter IV Part XIV of the Act insofar as it provides benefits secured by contributions in respect of Service.
- 26 **“REMUNERATION”** in relation to any year shall mean the aggregate of the total emoluments for the year in question from the Employer and which are assessable to Income Tax under Schedule E but excluding any amounts which arise from the acquisition or disposal of shares or any interest in shares or a right to acquire shares or anything in respect of which tax is chargeable by virtue of section 148 of the Act. Provided that for a Class A Member there shall be disregarded any emoluments in excess of the Permitted Maximum.
- 27 **“RETAINED DEATH BENEFITS”** shall mean any lump sum benefits payable on the Member's death from:
- (a) retirement benefits schemes approved or seeking approval under Chapter I Part XIV of the Act or relevant statutory schemes as defined in section 611A thereof,
 - (b) funds to which section 608 of the Act applies,
 - (c) retirement benefits schemes which have been accepted by the Inland Revenue as “corresponding” in respect of a claim made on behalf of the Member for the purposes of section 596(2)(b) of the Act,
 - (d) retirement annuity contracts approved under Chapter III Part XIV of the Act; or
 - (e) term life provisions under personal pension schemes approved under Chapter IV Part XIV of the Act;
 - (f) transfer payments from overseas schemes held in a type of arrangement defined in (a), (d) or (e) above

in respect of previous employments or periods of self-employment (whether alone or in partnership). If the Retained Death Benefits do not exceed £2,500 in total they may be ignored.

If the Member is not a Controlling Director and his or her earnings in the 12 months after entry to the Scheme (in this context including any other Relevant Scheme providing benefits in respect of service with the current Employer) do not exceed one quarter of the Permitted Maximum, benefits from these sources, other than those transferred into the Scheme, shall not be classed as Retained Death Benefits.

- 28 ***"RULE" and "RULES"***, except in cases of references expressly to these model rules, are references to the Rules to which these model rules are appended.
- 29 ***"SCHEME"*** has the meaning in Rule 1.
- 30 ***"SERVICE"*** shall mean service with the Employer or an Associated Employer or, except in relation to a Class A Member who is a Controlling Director of either employer, an employer who is associated with the Employer only by virtue of a permanent community of interest.
- 31 ***"TRUSTEE"*** has the meaning in Rule 1.

PART 1

INLAND REVENUE LIMITS RULE

CLASS A MEMBERS

Notwithstanding anything to the contrary in the Scheme provisions the benefits payable to a Class A Member or his Dependants or other beneficiaries in respect of him shall not, when aggregated with all benefits of a like nature provided under all Associated Schemes exceed the limits set out below:

- 1 The Member's Aggregate Retirement Benefit shall not exceed:
 - (a) on retirement at any time between attaining age 50 and attaining age 75, except before Normal Retirement Date on grounds of Incapacity, a pension of $1/60^{\text{th}}$ of Final Remuneration for each year of Service (not exceeding 40 years) or such greater amount as will not prejudice Approval;
 - (b) on retirement at any time before Normal Retirement Date on grounds of Incapacity a pension of the amount which could have been provided at Normal Retirement Date in accordance with paragraph (a) above, Final Remuneration being computed as at the actual date of retirement;
 - (c) on leaving Pensionable Service before attaining age 75, a pension of $1/60^{\text{th}}$ of Final Remuneration for each year of Service prior to leaving Pensionable Service (not exceeding 40 years) or such greater amount as will not prejudice Approval. The amount computed may be increased by 5% for each complete year or if greater, in proportion to any increase in the Index which has occurred between the date of termination of Pensionable Service and the date on which the pension begins to be payable. Any further increase necessary to comply with Social Security legislation is also allowable.
 - (d) Benefits for a Class A Member are further restricted to ensure that his total retirement benefit from this scheme and from any Associated Scheme or Connected Scheme does not exceed a pension of $1/30^{\text{th}}$ of the Permitted Maximum for each year of service, subject to a maximum of $20/30^{\text{ths}}$. For the purpose of this limit, service is the aggregate of Service and any period of service which gives rise to benefits under a Connected Scheme provided that no period is to be counted more than once.
 - (e) For the purpose of calculating the Aggregate Retirement Benefit or the total retirement benefit in (a) to (d) above, the pension equivalent of any Lump Sum Retirement Benefit is one twelfth of its total cash value.
- 2 The Member's Lump Sum Retirement Benefit shall not exceed:
 - (a) on retirement at any time between attaining age 50 and attaining age 75, except before Normal Retirement Date on grounds of Incapacity, $3/80^{\text{ths}}$ of Final Remuneration for each year of Service (not exceeding 40 years) or such greater amount as will not prejudice Approval;

- (b) on retirement at any time before Normal Retirement Date on grounds of Incapacity the amount which could have been provided at Normal Retirement Date in accordance with paragraph (a) above; Final Remuneration being computed as at the actual date of retirement;
- (c) on leaving Pensionable Service before attaining age 75, a lump sum of $\frac{3}{80}$ ^{ths} of Final Remuneration for each year of Service prior to leaving Pensionable Service (not exceeding 40 years) or such greater amount as will not prejudice Approval. The amount computed may be increased in proportion to any increase in the Index which has occurred between the date of termination of Pensionable Service and the date on which the benefit is first paid.

CLASS B OR C MEMBERS

Notwithstanding anything to the contrary in the Scheme provisions, the benefits payable to a Class B or a Class C Member or to his Dependants or other beneficiaries in respect of him shall not when aggregated with all benefits of a like nature provided under all Associated Schemes exceed the limits set out below.

- 1 The Member's Aggregate Retirement Benefit shall not exceed:-
 - (a) on retirement at or before Normal Retirement Date, a pension of $1/60^{\text{th}}$ of Final Remuneration for each year of Service (not exceeding 40 years) or such greater amount as will not prejudice Approval;
 - (b) on retirement at any time before Normal Retirement Date on grounds of Incapacity a pension of the amount calculated in accordance with paragraph 1(a) above as if the Member had remained in Service until the Normal Retirement Date, Final Remuneration being computed as at the actual date of retirement;
 - (c) on retirement after Normal Retirement Date, a pension of the greatest of:-
 - (i) the amount calculated in accordance with paragraph 1.(a) above on the basis that the actual date of retirement was the Member's Normal Retirement Date;
 - (ii) the amount which could have been provided at Normal Retirement Date in accordance with paragraph 1.(a) above increased either actuarially in respect of the period of deferment or in proportion to any increase in the Index during that period, and
 - (iii) where the Member's total Service has exceeded 40 years, the aggregate of $1/60^{\text{th}}$ of Final Remuneration for each year of Service before Normal Retirement Date (not exceeding 40 such years) and of a further $1/60^{\text{th}}$ of Final Remuneration for each year of Service after Normal Retirement Date, with an overall maximum of 45 reckonable years.Final Remuneration being computed in respect of (i) and (iii) above as at the actual date of retirement, but subject always to paragraph 4 below;
 - (d) on leaving Pensionable Service before Normal Retirement Date, a pension of $1/60^{\text{th}}$ of Final Remuneration for each year of Service prior to leaving Pensionable Service (not exceeding 40 years) or such greater amount as will not prejudice Approval. The amount computed may be increased by 5% for each complete year or if greater, in proportion to any increase in the Index which has occurred between the date of termination of Pensionable Service and the date on which the pension begins to be payable. Any further increase necessary to comply with Social Security legislation is also allowable.

- 2 The Member's Lump Sum Retirement Benefit shall not exceed:-
- (a) on retirement at or before Normal Retirement Date, $3/80^{\text{th}}$ of Final Remuneration for each year of Service (not exceeding 40 years) or such greater amount as will not prejudice Approval;
 - (b) on retirement at any time before Normal Retirement Date on grounds of Incapacity the amount calculated in accordance with paragraph 2(a) above as if the Member had remained in Service until the Normal Retirement Date, Final Remuneration being computed as at the actual date of retirement;
 - (c) on retirement after Normal Retirement Date, the greatest of:-
 - (i) the amount calculated in accordance with paragraph 2(a) above on the basis that the actual date of retirement was the Member's Normal Retirement Date,
 - (ii) the amount which could have been provided at Normal Retirement Date in accordance with paragraph 2(a) above together with an amount representing interest thereon, and
 - (iii) where the Member's total Service has exceeded 40 years, the aggregate of $3/80^{\text{th}}$ of Final Remuneration for each year of Service before Normal Retirement Date (not exceeding 40 such years) and of a further $3/80^{\text{th}}$ of Final Remuneration for each year of Service after Normal Retirement Date, with an overall maximum of 45 reckonable years.

Final Remuneration being computed in respect of (i) and (iii) above as at the actual date of retirement, but subject always to paragraph 4 below;
 - (d) on leaving Pensionable Service before Normal Retirement Date, a lump sum of $3/80^{\text{th}}$ of Final Remuneration for each year of Service prior to leaving Pensionable Service (not exceeding 40 years) or such greater amount as will not prejudice Approval. The amount computed as aforesaid may be increased in proportion to any increase in the Index which has occurred between the date of termination of Pensionable Service and the date on which the benefit is first paid.
- 3 If a Member elects under Rule 6.3 to take any part of his benefits under this Scheme in advance of actual retirement, the limits set out in paragraphs 1 and 2 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 either actuarially in respect of the period of deferment or in proportion to any increase in the Index during that period.
- 4 The preceding provisions of this model Rule shall be modified in their application to a Member who is a Controlling Director as follows:-
- (a) the amount of the maximum Aggregate Retirement Benefit in paragraph 1 and of the maximum Lump Sum Retirement Benefit in paragraph 2 shall be reduced, where necessary for Approval, to take account of any corresponding

benefits under retirement annuity contracts or trust schemes approved under Chapter III Part XIV of the Act or under personal pension schemes approved under Chapter IV Part XIV of the Act;

- (b) where retirement takes place after Normal Retirement Date but not later than the Member's 70th birthday, paragraph 1(c)(ii) and (iii) and paragraph 2(c)(ii) and (iii) shall not apply, and if retirement is later than the attainment of that age, the said paragraphs shall apply as if the Member's 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;
- (c) where paragraph 3 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 Index during that period.

PART 2

OTHER CONDITIONS RELATING TO CLASS A MEMBERS

A. MEMBER'S CONTRIBUTIONS (Contributory Scheme)

- (a) Each Member is required to contribute under Rule 3. No rate of contribution determined under this model sub-rule may be altered before the expiry of a period of 12 months from the date on which the first payment at the current rate became due without the specific agreement of the Board of Inland Revenue.
- (b) In addition the Member may make voluntary contributions to the Scheme to secure additional benefits for himself and/or his Dependents. Any retirement benefits so secured must be in the form of non-commutable pension except to the extent to which the provisions of the Scheme allow commutation of trivial pensions or on the grounds of serious ill health.
- (c) The contributions paid to the Scheme by a Member in a year of assessment shall not exceed either:
 - (i) when aggregated with the Member's contributions to any other exempt approved schemes, 15 per cent of the Member's Remuneration, or
 - (ii) when aggregated with the Member's contributions to any schemes which are Associated or Connected Schemes, 15 per cent of the Permitted Maximum.

B. CONTINUED LIFE COVER

Any provision in the rules to provide a lump sum benefit on the death of a Member occurring after retirement on pension (other than a payment under a guarantee of pension provision) shall be restricted in respect of a Member who joined the Scheme on or after 1st October 1991 to exclude any provision other than on death occurring before the Normal Retirement Date and after retirement on grounds of Incapacity. The amount of the benefit shall not exceed the amount payable had the Member died immediately before retirement increased in proportion to any increase in the Index between the date of the Member's retirement and the date of death.

C. PAYMENT OF RETIREMENT BENEFITS

1. The payment of a Member's retirement benefits shall not commence earlier than the Member attaining age 50, except on retirement on grounds of Incapacity, nor later than attaining age 75.
2. No part of the Member's retirement benefits is to be paid in advance of actual retirement except as necessary to comply with paragraph C.1 above or to the extent necessary to comply with the requirements of *the Pension Schemes Act 1993*.

PART 3

OTHER CONDITIONS RELATING TO CLASS B OR C MEMBERS

A. MEMBER'S CONTRIBUTIONS (Contributory Scheme)

- (a) Each Member is required to contribute under Rule 3. No rate of contribution determined under this model sub-rule may be altered before the expiry of a period of 12 months from the date on which the first payment at the current rate became due without specific agreement of the Board of Inland Revenue.
- (b) In addition the Member may make voluntary contributions to the Scheme to secure additional benefits for himself and/or his Dependants. Where such contributions commence on or after 8th April 1987 any retirement benefits so secured must be in the form of non-commutable pension except to the extent to which the provisions of the Scheme allow commutation of trivial pensions or on the grounds of serious ill health.
- (c) The total contributions paid by the Member in year of assessment to this and any Associated Scheme shall not exceed 15% of his Remuneration for that year.

B. TRANSFERS

- 1. Any retirement benefits arising by virtue of the receipt by the Scheme of a transfer value (other than from another scheme providing benefits in respect of Service) shall not be capable of commutation unless and then only to the extent that a certificate has been obtained from the administrator of the transferring scheme showing the maximum lump sum payable from the transfer value. The amount so certified may be increased in proportion to any increase in the Index since the date the transfer payment was received.
- 2. When, on or after a transfer having been made to another occupational pension scheme, the administrator of that scheme requests such a certificate as is referred to in paragraph B.1 above, the Administrator shall calculate as at the date of the transfer the maximum lump sum payable on retirement from the transfer value and certify that amount to the receiving scheme.

PART 4

OTHER CONDITIONS RELATING TO ALL MEMBERS

3 LUMP SUM DEATH BENEFIT

The lump sum benefit (exclusive of any refund of the Member's own contributions not applied specifically to secure the payment of benefits on the Member's death and any interest thereon) payable on the death of a Member while in Service or, (having left Pensionable Service with a deferred pension) before the commencement of his pension, shall not, when aggregated with all benefits of a like nature under all Associated Schemes, exceed the greater of:

- (a) £5,000, and
- (b) 4 times the greatest of:
 - (i) the annual rate (subject, for a Class A Member, to the Permitted Maximum) of the Member's basic salary or wages at the date of death or leaving Pensionable Service together with the yearly average of Fluctuating Emoluments received in the 3 years (or the whole period of Service if less) up to the date of death or leaving Pensionable Service;
 - (ii) the Member's total emoluments (subject, for a Class A Member, to the Permitted Maximum) of any selected period of 12 months ending not earlier than 36 months before the date of death; *and*
 - (iii) Final Remuneration disregarding provisos (i), (ii) and (iii) of that definition less Retained Death Benefits.

4 DEPENDANTS' PENSIONS

Any pension for a Dependant, when aggregated with the pensions, other than those provided by surrender or allocation of the Member's own pension, payable to that Dependant under all Associated Schemes, shall not exceed an amount equal to 2/3rds of the maximum Aggregate Retirement Benefit payable to the Member immediately before death under Part 1 above. Where the death of the Member occurs whilst in Service before the Normal Retirement Date the maximum is that appropriate had the Member retired on grounds of Incapacity on the date of death entitled to no retained benefits from previous employments.

If pensions are payable to more than one Dependant of a Member, the aggregate of all Dependents' pensions payable in respect of him under this and all Associated Schemes shall not exceed the full amount of the maximum Aggregate Retirement Benefit described in the previous paragraph of this *model* rule.

5 INCREASES OF PENSIONS IN PAYMENT

The maximum amount of a pension ascertained in accordance with Part 1 and Part 4 of this *model* Rule less any pension which has been commuted for a lump sum or the pension equivalent of any benefits in lump sum form and any pension surrendered to

provide a Dependant's pension may be increased by 3% for each complete year or if greater, in proportion to any increase in the Index since the pension commenced.

6 SURPLUS AVCS

Where the application of the limits in this *model* Rule requires the quantum of the Aggregate Retirement Benefit to be restricted and the Member has paid additional voluntary contributions to supplement scheme benefits, that restriction shall first be effected on those supplementary benefits so as to permit the repayment of the surplus additional voluntary contributions subject to section 599A of the Act.

The Administrator of the Scheme shall comply with the requirements of Regulation 5 of The Retirement Benefits Schemes (Restriction on Discretion to Approve) (Additional Voluntary Contributions) Regulations 1993 [S1 1993 No 3016] and where the Scheme is the "leading scheme" in relation to a member, with the requirements of Regulation 6 of those Regulations so far as they concern "main schemes". If these Regulations are amended or replaced by any other Regulations then this *model* Rule will have effect as if it had been amended or replaced accordingly.

7 TRANSFERS

- (a) The benefits arising on retirement from a transfer value shall not be capable of commutation nor shall they be paid in lump sum form if the transfer is accompanied by a certificate from the administrator of the transferring scheme to the effect that the transfer value is not to be used to provide benefits in lump sum form.
- (b) When making a transfer to an approved personal pension scheme the Administrator shall provide a certificate of the maximum lump sum payable on retirement from the transfer value if the member has in respect of any period to which the transfer payment or any part of it relates been either:
 - (i) a Controlling Director at any time within the 10 years preceding the transfer dateor
 - (ii) in receipt of annual remuneration in any year of assessment falling (wholly or partly) during the period of six years prior to the transfer date more than the allowable maximum (within the meaning of section 640A(2) of the Taxes Act) for the year of assessment in which the transfer date falls and the individual's age at the transfer date is 45 or more.

Appendix 2

Contracting-out

CONTRACTED-OUT SALARY RELATED SCHEMES

GMP MODEL RULES

Interpretation: References to any legislation or any provision includes references to any previous legislation or provision relating to the same subject matter and to any modification or re-enactment for the time being in force.

[Note: see clause 13 of the deed dated 2 December 2009]

1 DEFINITIONS

In these GMP Model Rules the following words have the following meanings:-

"**The Act**" means the Pension Schemes Act 1993.

"**Actuary**" means a Fellow of the Institute of Actuaries or a Fellow of the Faculty of Actuaries, or a person with other actuarial qualifications who is approved by the Secretary of State for Social Security, at the request of the Trustees, as being a proper person to act in this capacity.

"**Contracted-out Employment**" means a Member's contracted-out employment by reference to the Scheme (as in section 8(1)(a)(i) and 8(1)(b) of the Act).

"**Fixed Rate Revaluation**" means the method of revaluing a GMP before State Pensionable Age described in Rule 6.1 (C) below.

"**GMP**" means the guaranteed minimum pension of a Member, Widow or Widower as defined in the Act.

"**Insurer**" means an insurance company, an EC company or a friendly society as defined in section 32A(2)(a) of the Act.

"**Limited Rate Revaluation**" means the method of revaluing a GMP before State Pensionable Age described in Rule 6.1 (B) below.

"**Member**" means a member of the Scheme (including a person who is not in the pensionable service of any employer participating in the Scheme but to whom, or in respect of whom, benefits are still immediately or prospectively payable under the Scheme in respect of previous membership of the Scheme or another scheme).

"**Normal Retiring Date**" means the day on which a Member attains normal pension age (within the meaning of the Act) under the Scheme.

"**Protected Rights**" has the same meaning as in section 10 of the Act.

"**Qualifying Service**" has the same meaning as in section 71(7) of the Act.

"**Rule**" (followed by a number) means the Rule (with that number) in this schedule.

"**Scheme**" means this occupational pension scheme.

"**Section 53 money purchase scheme**" means a scheme which was a contracted-out scheme, providing protected rights pensions and satisfying section 9(3) of the Act, and to which the Secretary of State may give directions under section 53 of the Act.

"**Section 53 salary related scheme**" means a scheme which was a contracted-out scheme, providing guaranteed minimum pensions and satisfying section 9(2) of the Act, and to which the Secretary of State may give directions under section 53 of the Act.

"**Section 148 Revaluation**" means the method of revaluing a GMP before State Pensionable Age described in Rule 6.1 (A) below.

"**Short Service Benefit**" means the benefit to which an early leaver who satisfies the qualifying conditions must be entitled under the preservation requirements.

"**State Pensionable Age**" means a man's 65th birthday and in the case of a woman is determined in accordance with the rules contained in Paragraph 1 of Schedule 4 to the Pensions Act 1995.

"**Trustees**" means the trustees or administrators of the Scheme.

"**Widow**" and "**Widower**" means respectively the widow and the widower of a Member. If a Member has married under a law which allows polygamy and, on the day of the Member's death, has more than one spouse, the Trustees must decide which, if any, survivor is the Widow or Widower. In reaching that decision, the Trustees must have regard to the practice of the Department of Social Security and any relevant provisions of existing Social Security legislation, in particular section 17(5) of the Act and regulation 2 of the Social Security and Family Allowance (Polygamous Marriages) Regulations 1975 (SI 1975/561).

2 OVERRIDING EFFECT OF THESE GMP MODEL RULES

These Rules shall apply if any Member's employment becomes Contracted-out Employment by reference to the Scheme and the Scheme is not contracted-out on a money purchase basis. These Rules will only apply for so long as anyone has a GMP or a prospective right to receive a GMP under the Scheme which subjects the Scheme to the continuing supervision of the Secretary of State.

These Rules override any inconsistent provisions elsewhere in the Scheme except provisions which are necessary in order that Inland Revenue approval for the purposes of Chapter I of Part XIV of the Income and Corporation Taxes Act 1988 is not prejudiced.

3 ALTERATIONS TO THESE GMP MODEL RULES

3.1 **Power to alter GMP Model Rules.** The persons or bodies having the power of alteration in relation to the rest of the Scheme may at any time in writing make any alteration to these GMP Model Rules necessary to comply with the contracting-out requirements of the Act applicable to salary related contracted-out schemes and Section 53 salary related schemes. This power of alteration may be exercised by them without any condition except the one in 3.2 below. It is additional to, and independent of, any other power of alteration in relation to the Scheme.

3.2 **Statutory Conditions.** No alteration to these GMP Model Rules may be made unless the alteration will not affect any of the matters dealt with in Part III of the Act and sections 87 to 92 (protection of increases in guaranteed minimum pensions) and 109 and 110 of the Act (annual increases of guaranteed minimum pensions) and any regulations made under these provisions which relate to guaranteed minimum pensions and the alteration will not otherwise prevent the Scheme from satisfying the conditions of section 9(2) of the Act.

4 MEMBERSHIP OF THE SCHEME

Membership of the Scheme must be open to persons who enter employment to which the Scheme relates more than 6 years before Normal Retiring Date. If the Scheme has an annual entry date, this 6 year period may be increased to a period of 6 years plus the part of a year until the next entry date. Where the Scheme and one or more other contracted-out schemes relate to employment with the same employer, those schemes may be treated as if they were a single scheme in deciding whether the requirements of this Rule are satisfied.

5 ENTITLEMENT TO GMP

5.1 **Guaranteed Minimum.** This Rule 5 applies to a Member, Widow or Widower where the Member has a guaranteed minimum in relation to the pension provided for the Member under the Scheme in accordance with section 14 of the Act.

5.2 **Member's GMP.** The Member shall be entitled to a pension for life paid at a rate equivalent to a weekly rate of not less than that guaranteed minimum. The pension will be paid from State Pensionable Age but commencement of the pension may be postponed for any period during which the Member remains in employment after State Pensionable Age:-

(1) if the employment is employment to which the Scheme relates and the postponement is not for more than 5 years after State Pensionable Age; or

(2) if the Member consents to the postponement.

5.3 **Widow's GMP.** Where the Member is a man and dies at any time leaving a Widow, she shall be entitled, subject to 5.4 below, to receive a pension from the Scheme paid at a rate equivalent to a weekly rate of not less than half that guaranteed minimum.

- 5.4 **Payment of Widow's GMP.** The pension shall be paid for life to any Widow.
- 5.5 **Widower's GMP.** Where the Member is a woman and dies at any time on or after 6 April 1989 leaving a Widower, he shall be entitled, subject to 5.6 below, to receive a pension from the Scheme paid at a rate equivalent to a weekly rate of not less than half of that part of the guaranteed minimum which is attributable to earnings for the tax year 1988/1989 and subsequent tax years up to and including the tax year 1996/1997.
- 5.6 **Payment of Widower's GMP.** The pension shall be paid for life to any Widower.
- 5.7 **Offsetting pension against GMP.** Any pension payable to the Member, Widow or Widower under any other provision of the Scheme may be offset against the pension entitlement under this Rule 5 except to the extent that:-

- (1) any part of the pension is an equivalent pension benefit within the meaning of the National Insurance Act 1965; or
- (2) any part of the other pension is an increase, calculated in accordance with Schedule 3 of the Act and added to the amount that would be payable but for Chapter II of Part IV of the Act or regulations made under it; or
- (3) offsetting would contravene the anti-franking legislation (see Rule 8 below).

6 REVALUATION OF GMP

- 6.1 **Revaluation before State Pensionable Age.** Where a Member ceases to be in Contracted-out Employment before State Pensionable Age, the Member's GMP at State Pensionable Age or at the Member's earlier death will be calculated by increasing the accrued rights to GMP at cessation of Contracted-out Employment under one of the options (A), (B) or (C) below.

(A) **Section 148 Revaluation.**

The increase will be by the percentage by which earnings factors for the tax year in which Contracted-Out Employment ceases are increased by the last order under section 148 of the Social Security Administration Act 1992 to come into force before the tax year in which the Member reaches State Pensionable Age (or dies, if earlier).

(B) **Limited Revaluation.**

The increase will be by the lesser of:-

- (1) 5 per cent (5%) compound for each tax year after that in which Contracted-out Employment ceases up to and including the last complete tax year before the Member reaches State Pensionable Age (or dies, if earlier); and
- (2) the percentage by which earnings factors for the tax year in which Contracted-Out Employment ceases are increased by the last order under section 148 of the Social Security Administration Act 1992 to

come into force before the tax year in which the Member reaches State Pensionable Age (or dies, if earlier).

The Trustees must pay a limited revaluation premium in respect of the Member to the Secretary of State for Social Security. This option is not available where a member ceases to be in Contracted-out Employment on or after 6 April 1997.

(C) Fixed Rate Revaluation.

The increase will be by such rate as regulations made under section 55(5) of the Act specify as being relevant at the date Contracted-out Employment ceases, for each complete tax year after the tax year containing that date up to and including the last complete tax year before the Member reaches State Pensionable Age (or dies, if earlier).

The Trustees shall decide which of the options (A) or (C) applies to the Scheme. They may at any time decide that the other method shall be used, instead of the method currently being used, for all Members ceasing to be in Contracted-out Employment after a specified date.

- 6.2 **Transfers in.** Where a transfer payment is received in respect of a Member from another scheme ("the transferring scheme") which includes accrued rights of the Member to a GMP (or includes protected rights in respect of which the receiving scheme will provide a GMP) the earnings factors used in calculating that GMP will normally be revalued using Section 148 Revaluation during the Member's Contracted-Out Employment, and 6.1 above will apply if that Contracted-out Employment ceases before State Pensionable Age. The Trustees may, however, decide, if the provisions of the transferring scheme so allow, to use Fixed Rate Revaluation from the date on which the Member ceased to be in contracted-out employment by reference to the transferring scheme until the Member attains State Pensionable Age (or dies, if earlier) but the Trustees may not make that decision if, on becoming a Member, the Member's contracted-out employment in relation to a previous scheme is treated as continuing for the purposes of the Act.

Where the Scheme accepts the proceeds of, or the assignment of, an insurance policy which consists of, or includes, accrued rights to GMP, the Trustees may use either Section 148 Revaluation or the method of revaluation that was in use under the policy.

- 6.3 **Transfers out.** Where a Member's accrued rights to GMP are transferred to another contracted-out salary related scheme or to a Section 53 salary related scheme, the Trustees may agree with the administrator of that scheme that the member's GMP shall, instead of being revalued using the method currently being adopted under 6.1 above, be revalued using another method which would be permitted if that scheme contained a rule in the same terms as 6.2 above.

7 INCREASE OF GMP

- 7.1 **Increase after State Pensionable Age.** If the commencement of any Member's GMP is postponed for any period after State Pensionable Age, that

GMP shall be increased to the extent, if any, specified in section 15 of the Act.

- 7.2 **Increase after State Pensionable Age or Member's death.** Any GMP to which a Member, Widow or Widower is entitled under Rule 5 above shall, insofar as it is attributable to earnings in the tax years 1988/1989 and subsequent tax years up to and including the tax year 1996/1997, be increased in accordance with the requirements of section 109 of the Act.

8 ANTI-FRANKING

Except as provided in sections 87-92 and 110 of the Act, no part of a Member's, Widow's or Widower's pension under the Scheme may be used to frank an increase in the Member's, Widow's or Widower's GMP under Rule 6 or Rule 7 above.

9 TRANSFERS INTO THE SCHEME

9.1 **Acceptance of transfers.** The Trustees may accept:-

- (1) a transfer payment in respect of the Member's accrued rights to GMPs under a contracted-out salary related scheme, a Section 53 salary related scheme or a policy of insurance or an annuity contract of the type described in section 19 of the Act;
- (2) a transfer of the liability for the payment of GMPs to, or in respect of, any person who has become entitled to them;
- (3) a transfer of Protected Rights
 - (a) in respect of the Member or a former Member from another scheme which is, or was, an appropriate personal pension scheme;
 - (b) in respect of the Member or a former Member from another scheme which is, or was, a scheme contracted-out on a money purchase basis or a Section 53 money purchase scheme.

Transfers may be accepted only as provided in the appropriate regulations.

9.2 **Effect of transfers.** Where a transfer is accepted under 9.1(1) above, the Member's accrued rights to GMPs under the Scheme will be increased accordingly.

Where a transfer is accepted under 9.1(3) above, the Member's, Widow's and Widower's GMPs under the Scheme will be increased by amounts equal to the GMPs to which they would have been treated as entitled by reason of the Member's membership of the transferring scheme if the transfer payment had not been made.

10 TRANSFERS OUT OF THE SCHEME

10.1 **Conditions for transfer of GMPs.** A transfer payment made out of the Scheme may include a Member's accrued rights to GMPs or the liability for the payment of GMPs to, or in respect of, any person who has become

entitled to them only if the following conditions are fulfilled. These conditions depend on the type of scheme, policy or contract to which the transfer is being made.

(1) **All schemes and arrangements**

The Member must consent to the transfer unless:-

- (a) it is a connected employer transfer payment which is applied to provide rights for the person concerned which, had they accrued in the receiving scheme, would be provided in accordance with the rules of the receiving scheme related to Members who are or have been in Contracted-out Employment in relation to the receiving scheme. The transfer must be made in accordance with the appropriate regulations (SI 1991/167) which involve an actuarial certificate;
- (b) it is to allow benefits to be bought out where the Member has less than 5 years Qualifying Service, or to allow the Trustees to buy out the benefits of the Widow or Widower of such a Member.

The transfer will be subject to any requirements of the Inland Revenue.

The receiving scheme, policy or contract must be an appropriate personal pension scheme, a contracted-out occupational pension scheme, a Section 53 money purchase scheme, a Section 53 salary related scheme, an overseas occupational pension scheme if the conditions set out in regulation 6 of the Contracting-out (Transfer and Transfer Payment) Regulations 1996 (SI 1996/1462) are satisfied, or an insurance policy or annuity contract of the type described in section 19 of the Act.

(2) **Contracted-out salary related schemes and section 19 insurance policies or annuity contracts**

The receiving scheme, policy or contract must provide the Member and the Member's Widow or Widower with GMPs equal to their accrued GMPs under the Scheme up to the date of transfer, together with revaluation until the Member reaches State Pensionable Age (or dies, if earlier). In the case of GMPs already in payment, the receiving scheme must provide for the pensions to commence from the date from which liability for payment has been assumed by it, and for the conditions of payment relating to its own GMPs to apply equally to such pensions.

(3) **All occupational pension schemes (except overseas schemes covered by (5))**

The Member must have entered employment with an employer which is (or, in the case of a Section 53 scheme, is or was) a contributor to the receiving scheme.

(4) **Appropriate personal pension schemes and occupational pension schemes which are or were contracted-out by the money purchase test**

That part of the transfer payment which relates to the Member's accrued rights to GMPs must be of an amount at least equal to the cash value of those accrued rights and applied by the receiving scheme in providing money purchase benefits for, or in respect of, the Member.

(5) **Overseas occupational pension schemes not covered by (2) or (4) above**

The Member must have entered employment outside the United Kingdom to which the receiving scheme applies and the conditions set out in regulation 6 of the Contracting-out (Transfer and Transfer Payment) Regulations 1996 (SI 1996/1462) are satisfied.

10.2 **Effect of such transfers.** Where the Member's accrued rights to GMPs or liability for GMPs already in payment are transferred in accordance with 10.1 above, the Member and the Member's Widow or Widower will cease to have any entitlement to a GMP under the Scheme. If the transfer does not relate to the whole of the Member's rights to benefits under the Scheme, the Member's remaining benefits under the Scheme may be reduced to allow for the fact that the Member's GMP rights have been transferred.

11 **COMMUTATION OF GMP**

11.1 **Circumstances in which GMP may be commuted.**

(1) **Member's GMP.** The Member's GMP may be commuted if the Commutation Condition is satisfied and all the Member's other benefits under the Scheme are being commuted, and

- (a) the benefits have become payable; or
- (b) the Scheme is being wound-up.

(2) **Widow's or Widower's GMP.** The Widow's or Widower's GMP may be commuted if the Commutation Condition is satisfied and all the Widow's or Widower's other benefits under the Scheme are being commuted, and

- (a) the benefits have become payable; or
- (b) the Member's benefits are being commuted on grounds of triviality.

(3) **More than one retirement benefit scheme relating to same employment.** If the Member is a member of more than one retirement benefit scheme relating to the same employment the requirements of this Rule must be satisfied by all of the schemes.

11.2 **Commutation Condition.** The Commutation Condition is that the aggregate of the pensions and the pension equivalent of any lump sum benefits to which the person is entitled under the Scheme, and under all other retirement

benefit schemes relating to employment with the same employer as the employment in respect of which the benefits are payable, does not exceed £260 per annum (or such greater amount as may be prescribed by regulations made under section 21 of the Act and is permitted by the Inland Revenue). In addition:

- (1) Where commutation is taking place before State Pensionable Age, other than on the death of the Member, Fixed Rate Revaluation must be applied to any GMP included in the aggregate pension, and such GMP must be revalued to State Pensionable Age for the purposes of calculating that aggregate.
- (2) Where the Member's pension, being an alternative to Short Service Benefit, becomes payable before or after Normal Retiring Date, the value of that pension must, to the reasonable satisfaction of the Trustees, be at least equal to the value of the Short Service Benefit, plus the revaluation to Normal Retiring Date that the deferred pension would have attracted in accordance with Chapter II of Part IV of the Act had it been provided by the Scheme at Normal Retiring Date, and the revaluation of GMP referred to in (1) above.
- (3) Where commutation of the whole of a Member's deferred pension is taking place at Normal Retiring Date (or on the winding-up of the Scheme if earlier), the Member's pension in excess of GMP must be revalued up to Normal Retiring Date in accordance with Chapter II of Part IV of the Act, and the GMP revalued in accordance with (1) above.
- (4) In any event, the Trustees must be satisfied that the basis of commutation is reasonable. The basis must be certified as reasonable by an Actuary or be in accordance with commutation factors agreed with the PSO as suitable for the Scheme.

12 SECURING GMPs

GMPs may be secured through the Scheme provided it has been established under an irrevocable trust subject to the laws of any part of the United Kingdom. Otherwise, a GMP must be secured by means of an insurance policy or annuity contract with an Insurer.

13 SCHEME CEASES TO BE A CONTRACTED-OUT SALARY RELATED SCHEME

If the Scheme ceases to be a contracted-out salary related scheme, the Trustees must seek the approval of the Secretary of State to any proposed arrangement for securing GMPs.

14 SUSPENSION AND FORFEITURE OF GMP

Suspension and forfeiture of a GMP is permitted in the circumstances set out in regulation 61 of the Occupational Pension Schemes (Contracting-out) Regulations 1996 (SI 1996/1172).

15 CONTRIBUTIONS EQUIVALENT PREMIUMS

- 15.1 A contribution equivalent premium shall be paid, subject to 15.2 below, in respect of a Member who ceases to be in Contracted-out Employment before whichever is the earlier of the Member's Normal Retiring Date and the end of the tax year preceding that in which the Member will reach State Pensionable Age with less than 2 years' Qualifying Service and less than 2 years' Contracted-out Employment. A contributions equivalent premium shall not be paid where the Member's accrued rights include rights transferred from a personal pension, nor where the Member is a woman who dies in contracted-out employment in respect of Widower's GMP.

Payment of the contributions equivalent premium extinguishes the Member's accrued rights to GMPs under the Scheme. Therefore, where the premium is paid, any refund of contributions to the Member or any transfer payment from the Scheme in respect of a Member shall be reduced by the certified amount (as defined in the Act) in relation to that premium and any pension benefit under the Scheme for the Member or the Member's Widow or Widower shall be reduced so as to allow the fact that their accrued rights to GMPs have been extinguished.

- 15.2 The premium shall not be payable if:

its amount is less than £17 (or such greater amount as is specified in regulations made under the Act); or

the Member's accrued rights to GMPs are transferred to another scheme, policy or contract in accordance with Rule 10 above; or

the Member has become entitled to an immediate or a deferred pension under the Scheme on ceasing to be in Contracted-out Employment.

Appendix 3

Participating Colleges in respect of whose Arrangements the basic State pension offset and the Lump Sum Benefit were removed in respect of Pensionable Service on and after a Material Date.

- 1 The Material Date in respect of the Arrangements of the following Participating Colleges is 1 June 2001:

Christ's College
Churchill College
Clare Hall
Corpus Christi College
Darwin College
Downing College
Emmanuel College
Girton College
Lucy Cavendish College
Magdalene College
New Hall
Newnham College
Pembroke College
Peterhouse
Queens' College
St Edmund's College
Selwyn College
Trinity Hall
Wolfson College

- 2 The Material Date in respect of the Arrangements of the following Participating Colleges is 1 April 2002:

Gonville & Caius College
St. Catharine's College
St. John's College

Rules 1.2 and 4.5

Appendix 4

Participating Colleges in respect of whose Arrangements the basic State pension offset was made proportional in respect of part-time Members relating to Pensionable Service on and after an Appropriate Date.

The Appropriate Date in respect of the following Participating Colleges is 1 June 2001:

Gonville & Caius College
Hughes Hall
King's College
Robinson College
St Catharine's College

Note: A Material Date applies to Members who were employed by Gonville & Caius College or St. Catharine's College on 1 April 2002; see Appendix 3.

Rule 3

Appendix 5

Rates of contribution of Members

Part I: Rates of Contribution by Contracted-out Members

A Contracted-out Member shall contribute to the Scheme at that rate of his Contribution Pay which applies to the Participating College by which he is employed as set out in the table below:

Christ's College	6%	for the period to 31 March 2004
	6.35%	for the period 1 April 2004 to 31 December 2009
	8%	for the period 1 January 2010 to 31 December 2010
	9%	for the period 1 January 2011 to 31 December 2011
	10%	on and after 1 January 2012
Churchill College	6%	for the period to 31 March 2004 and
	6.35%	for the period commencing on 1 April 2004
Corpus Christi College	6%	for the period to 31 March 2006
	8%	for the period 1 April 2006 to 30 June 2009
	15%	on and from 1 July 2009
Downing College	6%	for the period to 31 March 2005
	6.35%	for the period 1 April 2005 to 31 March 2008
	8%	for the period 1 April 2008 to 30 September 2009
	15%	on and after 1 October 2009
Emmanuel College	6%	for the period to 31 March 2004 and
	8%	for the period commencing on 1 April 2004
Girton College	6%	for the period to 31 March 2007;
	7.5%	for the period commencing on 1 April 2007 and ending on 31 March 2008; and
	8.5%	for the period commencing on 1 April 2008
Gonville & Caius College	5.5%	for the period to 31 March 2004 and
	6.35%	for the period 1 April 2004 to 31 March 2016;
	8%	for the period commencing on 1 April 2016
King's College	6%	for the period to 21 March 2011 and
	15%	for the period commencing on 1 April 2011
Magdalene College	5.5%	for the period to 31 March 2004 and
	6%	for the period 1 April 2004 to 30 June 2009
	15%	on and from 1 July 2009
New Hall	6%	for the period to 31 March 2004 and
	6.35%	for the period commencing on 1 April 2004

Newnham College	6% 8%	for the period to 31 March 2006 and for the period commencing 1 April 2006
Pembroke College	6% 6.35%	for the period to 31 March 2004 and for the period commencing on 1 April 2004
Peterhouse	5% 6% 7% 8%	for the period to 31 March 2003 for the period 1 April 2003 to 30 August 2018 inclusive for the period 1 September 2018 to 31 July 2019 inclusive for the period on and after 1 August 2019
Queens' College	6% 6.35% 7.10% 7.85% 8.60% 9.35%	for the period to 31 March 2006 and for the period 1 April 2006 to 31 March 2016 for the period 1 April 2016 to 31 March 2017 for the period 1 April 2017 to 31 March 2018 for the period 1 April 2018 to 31 March 2019 for the period commencing on 1 April 2019
Robinson College	6% 6.35% 7.5% 8.5%	for the period to 31 March 2004 for the period 1 April 2004 to 30 June 2009 for the period 1 July 2009 to 30 June 2010 for the period 1 July 2010 to 30 April 2019
	Robinson College Member Contribution Rate	for the period commencing on 1 May 2019
Selwyn College	6% 6.35% 7%	for the period to 31 March 2006 for the period 1 April 2006 to 31 March 2016 for the period commencing 1 April 2016
St. Catharine's College	9.6% 12.6% 9.6%	for the period to 30 June 2019 inclusive for the period 1 July 2019 to 30 June 2021 inclusive for the period on and after 1 July 2021
St. John's College	6% 7.25% 8.5%	for the period to 30 September 2016 for the period 1 October 2016 to 30 September 2017 on and after 1 October 2017
Trinity Hall	6% 8% 10% 12%	for the period to 31 December 2009 for the period 1 January 2010 to 31 December 2010 for the period 1 January 2011 to 31 December 2011 on and after 1 January 2012

Part II: Rates of Contribution by Contracted-in Members

A Contracted-in Member shall contribute to the Scheme at that rate of his Contribution Pay which applies to the Participating College by which he is employed as set out in the table below:

Clare Hall	2%	for the period 1 April 1997 to 31 July 2002
	3%	for the period 1 August 2002 to 31 July 2003
	4%	for the period 1 August 2003 to 31 July 2004
	5%	for the period 1 August 2004 to 31 March 2017
	8%	on and after 1 April 2017
Darwin College	2%	for the period to 31 July 2010
	3%	for the period 1 August 2010 to 31 July 2012 inclusive
	5%	for the period 1 August 2012 to 30 September 2019 inclusive
	6.5%	for the period 1 October 2019 to 30 September 2020 inclusive
	8%	for the period commencing 1 October 2020
Hughes Hall	2%	for the period to 31 July 2005
	5%	for the period 1 August 2005 – 31 July 2006
	8%	on and from 1 August 2006
Lucy Cavendish College	2%	for the period to 31 March 2006
	4.17%	for the period 1 April 2006 to 30 June 2009
	6.35%	on and from 1 July 2009
Wolfson College	2%	for the period to 31 March 2005
	3%	for the period 1 April 2005 to 31 March 2006
	4%	for the period 1 April 2006 to 30 June 2016
	5%	for the period 1 July 2016 to 30 June 2017
	6%	for the period 1 July 2017 to 30 June 2018
	7%	for the period 1 July 2018 to 30 June 2019
8%	for the period commencing on 1 July 2019	
St. Edmund's College	1.5%	for the period to 31 March 2004
	2%	for the period 1 April 2004 – 31 August 2006
	3.5%	for the period 1 September 2006 – 31 July 2007
	5%	for the period 1 August 2007 to 31 July 2016
	6.5%	for the period 1 August 2016 to 31 July 2017
	8%	for the period commencing on 1 August 2017

Appendix 6

Participating Colleges in relation to whose Arrangements pensionable service is limited to 40 years and the option to take an undiscounted pension from age 60 is removed, in both cases with effect from 1 April 2004 and in respect of the categories of Member set out below.

<u>Name of Participating College</u>	<u>Category of Member</u>
Christ's College	Members as at 31 March 2004
Clare Hall	Members as at 31 March 2004 and Members joining or rejoining after that date
Corpus Christi College	Members as at 31 March 2004
Emmanuel College	Members joining or rejoining on or after 1 April 2004
Gonville & Caius College	Members as at 31 March 2004 and Members joining or rejoining after that date
Magdalene College	Members as at 31 March 2004 and Members joining or rejoining after that date
Queens' College	Members as at 31 March 2004 and Members joining or rejoining after that date
St Edmund's College	Members as at 31 March 2004
Trinity Hall	Members as at 31 March 2004 and Members joining or rejoining after that date

Appendix 7

Participating Colleges in relation to whose Arrangements, in respect of pensionable service on and after 1 April 2004 and relating to the categories of Member set out below (a) pensionable service is limited to 40 years, (b) the option to take an undiscounted pension from age 60 is removed and (c) the rate of increase to pensions in payment under Rule 12.2 is capped at 5% pa.

<u>Name of Participating College</u>	<u>Category of Member</u>
Christ's College	Members joining or rejoining on or after 1 April 2004
Churchill College	Members as at 31 March 2004 and Members joining or rejoining after that date
Darwin College	Members joining or rejoining on or after 1 April 2004
Girton College	Members joining or rejoining on or after 1 April 2004
Lucy Cavendish College	Members as at 31 March 2004
New Hall	Members as at 31 March 2004
Pembroke College	Members joining or rejoining on or after 1 April 2004
Peterhouse	Members joining or rejoining on or after 1 April 2004
Robinson College	Members as at 31 March 2004 and Members joining or rejoining after that date
St Catharine's College	Members as at 31 March 2004 and Members joining or rejoining after that date
St Edmund's College	Members joining or rejoining on or after 1 April 2004
St John's College	Members joining or rejoining on or after 1 April 2004
Selwyn College	Members joining or rejoining on or after 1 April 2004
Wolfson College	Members joining or rejoining on or after 1 April 2004

Rule 8.7A

Appendix 8

Participating Colleges in relation to whose Arrangements death in service benefits are changed with effect from 1 April 2004 by removing the lump sum and children's pensions and altering the Spouse's pension to 50% of the Member's prospective pension.

<u>Name of Participating College</u>	<u>Category of Member</u>
Churchill College	Members as at 31 March 2004 and Members joining or rejoining after that date
New Hall	Members as at 31 March 2004
Pembroke College	Members joining or rejoining on or after 1 April 2004
Peterhouse	Members joining or rejoining on or after 1 April 2004

DATED 2 December 2009

**CAMBRIDGE COLLEGES SUPERANNUATION (1)
TRUSTEES LIMITED**

and

**CERTAIN COLLEGES IN THE UNIVERSITY OF (2)
CAMBRIDGE**

**DEED OF AMENDMENT
of the Cambridge Colleges Federated Pension
Scheme**

MILLS & REEVE

THIS DEED is made on **2 December 2009**

BETWEEN:

- (1) **CAMBRIDGE COLLEGES SUPERANNUATION TRUSTEES LIMITED** (No 01388310) the registered office of which is at Salisbury House, Station Road, Cambridge CM1 2LA ("**Trustee**"); and
- (2) **THE PARTICIPATING COLLEGES** as defined in Rule 1.2 of the definitive trust deed and rules dated 9 March 2004 ("**Deed**").

WHEREAS

- (A) This deed is supplemental to the governing documents of the Cambridge Colleges Federated Pension Scheme ("**Scheme**") including inter alia the Deed and the rules annexed to it ("**Rules**"), a deed of amendment dated 31 March 2004 and a deed of amendment made between the Trustees (1) Downing College (2) dated 31 March 2005 and the Scheme is divided into sections with one section in respect of each Participating College ("**Arrangements**").
- (B) Immediately before 6 April 2006, the Scheme was an exempt approved scheme for the purposes of Chapter I Part IV of the Income and Corporation Taxes Act 1988. The Rules contain limits and restrictions (whether express or by necessary implication including without limitation those set out in Appendix 1 to the Rules) required by HM Revenue & Customs so that the Scheme could be so approved.
- (C) On and from 6 April 2006 the Scheme has been for tax purposes a registered pension Scheme ("**Registered Scheme**") under Part 4 of the Finance Act 2004 as amended ("**FA 2004**").
- (D) The Registered Pension Schemes (Modification of the Rules Existing Schemes) Regulations 2006 have had effect since 6 April 2006 to continue the limits and restrictions on benefits which applied before that date.
- (E) The main purpose of this deed is to incorporate into the Rules the effect of some of the said regulations, to make certain amendments in the light of changes to the pensions tax regime brought about by the FA 2004 and to make amendments in consequence of or in relation to the Civil Partnership Act 2004, the Equality (Age) Regulations 2006, the introduction of three month vesting in relation to the benefits of early leavers as required by section 264 of the Pensions Act 2004, paternity leave and adoption leave. This deed also confirms the closure of the Arrangements of Magdalene College, Pembroke College, Gonville & Caius College and Wolfson College to new Members and the withdrawal of Churchill College from the Scheme.
- (F) The Trustee is the present trustee of the Scheme.
- (G) By clause 23 of the Deed the trust deed and rules of the Scheme may be amended by the Trustee subject to the consent of any Participating College if its Arrangement is affected by the amendment.
- (H) Doubt having arisen as to the validity of certain previous amendments to the Scheme on account of possible procedural defects the Trustee wishes to ratify those amendments.

- (I) On the assumption that those previous amendments were valid (and otherwise save for certain amendments made by Clause 4 below) the alterations to be effected by this deed are alterations to which the subsisting rights provisions of the Pensions Act 1995 (as defined in section 67 of that Act, as amended by the Pensions Act 2004) do not apply (by virtue of regulations made under section 67) or which are not “regulated modifications” (as defined in section 67A of the Pensions Act 1995).
- (J) The Actuary has confirmed in writing that the previous amendments which are hereby ratified would not have affected, and that this document does not affect, the continued satisfaction by the Scheme of the statutory standard in accordance with section 12A of the Pension Schemes Act 1993 or the conditions of section 9(2B) of that Act.
- (K) Words and expressions used in this deed have the same meanings as they do in the Rules save where the context otherwise requires.

NOW THIS DEED WITNESSES with effect from the date hereof as follows:

1 Exercise of power of amendment

- 1.1 The Trustee makes the amendments contained in the following clauses of this deed in exercise of the power of amendment in clause 23 of the Deed.

2 Effective date and persons affected

- 2.1 The amendments made by this deed apply to Members, Deferred Pensioners and Pensioners as at the date hereof.

3 Defined terms

- 3.1 In this Deed word and expressions have the meanings given to them in the Rules, unless the context otherwise requires. The following further defined terms apply:
 - (a) “Defined Benefits Lump Sum Death Benefit” has the meaning given by paragraph 13 of Schedule 29 to FA 2004;
 - (b) “HMRC Modification Regulations” has the meaning referred to in recital (D) above;
 - (c) “IR12” means the Revenue’s previously published practice for the approval of any exempt approved scheme for the purpose of Chapter 1 of Part XIV of the Income and Corporation Taxes Act 1988 (together with such terms or arrangements as may have been specifically agreed by the Revenue to apply in respect of the Scheme or to specific members of it) as it applied to the Scheme immediately before 6 April 2006;
 - (d) “Former Member” means a Deferred Pensioner or a Pensioner;
 - (e) “Lifetime Allowance” has the meaning given by section 218 of FA 2004;
 - (f) “Lifetime Allowance Charge” has the meaning given by section 214 of FA 2004;

- (g) "Pension Protection Lump Sum Death Benefit" has the meaning given by paragraph 14 of Schedule 29 to FA 2004;
- (h) "Relevant Benefit Accrual" has the meaning attributed to that expression by paragraph 13 of Schedule 36 to FA 2004;
- (i) "Revenue" means Her Majesty's Revenue & Customs (or previously the Inland Revenue);
- (j) "Unauthorised Payment" has the meaning given by section 160(5) of FA 2004.

4 Ratification of previous amendments

The Trustee with the consent of the Participating Colleges (manifested by their execution of this deed):

- (a) confirms and ratifies the Deed and the amendments made to the Scheme by a deed of amendment dated 31 March 2004 made between the Trustee (1) all the Participating Colleges save for Hughes Hall (2) and all subsequent amendments made to the Scheme including a deed of amendment dated 31 March 2005 made between the Trustee (1) Downing College (2); and
- (b) if and to the extent that those amendments were invalid or ineffective, hereby makes amendments with the same effects and the same effective dates that those amendments purported to have.

4.2 Hughes Hall consents to the closure of its Arrangement to new Members with effect from 31 March 2004 as though it had been a party to the said deed of amendment dated 31 March 2004.

5 Adoption of HMRC Modification Regulations

5.1 The trusts, powers and provisions of the Scheme (including the Rules) are amended as necessary so as to incorporate and adopt provisions with the same effect as regulations 3 to 8 of the HMRC Modification Regulations, provided that the limitations as to the "transitional period" set out in those regulations shall not apply. Without prejudice to the generality of the foregoing, the Rules shall be read and construed as set out in this Clause 5.

- (a) Unauthorised payments

If the Trustee is required under a provision (however framed) of the Rules to make any payment which would in whole or in part be an Unauthorised Payment, that payment shall, to the extent that it would be such an Unauthorised Payment, be payable at the discretion of the Trustee provided that, if under the Rules as drafted immediately before 6 April 2006 the consent of any College is required to the making of any other discretionary payment under the Scheme, the Trustee may not exercise the discretion to make the payment unless such consent requirement is satisfied.

(b) Permitted maximum

Any reference in the Rules (in whatever terms) to the permitted maximum as defined in section 590C of the 1988 Act which imposed a limit on a person to entitlement to any benefit or liability to make any contribution (whether expressly or by necessary implication) immediately before 6 April 2006 shall be read and construed, in respect of that person, on the basis that (as is the case) section 590C of the 1988 Act was repealed on 5 April 2006.

(c) Revenue limits

The restrictions and limits (in whatever terms) set out in the Rules and IR12 which were necessary for the purposes of complying with the requirements of the Scheme's exempt approval cease to apply on and from the effective date of these amendments.

(d) Lifetime allowance charge

The Trustee shall be entitled to reduce the benefits payable to and in respect of a Member or Former Member by such amount as the Trustee shall determine if a Lifetime Allowance Charge becomes payable in respect of that person. Provided that the value of the reduction (which shall be determined on an actuarial basis) shall not exceed the amount of Lifetime Allowance Charge for which the Member or Former Member and the Trustee, are or may be, jointly or severally liable to pay to the Revenue.

6 Disapplication of HMRC Modification Regulations

6.1 Without prejudice to the amendments made to the trusts, powers and provisions of the Scheme (including the Rules) by virtue of Clause 3 above (which amendments shall, subject to (b) below, continue to apply), the HMRC Modification Regulations shall no longer apply to the Scheme.

6.2 The amendments made to the trusts, powers and provisions of the Scheme (including the Rules) by virtue of Clause 5 above shall continue to apply unless, (in respect of any or all of those amendments):

- (a) otherwise (and to the extent) provided in Clause 7 onwards of this deed; or
- (b) the Trustee and one or more Participating Colleges jointly determine otherwise, either in an individual case, for a category or categories of Members or Former Members, or generally.

7 Registered scheme

7.1 On and from 6 April 2006, the Scheme has been a Registered Scheme. It shall be administered in such manner as to ensure that its status as a Registered Scheme is not prejudiced. Throughout the Rules, references to prejudicing "Approval" (or such similar expression, however expressed) shall (unless otherwise indicated below) be read and construed as references to the power, practice or benefit not being exercised or given in a manner which is "inconsistent with the Scheme's status as a

Registered Scheme". The Trustee and the Participating Colleges (or the Participating College in question if appropriate) shall jointly decide whether any power, practice or benefit (either on an individual or general basis) is consistent with the Scheme's status as a Registered Scheme.

8 Inland Revenue restrictions and limits

8.1 Any reference (in whatever terms) in the Deed or the Rules to a higher benefit being payable where this would not prejudice the Scheme's status as an exempt approved scheme by the Revenue shall be read and construed as a reference to such higher benefit being payable which would not be an Unauthorised Payment.

8.2 In the context of winding-up the Scheme in accordance with Clause 22 of the Deed the reference in Clause 22.1(f) to increasing benefits under the Scheme provided no such augmentation shall prejudice Approval shall be treated as a reference to any augmentation not prejudicing the status of the Scheme as a Registered Scheme nor involving the making of any Unauthorised Payments.

9 The Deed and the Rules shall be read and construed in respect of all Members or Former Members as if:

(a) every discretion or power of the Trustee or any Participating College shall so far as practicable not be exercised so as to give an individual an entitlement to an Unauthorised Payment;

(b) the Trustee shall not be liable for the consequences (including as to tax) of any Relevant Benefit Accrual that occurs before the Trustee has received a copy of the confirmation from the Revenue that an individual has registered for enhanced protection under FA 2004;

(c) the Trustee may, with the consent of the Member or Former Member's and of his Participating College, pay any part of the Member or Former Member's benefits that are subject to a Lifetime Allowance Charge to the Member or Former Member's in the form of a lump sum that satisfies the conditions set out in paragraph 11 of Schedule 29 to FA 2004. The amount of the lump sum will be determined by the Trustee (having consulted the Actuary); and

(d) the Trustee shall be entitled to reduce the benefits payable to and in respect of a Member or Former Member by such amount as the Trustee shall determine if a Lifetime Allowance Charge (as defined in section 214 of FA 2004) becomes payable in respect of the Member or Former Member. Provided that the value of the reduction (which shall be determined on an actuarial basis) shall not exceed the amount of the Lifetime Allowance Charge for which the Member or Former Member and the Trustee are, or may be, jointly or severally liable to pay to the Revenue.

10 Commutation of trivial pensions

10.1 The Rules shall be read and construed as if the provisions in the Rules referring to the commutation of pensions of a trivial amount will no longer apply and be replaced by the following:

(a) Trivial commutation lump sum

The Trustee may (provided that the Trustee is satisfied that the conditions set out in paragraph 7 of Schedule 29 to FA 2004 are met) commute all of a Member's or Deferred Pensioner's benefits under the Scheme together with the benefits payable on his death in return for the payment of a lump sum.

(b) Trivial commutation lump sum death benefit

The Trustee may (provided that the Trustee is satisfied that the conditions set out in paragraph 20 of Schedule 29 to FA 2004 are met) commute all of the benefits payable to the person or persons entitled to a pension on the death of a Member or Deferred Pensioner in return for the payment of a lump sum.

(c) Winding-up lump sums

On the winding-up of the Scheme or of any Arrangement the Trustee may (subject to it being satisfied that the conditions set out (as appropriate) in paragraph 10 or paragraph 21 of Schedule 29 to FA 2004 are met) commute:

- (i) all of a Member's or Deferred Pensioner's benefits under the Scheme together with any benefits payable on his death; and
- (ii) any pension in payment to a person whose entitlement derives from a Member or Deferred Pensioner or Pensioner who has died;

in return for the payment of a lump sum.

(d) Supplementary

The amount of lump sum payable under any of the above provisions shall be determined by the Trustee having consulted the Actuary. The Trustee shall deduct from the lump sum payable any tax for which the Trustee may be liable to account for to the Revenue under section 636B of the Income Tax (Earnings and Pensions) Act 2003.

11 Serious ill-health commutation

11.1 Rule 10.6 is deleted and replaced by the following:

"10.6 The Trustees may, with the consent of a Member's Participating College or with the consent of the Participating College by which a Deferred Pensioner was last employed, and provided that the Trustee is satisfied that the conditions imposed by section 21(1) of the 1993 Act relating to Guaranteed Minimum Pensions and set out in paragraph 4 of Schedule 29 to FA2004 are met commute all of a Member's or Deferred Pensioner's benefits under the Scheme together with the benefits payable on his death in return for payment of a lump sum. The amount of the lump sum payable shall be determined by the Trustee having consulted the Actuary."

12 Ill health and incapacity benefits

- 12.1 The Trustee shall administer the Scheme's provisions for early commencement of pension on grounds of ill-health consistently with the provisions set out in paragraph 1 of Schedule 28 to FA 2004.
- 12.2 The Trustee may, to the extent consistent with the Scheme's status as a Registered Scheme, establish one or more separate arrangements under the Scheme so that any pension payable on grounds of ill-health or incapacity (whether already in payment or otherwise) to any individual Member or Former Member or category or categories of Member or Former Member may be divided between and paid from such separate arrangements. The Trustee may decide the terms on which benefits are payable (and cease to be payable) under such arrangements consistently with Rule 5.2 {incapacity}.

13 Guaranteed Minimum Pensions

- 13.1 If the Trustee and the Participating Colleges (or the relevant Participating College in relation to a particular Member or Former Member) agree the provisions of the Rules shall be subject to the easements prescribed under sections 282 to 284 of the Pensions Act 2004 in relation to the commutation and early payment of guaranteed minimum pensions.

14 Cash lump sums

- 14.1 No lump sum may be payable to a Member or Former Member before he or she is entitled to his or her pension.
- 14.2 The amount of lump sum (inclusive of any Lump Sum Benefit) that may be paid to a Member or Former Member (on exchange of pension for lump sum when the pension begins) must not exceed the amount specified in paragraph 2 of Schedule 29 to FA 2004 (as amended where appropriate by Schedule 36 to FA 2004). Such lump sum must comply with the conditions set out in Schedule 29 as amended by Schedule 36 to FA 2004.
- 14.3 A Member or Deferred Pensioner who received a lump sum before 6 April 2006 (but not pension) may not receive a further lump sum when his pension begins.
- 14.4 Where a Member or Deferred Pensioner has paid voluntary contributions to the Scheme (or to a previous scheme) any additional benefits may be taken as a cash lump sum (subject to the restrictions on amount and conditions referred to in Clause 14.2 above).
- 14.5 Any provision relating to the commutation of a Member's or Deferred Pensioner's pension on grounds of serious ill-health will continue to apply except that before the lump sum can be paid the conditions set out in paragraph 4 of Schedule 29 to FA 2004 must be satisfied.
- 14.6 A Member or Deferred Pensioner may elect in writing to the Trustee, before his pension starts, to have any cash sum payable upon his death after commencement of pension treated as a Pension Protection Lump Sum Death Benefit. The Trustee shall deduct from the lump sum any tax for which it may be liable to account for to the Revenue under section 206 of FA 2004. If no such election is made then any cash sum paid upon his death will be paid as a Defined Benefits Lump Sum Death Benefit.

15 Flexible retirement

- 15.1 Rule 5.1 {early retirement} is amended to permit a Member to draw a pension while remaining in Service by deleting its opening words and replacing them as follows (the added words being shown in italics):

“A Member may retire from Service on immediate pension *or whilst remaining in Service commence to draw a pension* on or at any time after he reaches age 50 and before he reaches Pensionable Age...”

- 15.2 The proviso to Rule 4.1 (contained in the deed of amendment dated 31 March 2004) limiting Pensionable Service to 40 years shall apply to two or more periods of Pensionable Service if a Member opts for flexible retirement under Rule 5.1. The following words are added at the end of proviso (h) to Rule 4.1:

“and to the aggregate of two or more periods of Pensionable Service if a Pensioner commences his pension while in Service and continues in or recommences Pensionable Service as a Member.”

16 Refunds of contributions

- 16.1 The Trustee may only refund to a Member or Deferred Pensioner excess contributions made by him to the extent permitted under paragraph 6 of Schedule 29 to FA 2004.

17 Payment of benefits

- 17.1 Subject to the preservation requirements (as defined in section 181 of the Pension Schemes Act 1993), a Member's or Deferred Pensioner's pension will not start before age 75 unless the person in question has provided evidence to the satisfaction of the Trustee of the amount of personal Lifetime Allowance (as defined in FA 2004) that is available to him (if any).

- 17.2 If a Member or Deferred Pensioner reaches age 75 and his pension has not yet come into payment and the Trustee is unable to verify the amount of Lifetime Allowance remaining available to the person in question, the Trustee may reduce the said person's prospective entitlement to benefits under the Scheme, determined as if the whole of his benefits were chargeable to a Lifetime Allowance Charge, and will then account to the Revenue for the tax due as if the said person had no personal Lifetime Allowance available.

18 Normal minimum pension age

- 18.1 The Rules shall be read and construed with effect from 6 April 2010 as if no pension may be paid to a Member or Deferred Pensioner before the individual reaches age 55 (unless the person in question is entitled to receive a pension before reaching that age on the grounds of ill-health or incapacity).

19 Additional Voluntary Contributions – 15% limit

- 19.1 Rule 3.7 is amended, following the repeal of section III of the Pension Schemes Act 1993 from 6 April 2006, by deleting the words of that Rule and substituting:

“The upper limit for Additional Voluntary Contributions is that amount which when added to the Member’s contributions under Rule 3.1 or Rule 3.2 is 15% of the Member’s remuneration from his Participating College, ignoring any remuneration in kind, in respect of the year to 5 April in which the contributions are paid, provided that:

- (a) any Member who was paying Additional Voluntary Contributions on 6 April 2006 of an amount which exceeded this upper limit may continue to do so without increase until an increase is permitted by the 15% limit; and
- (b) the number of added years of AVC Service which a Member may purchase is limited to 10 but without prejudice to the terms of any contract entered into between the Trustee and any Member before 2 December 2009 under Rule 3.4 to purchase more than 10 years of AVC Service.”

20 Children’s pensions

20.1 The following proviso is added to the definition of Qualifying Child in Rule 1:

“Provided that in relation to any death in service on and after 6 April 2006 the foregoing shall be deemed to be deleted and replaced (the amendments being shown in italics):

“**“Qualifying Child”** means in respect of any Member who dies in the Service of any of the Participating Colleges prior to Pensionable Age (such Member being hereinafter referred to in this definition as “the Deceased”) a person who is aged less than 18 years or who is *aged less than 23 years and is* receiving full-time education at any university, college, school or other educational establishment and who:

- (a) is the natural or adopted child of the Deceased; or
- (b) not being the natural or adopted child of the Deceased *falls within the definition of “dependant” in paragraph 5 of Schedule 28 in the Finance Act 2004 and is in the absolute discretion of the Trustee deemed to be a Qualifying Child.*”

21 Age discrimination

21.1 The Trustee makes the following amendments to the definition of Final Pensionable Salary in Rule 1, to Rule 3.3 {members’ contributions} and to Rule 6.1 {late retirement on the basis that the member does not contribute after age 65):

- (a) The “and” at the end of proviso (c) of Final Pensionable Salary is moved from there to the end of proviso (d) and a new proviso (e) is added, as follows:
 - “(e) in relation to a Member who with the consent of his Participating College remains in Service after Pensionable Age and continues to pay contributions under Rule 3 the highest total of Contribution Pay shall be calculated in relation to the

last period of 36 complete and consecutive months ending not earlier than 10 years before the date of his retirement from Service, the date of leaving Service or the date of death, whichever occurs the earliest.”

(b) The following words are added at the end of Rule 3.3:

“but a Member who continues in Pensionable Service after Pensionable Age under Rule 6.6(b) on the basis that his actual date of retirement will be treated as Pensionable Age will continue to contribute by reference to his current Contribution Pay.”

(c) The following proviso is added at the end of Rule 6.1:

“provided that with effect from 2 December 2009 Members may not opt for late retirement under this sub-Rule.”

21.2 The Trustee adds the following sub-Rules to Rule 6 {late retirement}, Rule 7 {spouse’s death in retirement pension} and Rule 9 {other benefits payable on death}:

1 “6.6 (a) This Rule 6.6 has effect from 2 December 2009 in substitution for Rule 6.2.

2 (b) If a Member with the consent of his Participating College remains in Service after Pensionable Age and continues to pay contributions under Rule 3 (based on his current Contribution Pay) his pension shall be calculated under Rule 4 {normal retirement} (based on his ultimate Final Pensionable Salary) as though his actual date of retirement was Pensionable Age, provided that a Member who was in Service on 2 December 2009 after Pensionable Age and continues to contribute based on his Contribution Pay at his Pensionable Age shall be entitled to a pension calculated under Rule 6.2 as set out above as though it continued to apply if such pension would be greater than a pension based on his ultimate Final Pensionable Salary.”

3 “7.7 This Rule 7.7 has effect from 2 December 2009 by adding the following words in italics to the opening words of Rule 7.1:

4 “A Member who dies after reaching Pensionable Age whilst still in the Service *having opted before 2 December 2009 not to pay contributions under Rule 6.1, and a Deferred Pensioner...*”

5 “9.4 (a) This Rule has effect from 2 December 2009 in substitution for Rule 9.1.

6 (b) If a Member dies after Pensionable Age while still in Service and before his pension has started to be paid and he would have qualified for the insured death benefits under Rules 8.1 – 8.7 had he died before Pensionable Age the benefits set out in those rules shall nonetheless be paid as if

the Member had died before Pensionable Age provided the Member has continued to pay contributions under Rule 6.6.

- 7 (c) A Member who dies after Pensionable Age while still in Service and before his pension has started to be paid, who has continued to pay contributions under Rule 6.6 {late retirement} and who would not qualify for the insured death benefits under Rules 8.1 – 8.7 had he died before Pensionable Age shall be treated as though he qualified for non-insured death benefits under Rules 8.8 – 8.10.
- 8 (d) If a Member who has opted before 2 December 2009 not to pay contributions pursuant to Rule 6.1 {late retirement} dies after Pensionable Age while still in Service or if a Deferred Pensioner who has opted for late retirement under Rule 6.4 dies after Pensionable Age and before his pension has started to be paid the Trustee shall pay in accordance with Rule 13 {application of death benefit at trustee's discretion} an amount equal to the aggregate of the instalments of pension which he would have received for a period of five years had he retired on the date before his death (but without any increases under Rule 12 {annual increases in pension} which such pension would have received) and, in addition, an amount equal to his Lump Sum Benefit, if applicable. The Lump Sum Benefit shall be paid to the personal representatives of the deceased Member or Deferred Pensioner.”

22 Civil Partnership Act 2004

- 22.1 The Deed and the Rules shall be read and construed as if following the death of a Member, Deferred Pensioner or Pensioner on or after 5 December 2005, who does not leave a spouse who is entitled to benefits under the Scheme, but instead leaves a civil partner (being an individual who has entered into a civil partnership with the person in question in accordance with the provisions of the Civil Partnership Act 2004) any benefit under the Scheme that would have been payable to a spouse of the said person will be paid to the civil partner provided that:
- (a) the civil partner must meet any requirements in the Deed and the Rules which would have applied to the spouse before such benefit can be paid; and
- (b) any benefit which is reduced by reason of a benefit being payable to a spouse will be likewise reduced if the benefit is payable to a civil partner.

23 Early leavers: transfers and refunds of contributions

- 23.1 Rule 14 {leaving before pensionable age} shall be deemed to be amended to incorporate the provisions of Chapter 5 of Part IV of the Pension Schemes Act 1993 in relation to Members with at least three months of pensionable service at the date when their pensionable service ends.

24 Maternity leave – amendments to Rule 22

24.1 Rule 22 is brought up to date by:

- (a) deleting Rule 22.1 and replacing it as follows (the amendments being shown in italics):

“22 This Rule applies to any Member:

- (a) *who is absent from work for her Participating College in exercise of her right to maternity leave pursuant to Part VIII 1996 Act and regulations made pursuant to that part (or the equivalent applicable legislation prior to 22 August 1996 if appropriate), or*
- (b) *who is absent from work for her Participating College during any period when she has the right to return to work pursuant to Part VIII 1996 Act or regulations made pursuant to that part (or the previous legislation) and where necessary has informed her Participating College of her intention to exercise that right; or*
- (c) *whose employment with her Participating College has terminated but where the Participating College is obliged to continue to pay her Statutory Maternity Pay (“SMP”) notwithstanding the termination of her employment.”*

- (b) deleting Rule 22.3(b) and replacing it as follows (the amendments being shown in italics):

“(b) any period for which she is receipt of SMP (*whether or not her employment with the Participating College has terminated*); and”

- (c) deleting Rule 22.4(c) and replacing it as follows (the amendments being shown in italics):

“(c) for Members whose expected week of childbirth was between 6 April 2003 and 30 March 2007:

- (i) the SMP period is up to 26 weeks; and
- (ii) the OML period is up to 26 weeks (or, if longer, any compulsory maternity leave period following the birth).”; and

- (d) Adding Rule 22.4(d) as follows:

“(d) *for Members whose expected week of childbirth is on or after 1 April 2007:*

- (i) *the SMP period is up to 39 weeks; and*

- (ii) *the OML period is up to 26 weeks (or, if longer, any compulsory maternity leave period following the birth)."*

25 Family friendly rights

25.1 The following Rules are added following Rule 29:

“30 Paternity leave

30.1 A Member who is absent from work for his Participating College during any period of paid paternity leave as defined in paragraph 5A(4) of Schedule 5 to the Social Security Act 1989 will be treated as continuing in Membership as though he were working normally and receiving the remuneration likely to be paid for doing so but he shall only be required to pay contributions under Rule 3 on the amount of contractual remuneration or statutory paternity pay actually paid to or for him in respect of that period.

30.2 A Member who returns to work at the end of the period of absence under this Rule may within 12 months of returning to work or within such longer period (being not longer than the period of such suspension) as the Trustee may allow pay in one lump sum or by instalments in respect of any period of unpaid paternity leave an amount equal to the contributions which he would have paid had he been in receipt of the Pensionable Salary from his Participating College which he was receiving at the start of the period of absence and if he does so he shall be credited with Pensionable Service in respect of that period. If he does not do so his future Pensionable Service following his return to work shall be treated as continuous with the period of Pensionable Service which ended last before his return”.

31 Adoption leave

31.1 A Member who is absent from work for his Participating College during any period of paid adoption leave as defined in paragraph 5B(4) of Schedule 5 to the Social Security Act 1989 will be treated as continuing in Membership as though he were working normally and receiving the remuneration likely to be paid for doing so but he shall only be required to pay contributions under Rule 3 on the amount of contractual remuneration or statutory adoption pay actually paid to or for him in respect of that period.

31.2 A Member who returns to work at the end of the period of absence under this Rule may within 12 months of returning to work or within such longer period (being not longer than the period of such suspension) as the Trustee may allow pay in one lump sum or by instalments in respect of any period of unpaid adoption leave an amount equal to the contributions which he would have paid had he been in receipt of the Pensionable Salary from his Participating College which he was receiving at the start of the period of absence and if he does so he shall be credited with Pensionable Service in respect of that period. If he does not do so his future Pensionable Service following his return to work shall be treated as continuous with the period of Pensionable Service which ended last before his return.”

26 Closure of Arrangements to new entrants or to future accrual

26.1 The following sub-Rules are added to Rule 2 {membership}:

“2.9 No employee of Magdalene College shall be admitted to Membership after 31 December 2006 and this restriction includes any former Member who might otherwise be re-admitted under Rule 2.5.”

“2.10 No employee of Pembroke College shall be admitted to Membership after 31 January 2006 and this restriction includes any former Member who might otherwise be re-admitted under Rule 2.5.”

“2.11 No employee of Gonville & Caius College shall be admitted to Membership after 31 March 2007 save for any employee who was on that date in a waiting period and this restriction includes any former Member who might otherwise be re-admitted under Rule 2.5.”

“2.12 Churchill College withdraw from participation in the Scheme pursuant to clause 20 of the Deed with effect from 31 March 2007.”

“2.13 No employee of Wolfson College shall be admitted to Membership after 29 February 2008 and this restriction includes any former Member who might otherwise be re-admitted under Rule 2.5.”

27 Participating Colleges consent to the amendments

27.1 The Participating Colleges consent to the amendments set out in the foregoing provisions of this deed.

IN WITNESS whereof the parties hereto have executed and delivered this document as a deed on the day and year first before written.