

Dated

21st April

2011

**RULES  
OF THE  
CAMBRIDGE UNIVERSITY PRESS  
CONTRIBUTORY PENSION FUND**

THE SYNDICATE OF THE PRESS OF THE UNIVERSITY OF  
CAMBRIDGE (1)

and

PRESS CPF LIMITED (2)

AC07/CP15

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## CONTENTS

Rule	Heading	Page
1	BACKGROUND AND COMING INTO EFFECT .....	1
	REGISTERED SCHEME .....	2
2	OPERATION AS REGISTERED SCHEME.....	2
	AMENDMENT .....	4
3	AMENDMENT.....	4
	EMPLOYERS .....	5
4	EMPLOYERS' LIABILITY.....	5
5	BECOMING A PARTICIPATING EMPLOYER.....	5
6	CEASING TO BE A PARTICIPATING EMPLOYER.....	5
7	EFFECT OF CEASING TO BE A PARTICIPATING EMPLOYER .....	6
8	NEW PRINCIPAL EMPLOYER.....	6
	VALUATIONS AND ACCOUNTS.....	7
9	ACTUARIAL VALUATIONS AND REPORTS .....	7
10	ACCOUNTS .....	7
	FUNDING.....	8
11	FUNDING DOCUMENTS .....	8
12	EMPLOYER CONTRIBUTIONS .....	8
13	SURPLUS .....	9
14	DEFICIT .....	9
15	EXPENSES .....	9
	TERMINATION OF SCHEME.....	10

16	CLOSING THE SCHEME.....	10
17	WINDING-UP – AMOUNTS ALREADY DUE AND EXPENSES .....	10
18	WINDING-UP – ORDER OF PRIORITY .....	11
19	METHOD OF SECURING BENEFITS ON WINDING-UP .....	12
	MEMBERSHIP .....	14
20	ELIGIBILITY AND ADMISSION .....	14
21	TERMINATION OF MEMBERSHIP .....	14
22	MEMBERS' CONTRIBUTIONS .....	15
23	ADDITIONAL VOLUNTARY CONTRIBUTIONS .....	15
24	ABSENCE FROM WORK .....	17
25	FAMILY LEAVE .....	18
	PENSION BENEFITS AND CHOICES FOR MEMBERS .....	21
26	RETIREMENT AT NORMAL PENSION DATE .....	21
27	RETIREMENT AFTER NORMAL PENSION DATE .....	21
28	EARLY RETIREMENT (NOT FOR ILL HEALTH) .....	21
29	RECEIVING BENEFITS AND REMAINING IN SERVICE .....	22
30	EARLY RETIREMENT FOR ILL HEALTH .....	22
31	LEVEL OPTION PENSION.....	22
32	LUMP SUM ON RETIREMENT .....	23
	DEATH BENEFITS – LUMP SUMS.....	25
33	DEATH IN SERVICE .....	25
34	DEATH IN THE 5 YEARS AFTER PENSION STARTS .....	25
35	DEATH OF A MEMBER WITH PRESERVED BENEFITS .....	25

36	DISCRETIONARY TRUSTS OF LUMP SUM DEATH BENEFITS.....	25
	DEATH BENEFITS – PENSIONS.....	28
37	SPOUSE'S PENSION .....	28
38	CHILDREN'S PENSIONS.....	28
	EARLY LEAVERS.....	30
40	PRESERVED BENEFITS .....	30
41	REFUND OF CONTRIBUTIONS AND CASH TRANSFER SUM .....	30
42	OPTING OUT WHILE REMAINING AN EMPLOYEE .....	31
43	CHOICE OF EARLY PENSION.....	31
44	CHOICE OF LATE PENSION.....	32
	TRANSFERS AND BUY-OUTS .....	33
45	MEMBER'S STATUTORY RIGHT TO TRANSFER .....	33
46	MAKING TRANSFERS.....	34
47	RECEIVING TRANSFERS.....	35
48	BUYING OUT BENEFITS .....	35
	GENERAL RULES ABOUT BENEFITS .....	36
49	PENSION INCREASES .....	36
50	PAYING PENSIONS.....	36
51	DISCRETIONARY BENEFITS .....	36
52	TRIVIAL PENSIONS.....	37
53	TAX.....	37
54	INFORMATION.....	38
55	MEMBER'S CONSENT .....	38

56	BENEFITS AS SET OUT IN RULES .....	38
57	UNCLAIMED MONEY .....	38
58	OVERPAYMENTS .....	39
59	ASSIGNING OR CHARGING BENEFITS TO SOMEONE ELSE .....	39
60	BENEFICIARY UNABLE TO MANAGE OWN AFFAIRS .....	39
61	PAYING PERSONS OTHER THAN PERSONAL REPRESENTATIVES .....	40
62	LIENS .....	40
63	LIFE ASSURANCE POLICIES .....	40
	TRUSTEES .....	42
64	MEMBER-NOMINATED TRUSTEES .....	42
65	APPOINTMENT AND REMOVAL .....	42
66	RESIGNATION .....	42
67	RIGHT TO CHARGE .....	42
	SCHEME GOVERNANCE .....	44
68	TRUSTEE MEETINGS .....	44
69	WRITTEN RESOLUTIONS .....	44
70	DELEGATION .....	44
71	APPOINTING ADVISERS .....	45
72	ARRANGEMENTS FOR RUNNING SCHEME .....	45
73	DISPUTES .....	46
74	TIME LIMITS AND RATIFICATION .....	46
	TRUSTEE PROTECTION .....	47
75	TRUSTEES' PERSONAL INTEREST .....	47

76	POWERS UNDER GENERAL LAW .....	47
77	TRUSTEES' PROTECTION .....	47
	SCHEME ASSETS .....	49
78	DECLARATION OF TRUST.....	49
79	STATEMENT OF INVESTMENT PRINCIPLES .....	49
80	USING THE ASSETS .....	49
81	INVESTMENT MANAGERS, NOMINEES AND CUSTODIANS .....	50
	SPECIAL RULES .....	52
82	PART-TIME SERVICE.....	52
83	CONTRIBUTION AND BENEFIT LIMITS.....	52
84	CONTRACTED-OUT BENEFITS.....	53
85	PENSION SHARING .....	56
86	OVERSEAS EMPLOYMENT .....	57
	MISCELLANEOUS.....	58
87	NOTICES.....	58
88	GOVERNING LAW .....	58
	SCHEDULE A .....	59
	SCHEDULE C - PRINTING SECTION.....	61
	APPENDIX 1 - WORDS WITH SPECIAL MEANINGS.....	64
	APPENDIX 2 - SCHEME DOCUMENTS TO DATE.....	75

THESE RULES are made as a deed on 21<sup>st</sup> April 2011 by

- (1) **THE SYNDICATE OF THE PRESS OF THE UNIVERSITY OF CAMBRIDGE** of The Pitt Building, Trumpington Street, Cambridge, being empowered by the Chancellor Masters and Scholars of the University of Cambridge (the "**Press**"); and
- (2) **PRESS CPF LIMITED** (Company Number: 6414463) whose registered office is at The Edinburgh Building, Shaftesbury Road, Cambridge CB2 8RU (the "**Trustee**").

## **1 BACKGROUND AND COMING INTO EFFECT**

- 1.1 The Press is the current principal employer of the Scheme and the Trustee is the current trustee of the Scheme.
- 1.2 These Rules entirely replace the existing deeds and rules to the Scheme with effect from the date of these Rules, except as otherwise stated. However, except where otherwise stated in these Rules (see, without limitation, the introduction to Schedule C), the amount of benefits (including any revaluation and/or increases) in respect of any Member who ceased to be in Pensionable Service before the date of these Rules shall continue to be calculated in accordance with the governing documents of the Scheme in force at the date of such cessation (and in accordance with any subsequent amendments that applied to him), save that any reduction or enhancement of benefits on the winding-up of the Scheme shall be governed solely by Rules 16 to 19. Appendix 2 is a list of the old deeds and rules. However, the delivery of such benefits, the options attaching to them and the definitions applicable in respect of them (except to the extent that they relate to benefit calculation) shall be determined in accordance with these Rules.
- 1.3 The legal advisers to the Trustees have confirmed that adopting these Rules will not make any change to the Scheme that is a regulated modification within the meaning of section 67A of the PA1995. However, these Rules shall not take effect if and to the extent that they purport to make any such modification, except that if a change is a regulated modification because it is expressed to have effect from a particular date and would not be if a different date were substituted, the Trustees and the Press may instead agree that that change shall have effect from another date.
- 1.4 The main object of the Scheme is the provision of any pension, lump sum, gratuity or other like benefit given or to be given on retirement or on death or in anticipation of retirement, or, in connection with past service, after retirement or death, or to be given on or in anticipation of or in connection with any change in the nature of the service of the employee in question, in respect of the Members.
- 1.5 The Scheme is contracted-out on a salary-related basis under the PSA1993.
- 1.6 The Actuary has confirmed to the Trustees for the purposes of section 37 of the PSA1993 that the Scheme will continue to satisfy the statutory standard in accordance with section 12A of that Act following the introduction of these new Rules.
- 1.7 The benefits in respect of Members of the Scheme are determined according to whether the Member is a Schedule A Member, a Schedule B Member, a Schedule C Member or a Life Assurance Member.
- 1.8 A Schedule C Member is entitled to benefits calculated on the basis of either Schedule A or B Membership (according to his date of joining the Scheme) in relation to benefits accrued before 1 September 2007 to the extent described in Schedule C.

- 1.9 Schedule A contains details of additional benefits that may be payable in respect of a Schedule A Member or a Schedule C Member who was a Member of the Scheme immediately before 1 April 1978. Schedule C contains details of benefits payable in respect of Schedule C Members.
- 1.10 In these Rules unless the context otherwise requires:
- (a) the singular includes the plural and vice versa, and the masculine includes the feminine and vice versa;
  - (b) a reference to any statutory provisions includes a reference to any amendment or re-enactment of it for the time being in force, any corresponding earlier enactment and any corresponding statutory provision applicable to any other part of the United Kingdom. A reference to a statutory provision includes any subordinate legislation made under that provision; and
  - (c) the headings and indexes are for convenience only and shall not affect its interpretation.
- 1.11 The Schedules and Appendices to these Rules form part of these Rules.

### **REGISTERED SCHEME**

## **2 OPERATION AS REGISTERED SCHEME**

- 2.1 This Rule 2 shall override any other inconsistent Rule and applies to all Members of the Scheme, whenever they left Service or Pensionable Service.
- 2.2 The Scheme is a Registered Scheme for the purposes of the FA2004.
- 2.3 Subject to the rest of this Rule 2:
- (a) the Trustees shall not make any payments which would be Unauthorised Payments;
  - (b) Members shall not earn through Pensionable Service on or after the date of these Rules any rights that would give rise to Unauthorised Payments; and
  - (c) the Trustees shall administer the Scheme in a manner that is consistent with it remaining a Registered Scheme.
- 2.4 If the Scheme's governing documents as they stood on 5 April 2006 would have required the Trustees to make a payment that would be an Unauthorised Payment (whether or not following the request or the consent of the Press), the Trustees may with the consent of the Press make that payment under Rule 51 (Discretionary Benefits) and shall be treated as an augmentation of benefits.
- 2.5 Rule 2.3 shall not prevent amendments being made to the Scheme under Rule 3 that give rise to other Unauthorised Payments. Nor shall they prevent Rule 51 (discretionary benefits) being exercised in a way that would or could give rise to Unauthorised Payments.
- 2.6 The provisions of Regulations 3, 4 and 8 of the Registered Pension Schemes (Modification of the Rules of Existing Schemes) Regulations 2006 have been and remain incorporated into the Scheme by reference by the deed of amendment dated 6 April 2006 but on the basis that they are modified in the manner set out in Rule 2.7.



- 2.7 The modifications referred to in Rule 2.6 are:
- (a) subject to Rule 83 (Contribution and Benefit Limits), the Revenue Limits that applied to the Scheme on 5 April 2006 have been lifted;
  - (b) if any benefit under the Scheme is (or was expressed on 5 April 2006) to be capable of increase only subject to the approval of the "Inland Revenue" or only if the approval of the Scheme would not be prejudiced (in each case, however expressed), the increase may only apply to the extent agreed between the Press and the Trustees.
- 2.8 The Trustees shall pay a lump sum death benefit under Rule 34 (Death in the 5 Years After Pension Starts) in respect of a member who died on or after reaching age 75 even if this results in an Unauthorised Payment.
- 2.9 The Trustees, after consulting the Press, shall have sole power to determine conclusively any uncertainty as to the operation of the Scheme in accordance with this Rule 2.

## AMENDMENT

### **3 AMENDMENT**

- 3.1 The Trustees with the consent of the Press may at any time and from time to time by deed alter, add to or repeal all or any of the provisions of the Rules for the time being in force.

## **EMPLOYERS**

### **4 EMPLOYERS' LIABILITY**

- 4.1 Nothing in these Rules shall restrict the right of an Employer to terminate the contract of employment of any of its Employees.
- 4.2 Where the agreement, approval, consent or permission of the Press is required in relation to any matter arising under this Scheme a decision made by the Chief Executive of the Press acting in concert with any two members of the Press Board shall be a decision of the Press for all such purposes and such a decision shall be binding upon the Press (which is acknowledged by the execution of these Rules as a deed by the Press). Where the Trustees are required to obtain the consent of, or to act on the instructions of the Press or other Employer, the Trustees may accept the written confirmation of the Press or other Employer as sufficient evidence that such consent or instruction has been duly authorised.

### **5 BECOMING A PARTICIPATING EMPLOYER**

- 5.1 An employer associated with the Press may agree with the Press and the Trustees to participate in the Scheme provided the Scheme's status as a Registered Scheme is not prejudiced. An employer that wants to participate shall enter into a deed with the Press and the Trustees:
  - (a) agreeing to comply with the rules of the Scheme as amended from time to time;
  - (b) if the Press so decides, nominating the Press to act for it in all the circumstances in which Pensions Acts allow (or require) the Employers participating in a scheme to nominate someone to take decisions for them, or to act for them in consultations or in negotiating agreements with the Trustees, or for other purposes.
- 5.2 The Press, the Trustees and the employer may agree special conditions for the employer's participation including (without limitation) restrictions on eligibility for membership of its employees or participation for a limited period. Participation will take effect from the date of the deed of adherence unless otherwise stated.

### **6 CEASING TO BE A PARTICIPATING EMPLOYER**

- 6.1 An Employer (other than the Press) shall cease to participate in the Scheme if:
  - (a) the Employer gives the Trustees written notice terminating its contributions to the Scheme or the Press gives written notice terminating an Employer's contributions (see Rules 12.4 and 12.5);
  - (b) the Employer ceases to carry on its business on account of going into voluntary or compulsory liquidation (as defined by section 247 of the Insolvency Act 1986);
  - (c) any event occurs that gives rise to a debt on the Employer under section 75 of the PA1995 (or would have done so but for any agreement with the Trustees);
  - (d) the Employer agreed to participate in the Scheme for a definite period and that period ends;
  - (e) the Employer ceases to be associated with the Press within the meaning of section 435 of the Insolvency Act 1986;

## **7 EFFECT OF CEASING TO BE A PARTICIPATING EMPLOYER**

- 7.1 If an Employer other than the Press ceases to participate in the Scheme, the Active Members it employs shall be treated as leaving Service when the cessation takes effect, except where they remain in Pensionable Service with another Employer. The Trustees shall identify the Members who were employed or previously employed by the Employer.
- 7.2 If an Employer ceases to participate in the Scheme the Trustees shall comply with section 75 of the PA1995.
- 7.3 The Trustees shall secure the benefits in relation to the Members identified under Rule 7.1 at their discretion in one of the following ways, except in relation to any Members who continue in Pensionable Service with another Employer:
- (a) by preserving the benefits of those Members within the Scheme;
  - (b) with the agreement of the Press, by setting aside such part of the assets of the Scheme as the Trustees, on the advice of the Actuary, determine to be appropriate having regard to the rights and prospective rights of those Members, and applying it in accordance with Rule 19 (Method of Securing Benefits on Winding-up);
  - (c) with the agreement of the Press, by effecting a transfer out of the Scheme in accordance with Rule 46 (Making Transfers); or
  - (d) by paying a refund of contributions under Rule 41.

## **8 NEW PRINCIPAL EMPLOYER**

- 8.1 If a company or firm (the "New Principal Employer"):
- (a) agrees with the Trustees in a deed (which may include a retrospective agreement) that it:
    - (i) assumes the liabilities of the Principal Employer under the Scheme; and
    - (ii) will observe and perform those of the Rules that apply to him as an Employer and as the Principal Employer;
  - (b) obtains the consent of the old Principal Employer to the deed (except where it has been dissolved),

with effect from such date as the New Principal Employer, the Trustees and the old Principal Employer agree, the old Principal Employer may if (and to the extent that) the deed so specifies be released from its obligations under the Rules in relation to the Scheme other than as an Employer, and be replaced by that person as Principal Employer.

- 8.2 The Trustees and old Principal Employer may only agree to the substitution if in their opinion, having regard to the main object of the Scheme, the New Principal Employer should become the Principal Employer. The Trustees must also be satisfied that the substitution will not prejudice the Scheme's status as a Registered Scheme.
- 8.3 Following any substitution of the Principal Employer under this Rule 8, references in the governing documents of the Scheme to the "Press" shall, unless the context otherwise requires, be construed as references to the replacement Principal Employer.

## **VALUATIONS AND ACCOUNTS**

### **9 ACTUARIAL VALUATIONS AND REPORTS**

- 9.1 The Trustees shall obtain actuarial valuations of the Scheme and actuarial reports on it at intervals consistent with the Pensions Acts. Valuations and reports must, as a minimum, comply with the Pensions Acts. In addition, the Trustees may at any time obtain other formal or informal actuarial valuations and reports at such time as, and on such basis as, they may agree with the Press. The Press may also obtain its own actuarial valuations and reports.

### **10 ACCOUNTS**

- 10.1 The Trustees shall prepare annual accounts to the Scheme and have them audited. The Trustees shall also prepare an annual report. The accounts and the report must comply with the Pensions Acts.

## **FUNDING**

### **11 FUNDING DOCUMENTS**

11.1 If and when the Pensions Acts require them to, the Trustees shall prepare and from time to time review and revise the following documents in accordance with those Acts:

- (a) a statement of funding principles;
- (b) a schedule of Employers' and Members' contributions; and
- (c) a recovery plan for meeting the statutory funding objective of the Scheme.

When preparing or revising these documents the Trustees shall, in accordance with the Pensions Acts, obtain advice from the Actuary and the agreement of the Employers (or the Press as their nominated representative).

### **12 EMPLOYER CONTRIBUTIONS**

12.1 Subject to the remainder of this Rule 12 and the terms of any deed of adherence applicable under Rule 5, the Employers shall pay to the Trustees such contributions as the Trustees shall from time to time (after considering the Actuary's advice and with the consent of the Press) determine, after taking into account the existing assets of the Scheme (including the Members' contributions) and the liabilities of the Scheme, in order to provide the benefits under the Scheme.

12.2 In respect of Schedule C Members, Cambridge Printing Services Limited shall be liable to contribute to the Scheme pursuant to Rule 12.1 to fund those benefits which accrue in respect of Pensionable Service on and after 1 September 2007.

12.3 In respect of Schedule C Members, the Press shall be liable to contribute to the Scheme pursuant to Rule 12.1 to fund those benefits which have accrued in respect of Pensionable Service before 1 September 2007. For the avoidance of doubt the liability of the Press to fund such benefits shall extend to the following:

- (a) to the extent required by Rule 12.3(c), the cost of all increases payable on such benefits:
  - (i) following the commencement of the pension and subsequent Spouse's and children's pensions;
  - (ii) during the period of deferment arising from the Member terminating Pensionable Service prior to the receipt of a pension;
  - (iii) arising from an increase in Pensionable Salary before receipt of pension (if any); or
  - (iv) as required by law; and
- (b) to the extent required by Rule 12.3(c), the cost of providing increases on the whole of the pensions payable to any Spouse and/or Pensionable Children arising from the death of a Schedule C Member whilst in Pensionable Service.
- (c) In relation to Rules 12.3(a) and 12.3(b), such costs shall be:
  - (i) to the extent they relate to Pensionable Service before 1 September 2007, the entire costs of those increases; and

- (ii) to the extent they relate to Pensionable Service on and after 1 September 2007, the cost relating only to so much of those increases as exceed the rate of increases in pensions to which a Schedule C Member is entitled under the Rules in respect of Pensionable Service on and after 1 September 2007.

- 12.4 The Press or any other Employer may at any time terminate its liability to pay contributions to the Scheme (including any liability to pay any expenses of the Scheme) in respect of all or a group of the Members who are or were its Employees. The Press or other Employer must give written notice to the Trustees. The giving of this notice shall not affect the Employer's liability to pay contributions due in relation to the period before the notice takes effect.
- 12.5 The Press may terminate the liability of any other Employer to pay contributions to the Scheme (including any liability to pay any expenses of the Scheme) in respect of all or a group of the Members who are or were its Employees. The Press must give written notice to the Trustees and to the Employer. The giving of this notice shall not affect the Employer's liability to pay contributions due in relation to the period before the notice takes effect.

### **13 SURPLUS**

- 13.1 If an actuarial valuation under Rule 9 discloses that the assets of the Scheme exceed its liabilities by more than the maximum percentage allowed by any mandatory laws about reducing pension scheme surpluses, the Trustees shall determine how to use the surplus with the consent of the Press, after consulting with the Actuary and subject to section 37 of the PA1995.

### **14 DEFICIT**

- 14.1 If an actuarial valuation under Rule 9 discloses that the assets of the Scheme are less than its liabilities in the opinion of the Actuary (both as determined on a discontinuance basis), and the Press does not agree to take such action as the Trustees may decide to make good the deficit within such reasonable period as may be set by the Trustees, the Scheme shall be terminated under Rule 16.1 unless the Trustees decide otherwise.

### **15 EXPENSES**

- 15.1 Subject to Rule 15.2, all costs, charges, taxes, levies and expenses properly incurred by the Trustees or the officers or employees of a corporate Trustee in connection with the Scheme and any remuneration for the Trustees payable in accordance with Rule 67 (Right to Charge) shall be payable by the Press.
- 15.2 The Trustees and the Press may agree that any amounts to be paid by the Press in accordance with Rule 15.1 shall instead be payable out of the Fund for such period and on such terms as they agree.
- 15.3 Liability of the Press or any other Employer under this Rule may be terminated under Rules 12.4 or 12.5.

## **TERMINATION OF SCHEME**

### **16 CLOSING THE SCHEME**

- 16.1 Subject to the rest of this Rule 16, these events shall terminate the Scheme:
- (a) if the Press agrees to that effect in writing and the Trustees agree;
  - (b) if the Trustees and the Press so decide on the grounds that the objects for which the Scheme was established no longer exist or the administration of the Scheme cannot be conveniently carried on;
  - (c) if required under Rule 14.1 (Deficit); or
  - (d) subject to any exercise of the powers of termination and amendment provided in these Rules, the later of the expiration of:
    - (i) the period during which the Scheme qualifies for exemption from the laws relating to perpetuity; and
    - (ii) the twentieth anniversary of the death of the survivor of the children and remoter issue living at 31 March 1978 of his late Majesty King George the Fifth and for such period thereafter as may be lawful.
- 16.2 Members in Pensionable Service on the date the Scheme closes under Rule 16.1 shall be entitled to benefits under Rule 40 or 41 as if they had left Service on that date. Any Members who reached Normal Pension Date on or before that date shall be treated as being entitled to an immediate pension.
- 16.3 If an event specified in Rule 16.1 happens, the Trustees shall wind up the Scheme unless they decide to defer winding-up in accordance with section 38 of the PA1995.
- 16.4 The Trustees shall give notice of and information regarding the winding-up of the Scheme to the Members in accordance with the requirements of the Disclosure Regulations.

### **17 WINDING-UP – AMOUNTS ALREADY DUE AND EXPENSES**

- 17.1 On the winding-up of the Scheme, the Trustees shall after consulting the Press and after considering the Actuary's advice first satisfy out of the Fund the following liabilities (ranking equally in priority):
- (a) the payment or provision for the payment of all of the costs, charges, and expenses that have arisen in connection with the running and closure of the Scheme, including the cost of buying insurance (or similar) to protect the Scheme or any of its beneficiaries after its winding-up which in their opinion may not be recoverable from the Press;
  - (b) the repayment or provision for the repayment of any borrowing (including paying interest and any related expenses); and
  - (c) the payment or provision for payment of any tax for which they may be liable or accountable in relation to the Scheme.
- 17.2 Secondly, the Trustees shall set aside sufficient assets to pay the costs, charges, taxes and expenses that they anticipate incurring or becoming liable for during the winding-up.



17.3 The Trustees they shall then use the rest of the assets as described in Rule 18.

## **18 WINDING-UP – ORDER OF PRIORITY**

18.1 Subject to sections 73-73B of the PA1995, the Trustees shall apply the assets of the Scheme in the satisfaction so far as possible of such of the liabilities of the Scheme as sections 73-73B of the PA1995 require to be met. For this purpose the "assets" and "liabilities" of the Scheme shall be determined in accordance with Section 73(10) of the PA1995. Any remaining assets of the Scheme shall then be used to meet liabilities (if any) existing at the date of commencement of the winding-up which have not already been satisfied in order of priority as set out in the rest of this Rule.

18.2 Subject to the Contracting-out Laws, the Trustees shall be entitled to assume in respect of any Member that no marriages will be entered into or dissolved and no children will be born after the date the winding-up of the Scheme begins.

18.3 Future increases in pensions in payment or in deferment which are required under statute or otherwise guaranteed under the Rules shall be included in the appropriate priority categories.

18.4 **FIRST** in securing (in order of priority) to the extent not already satisfied:

- (a) pensions and other benefits in respect of which entitlement to payment has already arisen under the Scheme;
- (b) pensions and other benefits in respect of Members who were in Active Membership and had attained Normal Pension Date at the date of termination of the Scheme, equal those to which they would have been entitled under the Scheme had they retired on the commencement of winding-up;
- (c) contingent pensions and other benefits in respect of Spouses, Widows and Widowers entitled to pensions on the death of those persons within either of the categories (a) and (b) above equal to such pensions and other benefits;
- (d) GMPs and accrued rights to GMPs under the Scheme, and State scheme premiums under the PSA1993;
- (e) Equivalent pension benefits within the meaning of the National Insurance Act 1965.

18.5 **SECOND** in securing to the extent not already satisfied:

- (a) the provision of benefits arising from a Member's AVCs;
- (b) the provision of benefits arising from a Member's interest in a Special Account.

18.6 **THIRD** in securing to the extent not already satisfied any immediate, deferred and contingent pensions and other benefits or returns of contributions to which Members are entitled under the Scheme (calculated in the case of Members in Pensionable Service on the date the Scheme terminated as if they had left Service on that date.

18.7 If there are insufficient assets to meet the outstanding liabilities of the Scheme, the deficit will be treated as a debt due from the Employers to the Trustees in accordance with and subject to the provisions of sections 75 and 75A of the PA1995 and the Occupational Pension Schemes (Employer Debt) Regulations 2005.

- 18.8 Subject to Rule 18.7, if there are insufficient assets to meet the liabilities in any of the First, Second or Third classes above, the Trustees shall have power, in accordance with any applicable requirements under sections 73-73B of the PA1995, to reduce all or any of the benefits in such manner and by such amount as the Trustees after considering the advice of the Actuary determine. None of the benefits in any priority category shall be reduced unless and until the benefits in the lower priority categories (if any) are reduced to nil.
- 18.9 If any surplus remains after the application of the assets under the previous provisions of this Rule, the Trustees may, subject to the consent of the Press, apply any part or the whole of that surplus in augmenting any of the benefits described in the First, Second or Third classes above as they shall determine, after considering the advice of the Actuary and subject to Rule 83 (Contribution and Benefit Limits).
- 18.10 If any surplus remains after any exercise of the powers under Rule 18.9, subject to compliance with section 76(2) of the PA1995, the Trustees shall pay it to the Press.

## **19 METHOD OF SECURING BENEFITS ON WINDING-UP**

- 19.1 The Trustees shall provide benefits for the Members and other Beneficiaries under Rule 18 in any one of the following ways as the Trustees decide:
- (a) by buying immediate, deferred and contingent Insurance Policies to provide annuities;
  - (b) by making a transfer in respect of a Member or Beneficiary in accordance with Rule 46 to the intent that such Member or Beneficiary shall be entitled to such rights under the receiving scheme or arrangement as may be agreed between its trustees or administrator and the Trustees. Any such transfer may include the transfer of any surplus under Rule 18 on the basis that all, some or none is allocated to proved benefits in respect of the transferring Beneficiaries;
  - (c) by making a transfer, or purchasing or assigning an Insurance Policy in respect of a Member or Beneficiary in accordance with Rule 45 or Rule 48;
  - (d) by paying the Member, in respect of his own benefits and (to the extent permitted by the Contracting-out Laws) any pensions payable on his death, a Winding-up Lump Sum, a Serious Ill Health Lump Sum or a lump sum that is an Authorised Payment by virtue of regulation 3 and Part 2 of the Registered Pension Schemes (Authorised Payments) Regulations 2009;
  - (e) in respect of a pension payable to a Spouse or Pensionable Child, by paying the recipient a Winding-up Lump Sum Death Benefit or a lump sum that is an Authorised Payment by virtue of the regulations referred to in paragraph (d) above; or
  - (f) by paying State scheme premiums under the PSA1993.
- 19.2 Any Insurance Policies purchased must be consistent with the Preservation, Revaluation and Contracting-out Laws.
- 19.3 A Member's consent shall not be required before securing benefits under Rule 19.1 unless the Preservation Laws require it.
- 19.4 On securing benefits in respect of a Member or Beneficiary in accordance with Rule 19.1, the Trustees shall be discharged from their liability for benefits in respect of that

person under Rule 18 so that no further benefits shall need to be secured for or in respect of them.

- 19.5 Subject to Rule 16, such of the Rules as are not inconsistent with Rules 17, 18 and the above provisions of this Rule 19 shall continue in full force and effect until the winding-up of the Scheme is complete. This includes the power of amendment in Rule 3.
- 19.6 Once the winding-up of the Scheme is complete the trusts of the Scheme shall be dissolved and the parties to these Rules and all previous parties shall be discharged from their duties and liabilities under the Scheme (to any extent that they have not previously been discharged).

## **MEMBERSHIP**

### **20 ELIGIBILITY AND ADMISSION**

- 20.1 The Scheme is closed to new Members except that Life Assurance Members as at 31 December 2001 may become Active Members in accordance with the remainder of this Rule.
- 20.2 A Life Assurance Member is only entitled to benefits on death in Service in accordance with Rules 33, 37.1 and 38.1.
- 20.3 Active Membership is only available to existing Active Members and Life Assurance Members as at 31 December 2001. The conditions for a Life Assurance Member to become an Active Member are as follows:
- (a) on written application upon reaching the age of 35; or
  - (b) after reaching the age of 35, on written application upon the expiry of three years from the lapsing of the previous event giving rise to eligibility;
  - (c) after reaching the age of 35, on written application upon marriage, divorce, widowhood or becoming a surviving civil partner,
- but in any case a Life Assurance Member may not become an Active Member after reaching five years before Normal Pension Date. If application is not made when the Life Assurance Member becomes eligible, the Life Assurance Member will cease to be eligible until the next event giving rise to eligibility occurs.
- 20.4 A Life Assurance Member who becomes an Active Member under Rule 20.3 shall continue to have his benefits as an Active Member calculated under whichever of Schedule B or C Membership applied to him as a Life Assurance Member.
- 20.5 The Press may agree special terms with an Employee for entry into Active Membership from Life Assurance Membership or for the variation of terms if already an Active Member. This is subject to the preservation of the Scheme's status as a Registered Scheme, to the Preservation Laws and to the requirements of the Pensions Acts.
- 20.6 Re-admission to Active Membership shall only occur with the Press's consent at its absolute discretion.
- 20.7 In the case of a Member entitled to preserved benefits under Rule 40, the Member's preserved pension shall be cancelled but his previous period of Pensionable Service shall be treated as continuous with the new period of Pensionable Service (excluding the time between the two periods). Where a Member begins to be in Contracted-out Employment under the Scheme within six months of having ceased it, the two periods of Contracted-out Employment shall be treated as continuous Pensionable Service, except where otherwise permitted under the PA1995 and the PSA1993.
- 20.8 No Schedule C Member who has ceased Active Membership shall be re-admitted to Active Membership (or Life Assurance Membership).

### **21 TERMINATION OF MEMBERSHIP**

- 21.1 A Member shall cease to be an Active Member or Life Assurance Member as the case may be on the earliest of:

- (a) the date of death;
  - (b) the date of retiring from or leaving Service;
  - (c) on receiving benefits whilst remaining in Service under Rule 29 (unless otherwise agreed by the Trustees and the Press);
  - (d) in the case of a Schedule A or Schedule B Member, the date on which he has been in Pensionable Service for a period of at least 25 years, on which date he shall be treated under these Rules as if he had left Service;
  - (e) the effective date of opting out of Active Membership or Life Assurance Membership as the case may be under Rule 21.2; or
  - (f) becoming a Cross Border Employee.
- 21.2 An Active Member or Life Assurance Member may opt out of Active Membership or Life Assurance Membership of the Scheme as the case may be by giving the Trustees written notice, provided that in the case of a Schedule A Member or a Schedule C Member at least one month's notice (or any shorter period of notice the Trustees agree to accept) is required. See Rule 42 for the Member's benefits.

## 22 MEMBERS' CONTRIBUTIONS

- 22.1 **Schedule A Members:** each Active Member shall pay contributions at the rate of 6% of his Contribution Salary for the time being, or at such rate as the Trustees after taking the Actuary's advice shall from time to time determine. The Trustees with the consent of the Press may waive the requirement to pay contributions or reduce it either generally or for particular Active Members.
- 22.2 **Schedule B Members:** each Active Member shall pay contributions at the rate of 6% of his Contribution Salary. The Press may alter the rate from time to time and notify the altered rate in writing to Schedule B Members.
- 22.3 **Schedule C Members:** each Active Member shall pay contributions at the current rate under Schedule C.
- 22.4 This Rule is subject to Rules 24 and 25 if the Member is temporarily absent from work.
- 22.5 An Active Member's contributions shall be deducted from his pay by his Employer, unless the Trustees arrange to collect them in some other way. The Employer shall pay the contributions to the Trustees by the dates set out in the Scheme's schedule of contributions and within the period prescribed by the Pensions Act 2004.
- 22.6 **Schedule A and B Members:** an Active Member's contributions shall cease when he has been an Active Member for twenty-five years or upon earlier retirement, death, leaving Service or other cessation of Pensionable Service.
- 22.7 **Schedule C Members:** an Active Member shall cease contributing upon retirement, death, leaving Service or other cessation of Pensionable Service.

## 23 ADDITIONAL VOLUNTARY CONTRIBUTIONS

- 23.1 The AVC Fund shall consist of assets from time to time representing AVCs paid to secure additional benefits on a money purchase basis or received as part of a transfer to the Scheme representing voluntary contributions and credited under the Scheme on

a money purchase basis. The Trustees shall invest the AVC Fund separately from all the other assets of the Scheme.

- 23.2 An Active Member may elect to pay AVCs in order to increase his benefits under the Scheme. He shall agree their amount and the intervals at which they are paid with the Trustees. His Employer shall deduct the Member's AVCs from his earnings and pay them to the Trustees. A Schedule B Member or a Schedule C Member must give at least one month's written notice to the Trustees of his intention to start, reduce or stop paying AVCs (or such shorter period of notice as the Trustees may accept).
- 23.3 Subject to Rule 24 (Absence From Work) and to any minimum rate of AVCs required by the Trustees, an Active Member may pay AVCs at a rate of his choice provided that, together with all his other contributions to pension schemes operated by the Press, the level of 15% of his earnings is not exceeded. With the agreement of the Press and the Trustees, an Active Member may elect to exceed this level and pay any amount of AVCs on a money purchase basis provided that:
- (a) they are relievable pension contributions within the definition in section 188 of the FA2004; and
  - (b) they do not cause him to exceed the annual limit for relief in section 190(1) of the FA2004.
- 23.4 If the Trustees become aware that a Member's AVCs have exceeded those limits, they shall refund the excess contributions if and to the extent that the payment would be an Authorised Payment.
- 23.5 If the Trustees become aware that a Member's AVCs are being paid at a level which would give rise to an annual allowance charge under section 227 of the FA2004 or a similar tax charge, the Trustees may at the request of the Member pay a refund of contributions if and to the extent that the payment would be an Authorised Payment.
- 23.6 The Trustees may pay interest on such refunds (at such rate as they decide) or may adjust it to take account of investment returns (calculated in such manner as they decide), but in either case only to the extent that the resulting payment would be a scheme administration member payment under s.171 of the FA2004. Before making any payment under this Rule, the Trustees may deduct any tax for which they may be liable in respect of it.
- 23.7 An Employer may, in its absolute discretion, agree with an Active Member to pay additional contributions to the Scheme to match some or all of the Active Member's AVCs on such terms as the Employer specifies ("**Matching Employer AVCs**"). Matching Employer AVCs shall not be treated as Member contributions and so will not be refunded to a Member who leaves Service without an entitlement to preserved benefits, but shall otherwise be treated under the Rules as AVCs. Any Active Member in respect of whom Matching Employer AVCs have been paid shall, on ceasing to be in Active Membership without immediately receiving a pension from the Scheme, be entitled to a transfer payment in respect of all his benefits (including the Matching Employer AVCs) under Rule 46 (Making Transfers) regardless of the length of his Qualifying Service. Matching Employer AVCs shall be paid to the Trustees, or as they direct, at the same time as the Member's AVCs to which they relate.
- 23.8 The Trustees shall provide benefits on a money purchase basis in respect of a Member's AVC Account. All the benefits the Trustees provide in respect of AVCs must be Authorised Payments (which can include a Pension Commencement Lump Sum). With that proviso, the Trustees shall use the proceeds of an Active Member's

AVCs to provide additional benefits for him and his Dependants in such form as the Trustees agree with the Member (unless he is dead).

- 23.9 Unless they agree otherwise with the Member, the Trustees shall begin providing benefits from his AVCs at the same time as his other benefits under the Scheme.
- 23.10 The Trustees shall secure any pension to be provided from the AVC Fund by purchasing a Lifetime Annuity or Dependants' Annuity as the case may be.
- 23.11 Any lump sum benefit payable under this Rule following a Member's death shall be paid under Rule 36 (Discretionary Trusts of Lump Sum Death Benefits).
- 23.12 Benefits payable under this Rule shall not be taken into account in determining the benefits payable under the other Rules unless the Press, the Trustees and the Member agree otherwise.

## **24 ABSENCE FROM WORK**

- 24.1 This Rule is subject to Rule 25 (Family Leave).
- 24.2 If an Active Member is temporarily absent from Service for a reason other than illness without pay or on reduced or statutory sick pay, he may remain an Active Member with the consent of the Press or other Employer for such period as the Press or other Employer determines. After that period, the Member shall be treated as leaving Service.
- 24.3 If an Active Member is temporarily absent from Service on full pay other than because of illness, the absence shall be disregarded for the purposes of the Rules.
- 24.4 If an Active Member who is absent from work remains an Active Member under Rule 24.2, the following provisions apply.
  - (a) the member may, with the consent of the Press, pay contributions relating to all or part of the period of absence either while absent or on or after returning. His contributions shall be based on his Contribution Salary (or Frozen Pensionable Salary in the case of a Schedule C Member) immediately before the absence commenced. In that event the whole or relevant part of the period of absence shall be Pensionable Service and Employer's contributions shall also be payable.
  - (b) an Active Member who does not pay contributions under (a) above shall suspend payment of contributions for all or part of the period of absence. In that event the whole or relevant part of the period of absence shall not be Pensionable Service unless the Press otherwise decides.
  - (c) Death benefits shall continue to be payable whilst Active Membership continues (whether or not Pensionable Service is suspended).
- 24.5 If an Active Member is absent from work because of illness, the following provisions apply:
  - (a) If the Member is in receipt of full sick pay from the Employer with the exception of disability income he shall continue to make contributions in accordance with Rule 22.

- (b) If the Member is in receipt of a proportion of sick pay only from the Employer he shall continue to make contributions based on the sick pay received and the Employer shall pay the difference in contribution rate to the Trustees.
  - (c) If the Member is in receipt of disability income only from the Employer the Employer shall pay the contributions otherwise payable by or in respect of the Member.
  - (d) After the Member ceases to receive any income of the types mentioned in (a) to (c) above, the Member's Pensionable Service shall be suspended until such time as he is again making contributions to the Scheme unless the Employer in its absolute discretion decides to continue payment of the contributions otherwise payable by or in respect of the Member to the Trustees. During any such period of further contributions the Member's Pensionable Service shall continue, provided that the Employer may make arrangements on the Member's return to work for the recoupment of any such contributions by a reduction in remuneration or a deduction from benefits payable from the Scheme (subject to the Pensions Acts) by an amount not exceeding the contributions for which the Member would have been liable but for the illness or other cause.
  - (e) If a Member's Pensionable Service is suspended, the period shall not be Pensionable Service, but there shall be no prejudice to the continuity of his Pensionable Service. On leaving or retiring from Service whilst Pensionable Service is suspended, his benefits shall be calculated as if he had left or retired from Service on the day before the suspension began.
  - (f) Death benefits shall continue to be payable whilst Active Membership continues (whether or not Pensionable Service is suspended).
- 24.6 If a Life Assurance Member is absent from work, Life Assurance Membership shall continue for so long as the Member remains an Employee.
- 24.7 In exercising their duties, powers and discretions under this Rule 24 the Press, any other Employer and the Trustees shall comply with equality laws in force from time to time.

## **25 FAMILY LEAVE**

- 25.1 This Rule shall apply to any period of family leave taken by an Active Member.
- 25.2 During any period of family leave, contributions will be calculated as follows. In determining a Member's actual pay (if any), items that would be included for the purposes of Rule 22 (Members' Contributions) shall be included and items that would be excluded from Rule 22 shall be excluded. In assessing a Member's pay under this Rule, account shall be taken of the freezing of Standard Remuneration (Frozen Pensionable Salary in the case of a Schedule C Member):

<b>Category</b>	<b>Weeks since first on leave</b>	<b>Member contributions</b>	<b>Employer contributions</b>
Ordinary maternity leave	1-26	Based on the pay (if any) actually received.	As if the Member had not been absent but had been working normally.
Additional	27-39	Based on the pay (if	As if the Member had not been absent



maternity leave		any) actually received.	but had been working normally.
Additional maternity leave	40-52	If the Member is receiving pay, based on the pay actually received.	If the Member is receiving pay, as if the Member had not been absent but had been working normally. If the Member is not receiving pay, contributions are not payable.
Ordinary adoption leave	1-26	Based on the pay (if any) actually received.	As if the Member had not been absent but had been working normally.
Additional adoption leave	27-39	Based on the pay (if any) actually received.	As if the Member had not been absent but had been working normally.
Additional adoption leave	40-52	If the Member is receiving pay, based on the pay actually received.	If the Member is receiving pay, as if the Member had not been absent but had been working normally. If the Member is not receiving pay, contributions are not payable.
Paternity leave and additional paternity leave	all	If the Member is receiving pay, based on the pay actually received.	If the Member is receiving pay, as if Member had not been absent but had been working normally. If the Member is not receiving pay, contributions are not payable.
Parental leave	all	If the Member is receiving pay, based on the pay actually received.	If the Member is receiving pay, based on the pay actually received. If the Member is not receiving pay, contributions are not payable.
Any other family leave	all	If the Member is receiving pay, based on the pay actually received.	If the Member is receiving pay, based on the pay actually received. If the Member is not receiving pay, contributions are not payable.

25.3 For the purposes of this Rule, the meanings of "ordinary maternity leave", "additional maternity leave ", "ordinary adoption leave", "additional adoption leave" and "additional paternity leave" are as defined in Part VIII of the Employment Rights Act 1996. The meanings of "paternity leave" and "parental leave" are as defined in regulations made under the Employment Rights Act 1996.

25.4 During any period in which contributions are payable under Rule 25.2, Pensionable Service shall continue. During any period listed under Rule 25.2 in which contributions are not payable, Pensionable Service shall be suspended but its continuity shall not be affected if it later resumes on the Member's return to Service under a legal right to so. However, on returning to work an Active Member may elect with the Press's consent to pay contributions under Rule 22 based on Contribution Salary (or Frozen Pensionable Salary in the case of a Schedule C Member) immediately before the commencement of family leave, in relation to the whole or part of any period listed under Rule 25.2 during which contributions were not paid. In that event the whole or part of the relevant period shall be Pensionable Service and Employer contributions shall also be payable.

- 25.5 During any period of family leave, an Active Member or Life Assurance Member shall continue to be eligible for death benefits so long as the Active Member or Life Assurance Member remains in Service.

## **PENSION BENEFITS AND CHOICES FOR MEMBERS**

### **26 RETIREMENT AT NORMAL PENSION DATE**

- 26.1 An Active Member who leaves Service at Normal Pension Date shall receive an annual pension for life.
- 26.2 A Schedule A or B Member is entitled to a pension of 2.67% of his Final Contribution Salary for each year of Pensionable Service, and pro rata for any additional complete day of Pensionable Service, subject to a maximum of 25 complete years of Pensionable Service.
- 26.3 Additional benefits may be payable in respect of a Schedule A Member or a Schedule C Member who was a Member of the Scheme immediately before 1 April 1978 (see the transitional arrangements in Schedule A).
- 26.4 A Schedule C Member is entitled to a pension calculated as described in Schedule C.
- 26.5 This Rule is subject to Rule 83 (Contribution and Benefit Limits) and Rule 84 (Contracted-out Benefits).

### **27 RETIREMENT AFTER NORMAL PENSION DATE**

- 27.1 An Active Member who leaves Service after Normal Pension Date shall receive an annual pension for life.
- 27.2 On leaving Service after Normal Pension Date an Active Member who is a Schedule A or B Member shall be entitled to a pension calculated under Rule 26 above as at the date his Pensionable Service ceases, and increased by such amount as the Trustees shall after considering the Actuary's advice determine.
- 27.3 On leaving Service after Normal Pension Date an Active Member who is a Schedule C Member is entitled to a pension calculated as described in Schedule C.
- 27.4 This Rule is subject to Rule 83 (Contribution and Benefit Limits) and Rule 84 (Contracted-out Benefits).
- 27.5 An Active Member who remains in Service after Normal Pension Date may elect with the consent of the Press to receive a pension at Normal Pension Date or any later date before actual retirement from Service. The Member shall be treated under the Scheme as leaving Service on the date on which his pension comes into payment, and the pension shall be calculated accordingly under Rule 26 or Rule 27 above as appropriate. This Rule is subject to Rule 84.11.

### **28 EARLY RETIREMENT (NOT FOR ILL HEALTH)**

- 28.1 An Active Member who leaves Service at or after Minimum Pension Age but before Normal Pension Date may choose an immediate pension. The consent of the Press is required for a Schedule A or Schedule B Member. The consent of Cambridge Printing Services Limited is required for a Schedule C Member, but only if he is leaving Service before age 60.
- 28.2 The annual pension will be paid for life.
- 28.3 The pension for a Schedule A or B Member shall be calculated under Rule 26 above but then reduced by such amount as the Trustees after considering the Actuary's

advice determine, to take account of the earlier date when the pension comes into payment.

- 28.4 The pension for a Schedule C Member shall be calculated as described in Schedule C.
- 28.5 This Rule is subject to Rule 83 (Contribution and Benefit Limits) and Rule 84 (Contracted-out Benefits).
- 28.6 The Trustees must be satisfied that the reduced pension is at least equal in value to the preserved pension (including future increases) to which the Active Member would otherwise have been entitled to under Rule 40 (Preserved Benefits).

## **29 RECEIVING BENEFITS AND REMAINING IN SERVICE**

- 29.1 The Trustees may, with the consent of the Press, allow Members to receive all of their benefits under the Scheme before they leave Service on such basis as the Trustees agree with the Press and notify to the Member. The benefits payable on the death of a Member in Service who is in receipt of all of his benefits in accordance with this provision shall be of such amount and in such form as the Trustees shall have notified to the Member. Unless agreed otherwise, the Trustees shall calculate benefits in accordance with Rule 28 where pension is drawn before Normal Pension Date and in accordance with Rule 27.5 where pension is drawn after Normal Pension Date.

## **30 EARLY RETIREMENT FOR ILL HEALTH**

- 30.1 An Active Member who leaves Service before Normal Pension Date because of Ill Health may, subject to the consent of the Press (Cambridge Printing Services Limited in the case of a Schedule C Member), choose to receive an immediate pension.
- 30.2 The pension for a Schedule A or B Member shall be calculated under Rule 26 above but as if his Pensionable Service included the period up to Normal Pension Date and based on his Final Contribution Salary immediately before commencement of his Ill Health (or retirement, if higher).
- 30.3 The pension for a Schedule C Member shall be calculated as described in Schedule C.
- 30.4 Until Normal Pension Date the Trustees may at any time review whether a Member who is receiving pension under this Rule 30 becomes capable of following any substantially remunerated employment or self-employment. The Trustees may ask for medical information for the purpose of a review. They may also require the Member to have a medical examination and to let them see the report. If in the Trustees' opinion the Member becomes capable of following any substantially remunerated employment or self-employment, they may suspend or reduce the pension, but the amount of his pension at Normal Pension Date shall in no case be less than his preserved pension under Rule 40.

## **31 LEVEL OPTION PENSION**

- 31.1 If a Member who retires before Pensionable Age so requests in writing before retirement, the Trustees may increase the amount of pension payable to him before Pensionable Age, and reduce the amount of pension payable to him after Pensionable Age (or such other date as the Trustees select if necessary for the payment of pension to remain an authorised payment under the Finance Act 2004). An Active Member must have reached age 50 in order to request this arrangement and any other Member must have reached age 60 in order to request this arrangement.

- 31.2 The additional amount of pension before Pensionable Age shall be agreed between the Press and the Member and shall not exceed the single person's basic State pension at the date of retirement. The additional amount shall be paid monthly from the date of retirement until the date he reaches Pensionable Age (or, at the discretion of the Trustees, such other date as they determine to be necessary to ensure that the payment of pension, following the termination of the payment of the additional amount, remains an authorised payment under the Finance Act 2004) and the agreed additional amount shall not be increased or altered during this period. If payment of the additional amount terminates at a date other than the Member's Pensionable Age, the amount of pension payable after the termination will be adjusted by the Trustees on the advice of the Actuary to take account of the payment of the additional amount being for a different duration than anticipated when its amount was agreed (if that is the case).
- 31.3 If the Member chooses to increase his initial pension in this way, the amount of pension to which the Member is entitled excluding the additional amount will be reduced from the date of retirement in accordance with the Actuary's advice.
- 31.4 For the purposes of this Rule 31, a female Member's Pensionable Age shall be determined at the date of retirement.
- 31.5 If a Pensioner in receipt of additional pension under this Rule dies within five years of his retirement a lump sum equal in value to the total instalments of the additional amount of pension which would have been payable in the remainder of those five years will be paid in accordance with Rule 36 (Discretionary Trusts of Lump Sum Death Benefits).
- 31.6 No pension payable to a Member's Spouse or Dependents shall be affected by the payment of additional pension under this Rule.

## **32 LUMP SUM ON RETIREMENT**

### **Pension Commencement Lump Sum**

- 32.1 A Member may elect to give up pension for a lump sum. The lump sum must qualify as a Pension Commencement Lump Sum. A Member who wishes to make this election shall give the Trustees written notice before the date on which his benefits are due to come into payment.
- 32.2 The Trustees may allow part or all of any of the proceeds of a Member's AVCs to be paid as a lump sum on such basis as the Trustees may decide provided that together with any lump sum paid under Rule 32.1 it qualifies as a Pension Commencement Lump Sum. A Schedule A Member who had the right under the governing documents of the Scheme as at 5 April 2006 to elect for the entire proceeds of his AVCs to be paid as a lump sum shall continue to have the right to do so provided that together with any lump sum paid under Rule 32.1 it qualifies as a Pension Commencement Lump Sum.
- 32.3 The Member must keep sufficient pension to satisfy the Contracting-Out Laws.
- 32.4 The Trustees shall decide the basis for converting pension to lump sum on the advice of the Actuary.

### **Serious Ill Health Lump Sum**

- 32.5 If a Member is suffering from Serious Ill Health, the Trustees may convert his entitlement to benefits under the to a lump sum provided they have not already become

due for payment. This lump sum must qualify as a Serious Ill Health Lump Sum. The Trustees shall decide the basis for converting pension to lump sum on the advice of the Actuary. The Scheme must retain liability to pay sufficient pension to the Member's surviving Spouse to comply with the Contracting-out Laws and any retained liability shall be a separate arrangement for the purposes of the Finance Act 2004.

- 32.6 The Member's consent is required for the payment of a lump sum under Rule 32.5 unless in the opinion of the Trustees he is unable to give such consent because of incapacity.
- 32.7 If the amount that would be crystallised for the purposes of section 216 of the FA2004 on a Benefit Crystallisation Event in relation to a Member would exceed his available Lifetime Allowance and the Member so requests, the Trustees acting on the advice of the Actuary may convert the excess into a Lifetime Allowance Excess Lump Sum of equivalent actuarial value. The conversion of any excess pension must be done before the Benefit Crystallisation Event. The Member must also agree that the Trustees may recover from the Lifetime Allowance Excess Lump Sum the amount of the Lifetime Allowance Charge for which they will be liable.

## **DEATH BENEFITS – LUMP SUMS**

### **33 DEATH IN SERVICE**

- 33.1 If an Active Member dies, the Trustees shall pay a lump sum under Rule 36 (Discretionary Trusts of Lump Sum Death Benefits) equal to the total of:
- (a) four times the Active Member's Death Benefit Salary (Frozen Pensionable Salary in the case of a Schedule C Member); and
  - (b) the total contributions paid, or treated as paid by the Active Member to the Scheme (if any), together with interest at a rate determined by the Trustees from time to time after considering the Actuary's advice subject to a maximum rate of 5% per annum.
- 33.2 If an Active Member has paid AVCs the consequent benefits will be payable under Rule 23 (Additional Voluntary Contributions).
- 33.3 If a Life Assurance Member dies, the Trustees shall pay a lump sum under Rule 36 (Discretionary Trusts of Lump Sum Death Benefits) equal to four times the Life Assurance Member's Death Benefit Salary.
- 33.4 This Rule is subject to Rule 82 (Part-Time Service) and to the limits in Rule 83 (Contribution and Benefit Limits).

### **34 DEATH IN THE 5 YEARS AFTER PENSION STARTS**

- 34.1 If a Pensioner dies within five years of the commencement of his pension, the Trustees shall pay a lump sum under Rule 36 (Discretionary Trusts of Lump Sum Death Benefits) equal to the total instalments of pension he would have received in the remainder of the five years (calculated at the rate being paid when he died).

### **35 DEATH OF A MEMBER WITH PRESERVED BENEFITS**

- 35.1 Subject as follows, if a Member with preserved benefits under Rule 40 dies before Normal Pension Date and before his benefits come into payment, the Trustees shall pay a lump sum benefit under Rule 36 (Discretionary Trusts of Lump Sum Death Benefits) equal to five times the Member's preserved pension including revaluation under Rule 40 up to the date of death.
- 35.2 In relation to Schedule B Members only, interest is payable on the lump sum under Rule 35.1 at a rate determined by the Trustees from time to time after considering the Actuary's advice.
- 35.3 If a Member with preserved benefits under Rule 40 dies on or after Normal Pension Date, the Trustees shall pay a lump sum benefit under Rule 34 as if the Member had become a Pensioner on the date of and immediately before his death.

### **36 DISCRETIONARY TRUSTS OF LUMP SUM DEATH BENEFITS**

- 36.1 The Trustees may pay the whole or part of any lump sum death benefit expressed to be payable under this Rule to or for the benefit of one or more of the Death Benefit Class (as defined below) living at or born after his death, or apply it to or for their benefit in such shares as they decide. The Trustees shall not be liable if they fail to identify or locate a potential Beneficiary provided that they have used such endeavours to do so as are reasonable in all the circumstances of the case.

36.2 If the Trustees have not paid the whole of the lump sum out within twenty-three months of the Member's death, they shall pay the balance to his personal representatives. However, they shall not make any payment to the personal representatives if it would then pass to the Member's creditors, Crown, the Duchy of Lancaster, the Duke of Cornwall. Instead they shall keep the money in the Scheme for whatever purposes they decide.

36.3 The Death Benefit Class is:

- (a) any person who has paid the funeral expenses of the deceased, to the extent of the expenses so paid;
- (b) the Member's spouse;
- (c) the Member's child;
- (d) any parent or grandparent of the Member or his spouse;
- (e) the descendant (whether of the whole blood or half-blood) of any grandparent of the Member or his Spouse;
- (f) any individual who is shown to the Trustees' satisfaction to have been part or wholly financially dependent on the Member, or towards whose maintenance and support (whether in part or wholly) the Member had been contributing prior to his death;
- (g) any person or unincorporated body that the Member notified to the Trustees for the purpose of this Rule 36;
- (h) any person who is shown to the satisfaction of the Trustees to be beneficially interested under the intestacy or any testamentary disposition of the Member;
- (i) any individual, charity, club, association or company notified to the Press or Trustees in writing by the Member as being an individual or body whom the Member wishes the Trustees to consider as a possible recipient of the lump sum or part of it;
- (j) any individual who is the spouse or issue of any individual in the categories above; and
- (k) the Member's personal representatives

36.4 For the purposes of this Rule:

- (a) "spouse" includes any wife/husband/civil partner, any person with whom the Member lived in a relationship resembling marriage/civil partnership, and any former wife/husband/civil partner;
- (b) adoptive relationships shall be treated as blood relationships;
- (c) "child" includes any step-child, step-grandchild, adopted child or illegitimate child of the Member or of his spouse and shall include a child conceived but not born at the Member's death; and
- (d) the Death Benefit Class shall otherwise be closed at the date of the Member's death.



- 36.5 The Trustees may pay the whole or part of the lump sum to trustees to hold on trust (or may establish a separate trust) for the benefit of one or more of the Death Benefit Class.
- 36.6 The Trustees may rely on:
- (a) any confirmation by an Employer or the Press that a person is a Beneficiary;
  - (b) any confirmation given by a solicitor that the trusts on which a lump sum is to be held mean that it can only be paid to or used for the benefit of one or more of the Death Benefit Class;
  - (c) any information provided by solicitors acting for the personal representatives of the Member,
- and shall not be under any duty to make any further enquiry.
- 36.7 The Trustees may deduct from the lump sum any expenses they incur in establishing a trust for the benefit of one or more members of the Death Benefit Class under this Rule.
- 36.8 If part of any lump sum otherwise payable cannot (because of the limits under Rule 83 (Contribution and Benefit Limits) be paid as a lump sum, the Trustees may at their discretion apply that part in the provision of an annuity for any individual in the Death Benefit Class (subject to Rule 83).

## **DEATH BENEFITS – PENSIONS**

### **37 SPOUSE'S PENSION**

- 37.1 Subject as follows, if a Member (including a Life Assurance Member) dies leaving a Spouse, the Trustees shall pay the Spouse an annual pension for life. For the avoidance of doubt, in calculating the pension for a Civil Partner, the Trustees shall take account of the whole period of the Member's Pensionable Service.
- 37.2 The Spouse's pension in respect of a Schedule A or B Member shall be calculated as follows:
- (a) on the death of an Active Member or Life Assurance Member the Spouse's pension shall be equal to 4/9ths of the deceased Member's Final Contribution Salary;
  - (b) on the death of a Pensioner the Spouse's pension shall be equal to 66.7% of the pension the deceased Member was receiving at the date of his death (ignoring any commutation under Rule 32.1 or adjustment under Rule 31 but excluding any pension derived from AVCs);
  - (c) on the death of a Member entitled to preserved benefits under Rule 40 before Normal Pension Date and before his benefits come into payment, the Spouse's pension shall be equal to 66.7% of the Member's preserved pension including revaluation under Rule 40 up to the date of death. The Spouse's pension shall be payable from the date on which the Member would have attained Normal Pension Date;
  - (d) on the death of a Member entitled to preserved benefits under Rule 40 on or after Normal Pension Date and before his benefits come into payment, the Spouse's pension shall be calculated under 37.2(b) above as if the Member had become a Pensioner on the date of and immediately before his death.
- 37.3 The Spouse's pension in respect of a Schedule C Member shall be calculated as described in Schedule C.
- 37.4 This Rule 37 is subject to the limits under Rule 83 (Contribution and Benefit Limits).
- 37.5 If the Spouse to receive a pension is more than 10 years younger than the Member, the Trustees shall reduce the pension by a factor determined by the Trustees on the Actuary's advice for each complete year by which the age of the Member exceeds that of the Spouse, provided that the factor may not exceed 2.5% in respect of pension attributable to the Member's Pensionable Service before the effective date of these Rules.
- 37.6 The Trustees shall always pay a surviving Spouse or Civil Partner any GMP he is entitled to and any pension that the reference scheme (as defined in the Contracting-out Laws) in its minimum form would pay him.

### **38 CHILDREN'S PENSIONS**

- 38.1 If a Member (including a Life Assurance Member) dies leaving one or more Pensionable Children, the Trustees shall pay an annual children's pension in the circumstances specified below.

- 38.2 Children's pension in respect of a Schedule A or B Member shall be calculated as follows:
- (a) on the death of an Active Member or Life Assurance Member the children's pension shall be equal to:
    - (i) if the Member leaves a Spouse, 2/9ths of the Member's Final Contribution Salary; or
    - (ii) if the Member leaves no surviving Spouse, 66.7% of the Member's Final Contribution Salary;
  - (b) on the death of a Pensioner the children's pension shall be equal to:
    - (i) if the Member leaves a Spouse, one-third of the pension the deceased Member was receiving at the date of death (ignoring the effect of any commutation under Rule 32.1 or adjustment under Rule 31 but excluding any pension derived from AVCs); or
    - (ii) if the Member leaves no surviving Spouse, the pension the deceased Member was receiving at the date of death (ignoring the effect of any commutation under Rule 32.1 or adjustment under Rule 31 but excluding any pension derived from AVCs).
- 38.3 Children's pension in respect of a Schedule C Member who is an Active Member shall be calculated as described in Schedule C.
- 38.4 The Trustees shall pay the children's pension to or for the benefit of the Pensionable Children. The Trustees shall (if appropriate) determine the shares of the children's pension.
- 38.5 The Trustees may pay any amount under this Rule 38 to any person or persons approved by them who undertakes to apply the benefits for the maintenance or benefit of the Pensionable Child or Children in respect of whom the payment is made. The Trustees shall not be under any obligation to see to the application of any such benefit or benefits paid in accordance with this Rule 38.5.
- 38.6 The Trustees shall cease to pay a pension to or in respect of any person when he ceases to satisfy the definition of Pensionable Child. The pension shall be redistributed amongst any remaining Pensionable Children.
- 38.7 The Trustees may pay children's pension direct to the Pensionable Child who he is age 16 or over. The receipt of a child age 16 or over for money paid to him shall be a good discharge for the Trustees.

### **39 NOMINATED LIFE PARTNER'S PENSION**

- 39.1 If a Member (including a Life Assurance Member) dies without leaving a Spouse or Pensionable Child but leaving a Nominated Life Partner, the Trustees may at their discretion pay the Nominated Life Partner an annual pension for life.
- 39.2 If a pension is paid under this Rule, it shall be calculated under Rule 37 as if it were a Spouse's pension and all the conditions of that Rule shall apply.

## **EARLY LEAVERS**

### **40 PRESERVED BENEFITS**

- 40.1 An Active Member who leaves Service (or who is treated under the Rules as leaving Service) before Normal Pension Date without an immediate pension being payable under Rules 28, 29 or 30 and after at least two years' Qualifying Service shall be entitled to a deferred annual pension for life from his Normal Pension Date. His pension shall be calculated as described in Rule 26 and in the case of a Schedule A or B Member, revalued during deferment as follows. Such pensions shall be increased during deferment in accordance with Rule 49.1 (Pension Increases), provided that:
- (a) any money purchase benefit shall be calculated in accordance with the investment yield and any bonuses arising from the relevant payments;
  - (b) if the rate of increase specified under the Contracting-out Laws in relation to any GMP would provide a greater rate of increase on the GMP, that rate shall apply instead to the GMP, and the remainder of the pension shall be increased in accordance with Rule 49.1; and
  - (c) the rate of revaluation applied shall to any extent necessary be increased to the minimum rate required by the Revaluation Laws.

In the case of a Schedule C Member the pension shall be revalued as described in Schedule C.

The Trustees may round down as convenient the period of deferment that is counted for revaluation, subject to the Revaluation Laws. A Member's benefits shall include supplementary credits to the extent required by the Preservation Laws.

- 40.2 If the Trustees have received a transfer payment representing his rights under a personal pension scheme (see Rule 47), a Member who leaves Service (or who is treated under the Rules as leaving service) shall be entitled to benefits under this Rule 40 whether or not he has completed two years' Qualifying Service.
- 40.3 Any alternative provided under these Rules to a Member entitled to short service benefits within the meaning of the PSA1993 is subject to the Trustees being reasonably satisfied that, when the Member's benefit becomes payable, the total value of his benefits (including contingent death benefits payable on or after Normal Pension Date) is at least equal to the value of the short service benefits.
- 40.4 Rule 32 (Lump sum on Retirement) shall apply to a Member entitled to preserved benefits under this Rule 40.
- 40.5 A Member may also be entitled to benefits under this Rule (or treated as so entitled) on opting out of Active Membership (see Rule 21.2 and Rule 42).

### **41 REFUND OF CONTRIBUTIONS AND CASH TRANSFER SUM**

- 41.1 A Member who leaves Service (or who is treated under the Rules as leaving Service) before Normal Pension Date without being entitled to a preserved pension under Rule 40 shall be entitled to a refund of his contributions to the Scheme including any AVCs (less tax at such rate as applies from time to time). He may also have the option of transferring his Cash Transfer Sum to another scheme (see Rule 41.3). If Matching Employer AVCs have been paid in respect of the Member he also has the option of a

transfer payment (see Rule 23.7). See also paragraph 1 (Transitional Arrangements) of Schedule A.

- 41.2 If a Member who receives a refund of contributions was in Contracted-out Employment under the Scheme, he (and any Spouse) shall remain entitled to Contracted-out Benefits under the Scheme unless this right is extinguished by a contributions equivalent premium ("CEP") under the PSA1993. The refund of contributions shall be reduced if a CEP is paid by the amount recoverable under section 61 of that Act, and otherwise by the amount that the Trustees estimate would have been recoverable if a CEP had been paid.
- 41.3 Instead of a refund of contributions, a Member who is not entitled to a preserved pension under Rule 40 but has completed three months' PSA Pensionable Service and has a right to a Cash Transfer Sum may elect such a sum in accordance with section 101AD of the PSA1993. The Member must make his election within any timescale the Trustees specify and if he makes no election the Trustees shall pay a refund under Rule 41.1.
- 41.4 Subject to Rule 41.2, if the Trustees make a refund of contributions or pay a Cash Transfer Sum under this Rule they shall be discharged from any obligation to pay any other benefits to or in respect of the Member.

## **42 OPTING OUT WHILE REMAINING AN EMPLOYEE**

- 42.1 If a Member opts out of Active Membership of the Scheme under Rule 21 before Normal Pension Date while remaining in Service and without being entitled to an immediate pension under Rule 29, he shall be treated as having left Service and be entitled to preserved benefits under Rule 40 or to a refund of contributions, Cash Transfer Sum or preserved benefits under Rule 41, as the case may be. If entitled to preserved benefits, these may be brought into payment before leaving Service under Rule 29 (Receiving Benefits and Remaining in Service).
- 42.2 If a Member opts out of Active Membership of the Scheme under Rule 21 on or after Normal Pension Date while remaining in Service and without being entitled to an immediate pension under Rule 29, he shall be treated as having left Service. His benefits shall be calculated under Rule 27 and shall come into payment on the earliest of the following:
- (a) the date he ceases to be in Service;
  - (b) the eve of his 75<sup>th</sup> birthday; and
  - (c) payment of his benefits under Rule 29 (Receiving Benefits and Remaining in Service).

The Trustees shall increase the benefits for late payment after considering the advice of the Actuary. The Member shall be treated as entitled to preserved benefits so far as relevant for the purposes of Rules 35 (Death of a Member with Preserved Benefits), 37 (Spouse's Pension), 38 (Children's pensions) and 46 (Making Transfers).

## **43 CHOICE OF EARLY PENSION**

- 43.1 With the Trustees' consent, a Member who has left Service and is entitled to preserved benefits under Rule 40 may choose to receive immediate benefits instead. The Member may do this at any age if he is suffering Ill Health or at any time after

Minimum Pension Age in any other case. A Schedule C Member shall not require consent if he is drawing his benefits on or after reaching age 60.

- 43.2 The Trustees shall reduce the immediate benefits by such amount as they determine after considering the advice of the Actuary, subject to Rule 40.3.
- 43.3 This Rule 43 has effect from 6 April 2006.

#### **44 CHOICE OF LATE PENSION**

- 44.1 With the Trustees' consent, a Member who has left Service and is entitled to preserved benefits under Rule 40 may choose to have his benefits come into payment later than Normal Pension Date, but not later than the eve of his 75<sup>th</sup> birthday. The Trustees shall increase the benefits for late payment after considering the advice of the Actuary, subject to Rule 40.3.

## **TRANSFERS AND BUY-OUTS**

### **45 MEMBER'S STATUTORY RIGHT TO TRANSFER**

- 45.1 If a Member entitled to preserved benefits under Rule 40 has a right to a cash equivalent under section 94 of the PSA1993, he may require the Trustees to use the cash equivalent of his preserved benefits in whichever of the following ways (or combination of them) he chooses:
- (a) to purchase one or more Insurance Policies chosen by the Member. Any policy must satisfy the Transfer Value Laws, the Preservation Laws and the Contracting-out Laws and the purchase must qualify as a Recognised Transfer; and
  - (b) to acquire rights under another Registered Scheme or Qualifying Recognised Overseas Pension Scheme whose Trustees or managers are able and willing to accept a transfer payment. The transfer must satisfy the Transfer Value Laws, the Preservation Laws and the Contracting-out Laws.
- 45.2 The Member may exercise the right in different ways in relation to different portions of his cash equivalent. To exercise his right the Member must comply with the procedures set out in the Transfer Value Laws. The Trustees must do likewise in the carrying out their responsibilities.
- 45.3 Under the Transfer Value Laws the Member may apply to the Trustees in writing for a statement of the amount of his cash equivalent.
- 45.4 The Trustees shall calculate the cash equivalent on the advice of the Actuary and on a basis that complies with the Transfer Value Laws. The Press may determine after considering actuarial advice that a greater amount shall apply.
- 45.5 For the avoidance of doubt, in relation to a Member who remains in Service the cash equivalent shall include benefits accrued or credited by reference to his Pensionable Service before 6 April 1988.
- 45.6 The Member must normally exercise the right to transfer in respect of the whole of his cash equivalent. The two exceptions are as follows:
- (a) the Member can require the Trustees to transfer only his accrued rights in excess of his Contracted-out Benefits to an occupational pension scheme which is not Contracted-out or a personal pension scheme which is not an "appropriate" scheme (so is unable to hold Contracted-out Benefits); and
  - (b) the Member can require the Trustees to transfer only his accrued rights in respect of his AVCs, leaving his main benefits in the Scheme.
- 45.7 If a Member who is not entitled to preserved benefits:
- (a) has a right to a Cash Transfer Sum;
  - (b) has exercised that right in accordance with the PSA1993; and
  - (c) has made his election within the timescale specified by the Trustees and given them notice specifying the way in which he requires the Cash Transfer Sum to be used in accordance with the PSA1993,

the Trustees shall pay the Cash Transfer Sum as the Member has directed them.

- 45.8 If the Trustees have transferred the cash equivalent of the Member's preserved benefits (or any part of them) or his Cash Transfer Sum in the way described in this Rule, they shall be discharged from any obligation to provide the benefits (including contingent benefits) to which the cash equivalent or Cash Transfer Sum related or to pay any refund of contributions. The Trustees shall not be obliged to see to any application of the transfer payment by the recipient.
- 45.9 If a Member exercises his rights under this Rule, the Trustees shall give effect to that exercise in accordance with the Transfer Value Laws and the Contracting-out Laws. Except to the extent prescribed by law, the Trustees shall not be responsible for any loss to any Member or other person resulting from any delay in implementing the exercise of a transfer right under this Rule.

#### **46 MAKING TRANSFERS**

- 46.1 If a Member becomes a member of another scheme which is a Registered Scheme or a Qualifying Recognised Overseas Pension Scheme (the "**Receiving Scheme**"), the Trustees may agree with the Press and the Member that instead of paying or preserving a Member's benefits under the Scheme to transfer to the Receiving Scheme a cash sum or other assets of such amount as the Trustees on the advice of the Actuary consider appropriate having regard to the value of such benefits. The transfer must satisfy the Preservation Laws and the Contracting-out Laws. The transfer may relate to the Member's benefits in part or in whole.
- 46.2 The Trustees shall on the application in writing of a Schedule A Member entitled to preserved benefits under the Scheme make a transfer payment in respect of such Member. All other benefits under the Scheme in respect of the Member shall be extinguished. The amount of any transfer payment shall be such amount as the Trustees after taking the advice of the Actuary consider appropriate. The transfer must comply with the Preservation Laws and the Contracting-out Laws.
- 46.3 In accordance with Rule 23.7, any Active Member in respect of whom Matching Employer AVCs have been paid shall, on ceasing to be in Active Membership without immediately receiving a pension from the Scheme, be entitled to a transfer payment in respect of all his benefits (including the Matching Employer AVCs) under this Rule 46 regardless of the length of his Qualifying Service. The amount of any transfer payment shall be such amount as the Trustees after taking the advice of the Actuary consider appropriate. The transfer must comply with the Preservation Laws and the Contracting-out Laws.
- 46.4 If the Trustees make a transfer payment under this Rule for a Member who is subject to a Pension Debit, they shall deduct the amount of the debit from the payment. If the Receiving Scheme is a Registered Scheme, the Trustees shall give it details of the Pension Debit.
- 46.5 The Trustees need not obtain the consent of the Member or other Beneficiary to a transfer under this Rule if any conditions for this to be done without his consent under the Preservation Laws and Contracting-out Laws are satisfied and if the Actuary certifies that the benefits to be provided under the receiving arrangement would be broadly comparable to the benefits that would otherwise be provided under the Scheme.
- 46.6 If the Trustees make a transfer payment under this Rule 46, they shall be discharged from any obligation to provide the benefits (including contingent benefits) to which the transfer related or to pay any refund of contributions. The Trustees shall not be obliged to see to any application of the transfer payment by the recipient. Except to the



extent prescribed by law, the Trustees shall not be responsible for any loss to any Member or other person resulting from any delay in implementing the exercise of a transfer right under this Rule. Any consent, request or application made by a Member in relation to any transfer payment shall be deemed to include the consent of any contingent Beneficiaries whose benefits derive from his.

#### **47 RECEIVING TRANSFERS**

- 47.1 The Trustees may accept a transfer payment in respect of any person from any Registered Scheme or other pension scheme, or the proceeds of a buy-out policy or annuity contract bought by another pension scheme in the person's name. The Press's consent shall be required in the case of a transfer in respect of more than one person.
- 47.2 The Trustees shall provide such benefits and contingent benefits, on such terms, as are consistent with the Preservation, Revaluation and Transfer Value Laws and the status of the Scheme as a Registered Scheme as they decide after considering advice from the Actuary. If the transferred assets represent Contracted-out Benefits or Protected Rights, the benefits the Trustees provide shall also be consistent with the Contracting-out Laws.

#### **48 BUYING OUT BENEFITS**

- 48.1 The Trustees may purchase or provide an Insurance Policy in the name of a Member or other Beneficiary (or a trustee for his benefit) instead of providing benefits for that person under the Scheme. They may also assign an Insurance Policy that they already hold to a Member or other Beneficiary (or to a trustee for his benefit). In either case, the Insurance Policy must satisfy the Preservation Laws and the Contracting-out Laws and any purchase of an Insurance Policy in the name of the Member or other Beneficiary must qualify as a Recognised Transfer. Within those constraints, the benefits the Insurance Policy provides may be different from, and payable to different persons than, those that the Trustees would have provided under the Scheme.
- 48.2 The Trustees need not obtain the consent of the Member or other Beneficiary to a purchase or assignment of an Insurance Policy under this Rule if any conditions for this to be done without his consent under the Preservation Laws and Contracting-out Laws are satisfied. Any consent of a Member shall be deemed to include the consent of any other person contingently entitled to benefits in respect of his Membership.
- 48.3 The Trustees must be reasonably satisfied that the amount paid to the Insurance Company complies with the Preservation Laws, if applicable.
- 48.4 Buying or assigning an Insurance Policy in accordance with this Rule shall discharge the Trustees from liability to provide, for or in respect of the person concerned, the benefits under the Scheme to which the Insurance Policy relates.

## **GENERAL RULES ABOUT BENEFITS**

### **49 PENSION INCREASES**

- 49.1 The Trustees shall increase each pension in payment in respect of a Schedule A or B Member as follows. Subject to Rule 49.2 each pension in payment shall be increased by a minimum of 3% and up to 6% or such higher percentage as the Trustees may in their discretion (after consulting the Press) decide having regard to but not exceeding the percentage increase in the Index during the year or years ending with the preceding October publication of the Index.
- 49.2 If the rate of increase specified under the Contracting-out Laws in relation to any GMP would provide a greater rate of increase on the GMP, that rate shall apply instead to the GMP, and the remainder of the pension shall be increased in accordance with paragraph 49.1 above.
- 49.3 The Trustees shall increase each pension in payment in respect of a Schedule C Member in accordance with Schedule C.
- 49.4 Increases shall be applied on 1<sup>st</sup> January each year.

### **50 PAYING PENSIONS**

- 50.1 The Trustees shall pay or secure benefits out of the Scheme in accordance with the Rules, subject always to having received contributions to the extent necessary as provided by the Rules.
- 50.2 Pensions under the Scheme are payable for the lifetime of the relevant Beneficiary (except in the case of a pension payable to a Pensionable Child (see Rule 38.6) or to a Dependant who is a minor, who shall be treated as if he were a Pensionable Child for the purpose of this Rule.
- 50.3 Pensions shall be paid at monthly intervals (or such other period of no more than a year as the Trustees may determine if the amount of pension payable is not in the opinion of the Trustees sufficiently large to justify monthly payment) and with or without addition or deduction for periods of less than a month (or other interval). The Trustees may decide the due date, manner and currency of payment. If a pension is to be paid in a currency other than Sterling, the amount shall be converted from Sterling at the expense of the Beneficiary at such rate of exchange as the Trustees may from time to time obtain.
- 50.4 Any pension or other payment may be paid into any bank or building society account or other arrangement capable of receiving an automated transfer payment. No payments shall be made by cash or cheque except that lump sum payments may be made by cheque.
- 50.5 Continued payment of any pension shall be subject to any evidence of continued existence which the Trustees may from time to time reasonably require.

### **51 DISCRETIONARY BENEFITS**

- 51.1 At the direction of the Press and conditionally upon the Press paying any additional contributions that the Trustees after considering the advice of the Actuary consider necessary, the Trustees may provide:
- (a) increased or additional benefits in respect of any Beneficiary;

- (b) benefits in respect of any Beneficiary different from those set out in the Rules, subject to the consent of the Beneficiary;
- (c) benefits in respect of any Employee or former Employee or any Spouse, child or Dependant of any Employee or former Employee; or
- (d) benefits in respect of any other person.

These benefits must be consistent with the Preservation, Revaluation, Contracting-out and Transfer Value Laws and in a form which does not prejudice the Scheme's status as a Registered Scheme.

- 51.2 The power under Rule 51.1(a) may be exercised at the direction of the Press in any case where a Beneficiary's benefits are restricted by Rule 83, in a manner agreed between the Press and the Trustees. An Active Member may pay correspondingly increased contributions.

## **52 TRIVIAL PENSIONS**

- 52.1 The Trustees may pay a person a lump sum not exceeding the actuarial equivalent of any pension payable to him (including any pension contingent on his death) instead of the pension if the lump sum would be:

- (a) a Trivial Commutation Lump Sum;
- (b) a Trivial Commutation Lump Sum Death Benefit; or
- (c) an Authorised Payment by virtue of Regulation 3 and Part 2 of the Registered Pension Schemes (Authorised Payments) Regulations 2009,

subject to the Contracting-out Laws.

## **53 TAX**

- 53.1 The Trustees shall deduct from any payment under the Scheme any tax on or in respect of the payment for which they may be liable.
- 53.2 The Scheme Administrator of the Scheme for the purposes of section 270 of the FA2004 shall be the Trustees, or such other person as the Trustees may appoint from time to time for those purposes.
- 53.3 If they are liable to pay any Lifetime Allowance Charge in respect of a Member, the Trustees may recover an amount reflecting such liability from the present or future benefits or entitlement in respect of the Member (other than from an entitlement to a benefit which has not crystallised, except that in relation to which the Lifetime Allowance Charge arises). The method of recovery shall be determined in accordance with normal actuarial practice.
- 53.4 If the Trustees have asked a Member to declare to them his available Lifetime Allowance prior to payment of benefits under the Scheme and the Member failed to do so, the Trustees may assume that he has fully utilised his Lifetime Allowance and treat all his benefits as subject to the Lifetime Allowance Charge until such time as he provides a declaration showing to the Trustees' satisfaction that this is not the case.
- 53.5 If the Trustees pay a short service refund lump sum (as defined in paragraph 5 of schedule 29 to the FA2004), they may deduct from that payment an amount equal to

the short service refund lump sum charge for which they are liable under section 205 FA2004.

#### **54 INFORMATION**

- 54.1 Payment of any benefit under the Scheme to any Beneficiary shall be conditional on the production by any person of any evidence or information that the Trustees may reasonably require for the purposes of the Scheme. If such evidence or information is not provided or is subsequently found to be incorrect, the Trustees may recover, withhold payment of the benefits or adjust the benefits in such way as they decide is reasonable after taking the advice of the Actuary, subject to the Preservation Laws and the Contracting-out Laws. No interest shall be payable in respect of any period for which payment is withheld unless the Trustees agree otherwise.
- 54.2 In respect of a Schedule B Member, entitlement to death benefits (except any GMP) may be made conditional on receipt of evidence of the Member's good health at any time.
- 54.3 The Trustees shall keep, or procure that there be kept, a complete record of all Members, retirements, deaths, withdrawals, transfers and other information necessary to be recorded for the proper running of the Scheme.
- 54.4 Every person having any rights under the Scheme shall be entitled to inspect a copy of the Rules (and all amendments to them), and the latest statement of accounts and balance sheet for the Fund.
- 54.5 The Trustees shall comply with their duties under the Data Protection Act 1998 and the Disclosure Regulations. The Trustees shall at all times endeavour to ensure that the entitlement of, and the personal information relating to, individual Beneficiaries is kept strictly confidential (so far as is practical and permitted by law).
- 54.6 Unless otherwise directed by a court of competent jurisdiction or required by statute, the Trustees shall be entitled to withhold from disclosure to all or any of the Beneficiaries or their representatives the whole or any part of any documents, minutes, records or other data or information in their possession or control.
- 54.7 The Trustees and Employers shall provide such information as is required by law in relation to the registration of occupational pension schemes.

#### **55 MEMBER'S CONSENT**

- 55.1 Any written consent given by a Member shall be deemed to represent the consent of, and to be binding on, any contingent beneficiary who has or acquires a claim to any benefit under the Scheme in respect of that Member.

#### **56 BENEFITS AS SET OUT IN RULES**

- 56.1 No Member or other person shall have any claim or right to any benefit under the Scheme except in accordance with the Rules.
- 56.2 Every Beneficiary shall be bound in all respects by these Rules.

#### **57 UNCLAIMED MONEY**

- 57.1 A Member or other Beneficiary shall cease to be entitled to a sum that has become due if it has not been claimed for at least six years from the date it became due, and that sum shall be retained in the Scheme for such purposes as the Trustees may decide

(which may include payment to the Beneficiary in future). If the sum in question is an instalment of a pension, the right to the pension shall not be extinguished but the right to the unclaimed instalment shall be forfeited.

- 57.2 Any instalment of a GMP may be forfeited if it is not paid within six years of the date on which the instalment became due and the Trustees do not know the whereabouts of the recipient.

## **58 OVERPAYMENTS**

- 58.1 If the Trustees pay a Beneficiary more than he is entitled to receive, they may (immediately or at a later date) demand repayment of the overpaid amount from that person or from their legal personal representatives, or they may deduct the overpaid amount from any later payment or payments to the Beneficiary or to any other person who derives their entitlement through him. This Rule is subject to the Contracting-out Laws and section 91 of the PA1995.
- 58.2 The Trustees shall give the person a certificate stating the amount to be recovered and the effects on his benefits. If he disputes the amount of the overpayment, the Trustees may not reduce the person's benefits until an obligation to repay has become enforceable under a court order or through an arbitrator's award.
- 58.3 The Trustees need not try to recover an overpayment if they think that the likelihood of recovering a worthwhile amount (net of costs) is too low.

## **59 ASSIGNING OR CHARGING BENEFITS TO SOMEONE ELSE**

- 59.1 If a person tries to assign or charge his present or future benefits (or part of them) or if anything happens that would result in all or part of his benefits, if belonging to him absolutely, becoming payable to another person, that act shall be unenforceable and his benefits shall be forfeited.
- 59.2 On the bankruptcy of a Beneficiary, his present or future benefits shall not pass to any trust or other person acting on behalf of his creditors and if the bankruptcy occurs before 6 April 2002 his benefits shall be forfeited.
- 59.3 If a Beneficiary has committed one of the offences referred to in Section 92 of the PA1995, his benefits shall be forfeited.
- 59.4 The Trustees may pay or apply a forfeited benefit or any part of it at their discretion to or for the benefit of the Beneficiary, or any Dependants of the Beneficiary, but in no circumstances shall a payment be made to anyone in whose favour the Beneficiary tried to assign or charge the benefits.
- 59.5 This Rule is subject to the Contracting-out Laws.

## **60 BENEFICIARY UNABLE TO MANAGE OWN AFFAIRS**

- 60.1 If the Trustees consider that a Beneficiary is incapable of managing his own affairs (because of illness, mental disorder, minority or anything else) they may pay or apply any amounts due to him:
- (a) for the maintenance of the Beneficiary;
  - (b) to any person financially dependent on the Beneficiary;

- (c) to any other person who undertakes to apply the benefit payable to or for the maintenance or benefit of the Beneficiary;
  - (d) to trustees to hold upon such trusts for the principal benefit of the Beneficiary and subject to such powers and provisions as the Trustees may direct; or
  - (e) for his estate,
- or hold it until the Beneficiary is able to act.

- 60.2 The Trustees shall be discharged from liability for amounts otherwise due to a Beneficiary if they obtain a receipt from the person to whom they pay them and shall not be under any obligation to see to the application of such benefits paid to that person for the benefit of the Beneficiary.
- 60.3 Payment of a GMP may be suspended during any period when the person receiving the GMP is unable to act (by reason of mental disorder or otherwise) but the amount of the GMP must be paid or applied for the maintenance of the recipient or his dependants, or be paid to the recipient when he is again able to act, or be paid to the recipient's estate after his death.
- 60.4 If any Beneficiary is detained in legal custody, or otherwise against his will, the Trustees may pay or apply the Beneficiary's benefit for the maintenance of any one or more persons who are financially dependent upon the Beneficiary.

## **61 PAYING PERSONS OTHER THAN PERSONAL REPRESENTATIVES**

- 61.1 Where any moneys not exceeding, in aggregate, £1,500 (or such other amount as the Trustees may from time to time determine) are payable to legal personal representatives and representation has not been taken out on a deceased person's estate, the Trustees may instead pay the moneys to the deceased person's Spouse, Dependant, other relative or any person entitled to any benefit from the deceased's estate. The Trustees shall be discharged from liability for amounts otherwise due to a Beneficiary if they obtain a receipt of the person to whom they pay them.

## **62 LIENS**

- 62.1 Subject to section 91 of the PA1995, if any Member or Ex-Spouse owes the Employer money as a result of a criminal, negligent or fraudulent act, the Employer may require his benefits (excluding GMPs) to stand charged with, or be set off against, the discharge of such debt, subject to the remaining provisions of this Rule. Benefits attributable to a transfer payment may not be affected unless they are prescribed under section 91(4)(d) of the PA1995. The amount recovered must not be greater than the amount of the debt nor greater than the value of the Member or Ex-Spouse's entitlement or accrued rights at the time. Any reduction in benefits will be decided by the Trustees after considering the advice of the Actuary.
- 62.2 The Trustees shall give the Member or Ex-Spouse a certificate stating the amount of the debt and the effect on his benefits. If he disputes the amount of the debt, the Trustees may not reduce the person's benefits until the obligation has become enforceable under a court order or through an arbitrator's award.

## **63 LIFE ASSURANCE POLICIES**

- 63.1 The Trustees may effect with an Insurance Company any life assurance policies for the purpose of insuring the whole or some part of the benefits payable under the Scheme

on the death of any Member or other person. The premiums shall be payable from the Fund.

## **TRUSTEES**

### **64 MEMBER-NOMINATED TRUSTEES**

- 64.1 If the requirements in the Pensions Act 2004 for member-nominated trustees or member-nominated directors apply to the Scheme, the Trustees shall make and carry out arrangements for selecting trustees of the Scheme (or directors of its corporate trustee) that are consistent with those requirements.
- 64.2 The Press shall exercise its powers of appointment and removal under Rule 65 to give effect to any arrangements that the Trustees have made in relation to member-nominated Trustees (or member-nominated directors of a corporate trustee).

### **65 APPOINTMENT AND REMOVAL**

- 65.1 Subject to Rule 64 and the remainder of this Rule and as may otherwise be agreed by the Trustees and the Press, the Press may:
- (a) remove a Trustee from office; and
  - (b) appoint a Trustee in place of any Trustee who is removed or vacates office.
- 65.2 Subject to Rule 66 (Resignation), there shall be no fewer than three Trustees except that the Press may appoint a corporate body as sole trustee.
- 65.3 Anyone who ceases to be a Trustee (including under Rule 66 (Resignation)) shall execute any documents and take such actions as the Press and the other Trustees reasonably require in order to give proper effect to the end of his trusteeship. If the Trustee fails to do so, either the Press or the remaining Trustees may do so on his behalf.
- 65.4 A Trustee will immediately cease to act as a Trustee of the Scheme and be removed from the trusts of the Scheme if he is disqualified by law from acting as a trustee of a pension scheme such as this Scheme.

### **66 RESIGNATION**

- 66.1 If a Trustee (or director of a corporate trustee) who is member-nominated (see Rule 64) wants to resign, he shall comply with anything that the Scheme's arrangements for member-nominated Trustees (or directors) say about resignation. Subject to that, an individual Trustee may resign by giving one month's written notice to the Press and the remaining Trustees, and a director of a corporate trustee by complying with the formalities for resigning as a director in the company's constitution.
- 66.2 At the end of the notice period the Trustee will cease to hold office and be removed from the trusts of the Scheme even if this would result in the number of remaining Trustees being less than three. The remaining Trustees may act notwithstanding a vacancy in their number.

### **67 RIGHT TO CHARGE**

- 67.1 A Trustee who or which is a professional person or corporate Trustee and carries on a profession or business that includes acting as a professional trustee or a corporate trustee may, with the agreement of the Press, charge and be paid for his services as a trustee of the Scheme, including charges for acts which a Trustee could have done personally.



- 67.2 This Rule extends to an officer or employee of a corporate Trustee as it does to a Trustee.
- 67.3 Any payment to a Member or ex-Member under this Rule 67 must constitute a Scheme Administration Member Payment.
- 67.4 Any charges or payments under this Rule 67 shall form part of the expenses of running the Scheme to be met under Rule 15.

## **SCHEME GOVERNANCE**

### **68 TRUSTEE MEETINGS**

- 68.1 The Trustees shall meet at least twice in each Scheme Year.
- 68.2 Except where the Trustee is a sole corporate trustee (in which case the quorum for a Trustees' meeting shall be in accordance with the Trustee's articles of association), the quorum for a Trustees' meeting shall be two.
- 68.3 The Trustees will appoint one of their number to be the chairman of the Trustees. The Trustees may also appoint a secretary (who may also be the chairman). If the chairman of the trustees is not present at a validly convened meeting, the Trustees present may choose one of their number to be chairman of that meeting. The chairman and secretary will each hold office as chairman and secretary respectively until the earlier of removal from office by the Trustees, resignation from office, or resignation or cessation of acting as a Trustee.
- 68.4 Except where the Trustee is a sole corporate trustee, at meetings the Trustees may make decisions by a majority of those of the Trustees who are present. If votes are equal, the chairman of the trustees shall have a casting vote.
- 68.5 The Trustees shall comply with the requirements in the PA1995 about giving notice of meetings and keeping records. The Trustees shall keep minutes of all Trustees' meetings.
- 68.6 Subject to the above provisions of this Rule 68, unless there is a sole corporate Trustee, the Trustees may regulate their business at meetings as they see fit. The Trustees may hold meetings by telephone or using such other means of communication as they consider appropriate and all Trustees attending by telephone or such other means of communication will be regarded as present and entitled to vote.
- 68.7 Where a corporate body acts as a Trustee, its powers, duties, authorities and discretions will be exercisable either by its board of directors or by any one or more of its duly authorised officers in accordance with its articles of association.

### **69 WRITTEN RESOLUTIONS**

- 69.1 A resolution signed by a majority of the Trustees but due notice of which has been given to all the Trustees shall be as effective as one passed at a meeting. A written resolution may consist of two or more documents in similar form each signed by one or more of the Trustees.
- 69.2 The Trustees shall comply with the requirements in the PA1995 about giving notice of a proposed written resolution.

### **70 DELEGATION**

- 70.1 The Trustees may delegate any of their duties, powers or discretions on any terms. The terms may allow sub-delegation and remuneration of the delegate. Further provisions apply in relation to the delegation of specific functions: Rule 72 relates to appointing an administrator; and Rule 81 relates appointing investment managers, nominees and custodians.
- 70.2 Delegation and sub-delegation under this Rule may be made to:

- (a) a committee consisting of two or more Trustees (or, if there is a sole corporate Trustee, two or more of its directors);
  - (b) a committee consisting of such other persons or corporate body including any one or more of the Trustees (or, if there is a sole corporate Trustee, one or more of its directors), the Press or the Employers as the Trustees determine.
- 70.3 Any person having had written notice from the Trustees of any appointment in accordance with Rule 70 or Rule 81 shall be entitled to assume that such appointment is continuing until he has had notice to the contrary.

## **71 APPOINTING ADVISERS**

- 71.1 The Trustees shall appoint the Actuary and an auditor. They may also appoint any other professional advisers as they see fit to give advice to the Trustees or to those to whom they may have delegated any function or power. All appointments must comply with any requirements in the Pensions Acts but otherwise may be on such terms as the Trustees agree with the Press. The cost of appointing such advisers shall form part of the expenses of the Scheme under Rule 15.
- 71.2 No Trustee (nor, in the case of a corporate Trustee, any member of its board of directors) may act as a professional adviser to the Scheme.
- 71.3 The Trustees will obtain advice from the Actuary when they are required to do so under the Rules and at such other times as they consider it necessary or expedient to do so, or are required to do so by law.
- 71.4 The Trustees (or their delegates) and the Press may act in good faith on advice received from any adviser without the Trustees or their delegate or the Press being liable in respect of the consequences of any advice which is either incorrect or produces adverse results.

## **72 ARRANGEMENTS FOR RUNNING SCHEME**

- 72.1 The Trustees shall from time to time appoint a senior officer of the Press (the "Administrator") to administer and manage the Scheme.
- 72.2 The Trustees may from time to time appoint or act through any agent and may delegate to such person the power to exercise discretions, sign certificates, make declarations, receive and make payments (including payments of benefits), operate any bank accounts of the Scheme, draw cheques on any bank account of the Scheme, to endorse any cheque or to give receipts and discharges and undertakings, to sign mandates, make declarations and generally to act for and on behalf of the Trustees in the transaction of any business relating to the Fund. Any receipt or discharge given by such an agent shall be as valid and effective as if it were given by the Trustees.
- 72.3 Any person having had written notice from the Trustees of any appointment in accordance with this Rule 72 shall be entitled to assume that such appointment is continuing until he has had notice to the contrary.
- 72.4 Subject to Rule 77, the Trustees may contract with anyone, on any terms usually accepted by commercial customers of that person (including the provision of indemnities and warranties and other terms that allow recourse to the assets of the Scheme or bind their successors) and for any purpose.

- 72.5 The Trustees may make such minor adjustments as they may consider convenient for the due administration of the Scheme to any figures used in calculating benefits under the Scheme or in administering the Scheme, subject to the law.

### **73 DISPUTES**

- 73.1 If the PA1995 requires them to, the Trustees shall make arrangements in accordance with it for resolving disputes in connection with the Scheme.
- 73.2 The Trustees may (to the extent the law permits and subject to any powers reserved to the Press or Employers by these Rules) determine conclusively all questions, matters of doubt and disputes arising in or in connection with these Rules (including as to their construction and the benefits under them). The Trustees may rely on such evidence or presumptions (whether admissible as evidence in law or not) as they think appropriate.
- 73.3 The Trustees may settle, compromise or submit to mediation or arbitration any claim or other matter relating to the Scheme.

### **74 TIME LIMITS AND RATIFICATION**

- 74.1 The Trustees may in their discretion extend or waive any time limit under these Rules to such extent (if any) as they think fit. This power shall not be exercised to extend or waive any time limit prescribed by law, nor the time limit under Rule 36.2 (Discretionary Trusts of Lump Sum Death Benefits).
- 74.2 The Trustees shall have power to ratify any administrative action or omission in relation to the Scheme, although not expressly authorised by the other terms of the Rules, where they consider that such action or omission has not had material adverse effect on any benefit, nor contravened any relevant legal requirement, nor prejudiced the Scheme's status as a Registered Scheme.

## **TRUSTEE PROTECTION**

### **75 TRUSTEES' PERSONAL INTEREST**

- 75.1 No decision or other act by the Trustees shall be invalidated on the ground that a Trustee (or a director of a corporate Trustee) had a conflict of duty or of interest in relation to it. In particular, any Trustee (and any director of a corporate trustee) may be a Beneficiary and may retain benefits under the Scheme, including any benefits resulting from the exercise of any power or discretion by the Trustees (or by a corporate Trustee) that he took part in. Similarly, a Trustee (or a director of a corporate Trustee) may be a director, shareholder or employee of, or otherwise interested in or connected with any Employer or otherwise owe a duty to a person which conflicts or might conflict with his duties as a Trustee (or director of a corporate Trustee) in making the decision or exercising this power.
- 75.2 Where a Trustee (or director of a corporate Trustee) acquires Confidential Information, provided that he complies with the Rule 75.3 and with the provisions of any conflicts policy adopted by the Trustees from time to time, the Trustee (or director of a corporate Trustee) shall not be under a duty to disclose the Confidential Information to the other Trustees (or directors of a corporate Trustee).
- 75.3 Where a Trustee (or director of a corporate Trustee) is in possession of Confidential Information which he believes would be of relevance to the other Trustees (or directors of a corporate Trustee) in performing their functions as Trustees (or directors of a corporate Trustee) of the Fund, the Trustee (or director of a corporate Trustee) shall declare that fact to the other Trustees (or directors of a corporate Trustee) and take no part in any discussions or decisions of the Trustees (or directors of a corporate Trustee) where he believes that the Confidential Information would or might be material.

### **76 POWERS UNDER GENERAL LAW**

- 76.1 The powers given to the Trustees under these Rules shall be in addition to all other powers given to them by general law and statute. The Trustees shall be entitled to all reliefs and indemnities conferred on trustees by general law and statute.

### **77 TRUSTEES' PROTECTION**

- 77.1 Each of Rules 77.2 to 77.10 only applies if and to the extent that it is lawful.
- 77.2 No Trustee or Administrator shall be liable for anything whatsoever in relation to the Scheme except for fraud or wilful and knowing breach of trust actually committed by him or, in the case of a corporate Trustee engaged in the business of providing a trustee service for payments, negligence.
- 77.3 To the extent permitted by law, officers of a corporate Trustee shall be afforded equivalent protection to that provided under Rule 77.2.
- 77.4 The Press shall indemnify each Trustee against all liabilities, expenses, actions, proceedings, costs, and claims in respect of any matter relating to the Scheme in any way (including expenses incurred in rebutting alleged liability) and any liability resulting from any act or default of any employee, manager, custodian, agent or adviser). This indemnity does not apply:

- (a) in respect of fraud or breach of trust knowingly and wilfully committed or, in the case of a corporate Trustee engaged in the business of providing a trustee service for payment, negligence; or
- (b) to the extent that the liability would be covered by insurance but for Rule 77.4.

This indemnity continues after the Scheme has been wound up.

- 77.5 If the Press fails to indemnify the Trustees fully under Rule 77.4, the Trustees shall be indemnified to the extent necessary out of the Fund except if Rule 77.4(a) or Rule 77.4(b) applies.
- 77.6 As well as applying to the Trustees, Rules 77.4 and 77.5 also apply (with any necessary changes) to:
  - (a) former and future individual trustees of the Scheme,
  - (b) former directors and officers of a corporate trustee of the Scheme, including of a former corporate trustee,
  - (c) any person giving a decision on a disagreement under section 50 of the PA1995.
- 77.7 Rules 77.4 and 77.5 do not apply to officers of a corporate Trustee, but the provisions of the Contracts (Rights of Third Parties) Act 1999 will apply to such individuals.
- 77.8 To the extent permitted by law, officers of a corporate Trustee shall be afforded equivalent protection to that provided under Rules 77.4 and 77.5 and the provisions of the Contracts (Rights of Third Parties) Act 1999 will apply to such individuals. If the indemnity under Rule 77.4 falls within section 232(2) of the Companies Act 2006 it shall be limited in its scope so as to have effect as a qualifying pension scheme indemnity provision as defined in section 235 of that Act (and shall exclude indemnity for all liabilities precluded by that section 235 for it to qualify as such).
- 77.9 The Trustees and any officers or employees of a corporate Trustee may insure themselves against any liabilities they incur in connection with the Scheme. The premiums shall be treated as expenses under Rule 15 except that they may only be met from the Scheme to the extent that the law allows.
- 77.10 The provisions of this Rule 77 are additional to and shall not limit any other provision in the Rules restricting liability of the Trustees.

## SCHEME ASSETS

### **78 DECLARATION OF TRUST**

- 78.1 The Trustees shall hold all the contributions and other assets that they receive under the Scheme and the property representing them and all the income on irrevocable trust to pay the benefits under the Scheme. The Trustees shall be under no obligation to distinguish between capital and income in any application of the Scheme assets.
- 78.2 The Trustees may accept donations or bequests from any source in any form, and any payments or refunds made to the Scheme under any statutory provision.

### **79 STATEMENT OF INVESTMENT PRINCIPLES**

- 79.1 If section 35 of the PA1995 requires them to, the Trustees shall prepare, maintain and periodically review, and if necessary revise, a written statement of principles relating to the investment of the Scheme assets. Before preparing or revising the statement the Trustees shall comply with the requirements of the section. The statement must be in the form and cover the matters required by the section.
- 79.2 If section 35 of the PA1995 does not apply, and the law does not otherwise disapply this Rule 79.2, the Trustees shall from time to time obtain the Press's consent to the investment policy for the Scheme.

### **80 USING THE ASSETS**

- 80.1 Subject to Rule 80.2, for the purposes of the Scheme the Trustees may invest, transfer or apply the Scheme assets as if they were beneficially entitled to them. They may invest, transfer or apply the assets on their own or with others, in any part of the world, whether or not involving liability and whether or not income-producing or authorised by law for the investment of trust moneys. In particular, and without prejudice to the generality of the above, the Trustees may:
- (a) buy, hold and sell any interest in land or property (whether or not tangible, movable or income-producing) of any kind;
  - (b) make, vary or cancel any kind of contract and incur any kind of obligation (including, without limitation, contracts or policies with an Insurance Company);
  - (c) underwriting, sub-underwriting or guaranteeing contracts on such terms as they think fit;
  - (d) invest or apply the assets in or upon the security of stocks, shares, debentures, debenture stocks, traded options, financial futures, commodities, commodity futures, or stock-lending;
  - (e) dealing in foreign currencies;
  - (f) invest in units in unit trusts, exempt funds or mutual funds, and co-operate with the trustees or administrators of other schemes in commingling investments in common investment funds under such arrangements as will not prejudice the Scheme's status as a Registered Scheme;
  - (g) for any purpose lend money or other property on commercial terms to any corporate body;

- (h) insure any asset of the Scheme on any terms;
  - (i) subscribe to any tax exempt trust or scheme even though it would not be available to them if they were persons absolutely and beneficially entitled to the Scheme assets; and
  - (j) exercise any power they have under the Pensions Acts to make any other kind of investment as if they were absolutely and beneficially entitled to the Scheme assets.
- 80.2 The Trustees shall use the Scheme assets in accordance with any mandatory restrictions in the Pensions Acts on the choice of a scheme's assets, including on "employer-related investments".
- 80.3 The Trustees may retain or place on deposit or current account with any bank or deposit taking institution any cash they hold as part of the Scheme assets at such rates of interest (if any) as the Trustees think fit. They shall not be liable in respect of any interest on any such cash in excess of the interest (if any) actually paid or credited on it.
- 80.4 The Trustees may, whenever they think it desirable so to do and subject to the consent of the Press, raise or borrow any sum of money (including borrowing for the purposes of purchasing any investments or assets, or paying any benefits, or carrying out any transactions authorised under these Rules). They may secure the repayment of such moneys in such manner and upon such terms and conditions in all respects as they think fit, and in particular by pledging, charging or mortgaging all or any part of the Scheme assets. This power is subject to the restrictions on borrowing in the Pensions Acts and the FA2004.
- 80.5 If any use of the Scheme assets requires the Trustees to give an indemnity against liabilities arising in the event of the Scheme losing its status as an a Registered Scheme, the Trustees may bind the Scheme notwithstanding that such an indemnity may only become operative by reason of an act or omission which constitutes a breach of trust on the part of the Trustees.
- 80.6 The Trustees may enter into such agreements and give such undertakings indemnities or guarantees (including to HM Revenue and Customs) which are binding upon the Scheme as the Trustees shall in their absolute discretion decide are necessary or desirable for the proper and efficient administration of the Scheme.

## **81 INVESTMENT MANAGERS, NOMINEES AND CUSTODIANS**

- 81.1 The Trustees may at any time appoint one or more investment managers to manage the Scheme assets on such terms as the Trustees think fit (including as to remuneration). In particular, the Trustees may authorise any investment manager:
- (a) to exercise all or any of their duties, powers or discretions with regard the use and holding of the Scheme assets;
  - (b) to delegate and authorise the sub-delegation of any duty, power or discretion given to the investment manager;
  - (c) to appoint one or more custodians and authorise the appointment of sub-custodians.



The Trustees may not delegate any duty, power or discretion to make any decision about investment except in accordance with statutory requirements.

- 81.2 The appointment of any such person by the Trustees may be on such terms of business (including obligations to indemnify such person and entering into agreements required under the Financial Services and Markets Act 2000) as are usually accepted by commercial customers of that person.
- 81.3 The Trustees may keep Scheme assets in the name of one or more nominees and may appoint one or more custodians of Scheme assets on such terms as they think fit, including authorising a custodian to appoint sub-custodians.
- 81.4 This Rule 81 is without prejudice to Rule 70 (Delegation).

## **SPECIAL RULES**

### **82 PART-TIME SERVICE**

- 82.1 The Trustees shall calculate benefits in respect of a Member whose Pensionable Service includes any period of Part-Time Service as follows:
- (a) days of Pensionable Service worked during any period of Part-Time Service shall be converted to days of Full-Time Service using the following formula:
    - (i) the number of days of Part-Time Service during the period shall be multiplied by the average number of hours actually worked in a week during the period of Part-Time Service; and
    - (ii) the figure obtained shall then be divided by the number of hours that would constitute a week of Full-Time Service for the Member in question as previously notified by the Press to the Member;
  - (b) where the Member works different hours during different periods of Part-Time Service, each period shall be treated separately for the purpose of determining his Pensionable Service; and
  - (c) the converted number of days of Pensionable Service shall be aggregated with the number of days of Pensionable Service worked as actual Full-Time Service.
- 82.2 The Trustees may in their absolute discretion deem any period of Part-Time Service of either a permanent or temporary nature resulting from health reasons to be Full-Time Service.
- 82.3 Final Contribution Salary (or Final Pensionable Salary in the case of a Schedule C Member) shall, in respect of a Member with any Part-Time Service in the 12 months to the earliest of Normal Pension Date, leaving Service and death, be expressed as the notional Contribution Salary (or Frozen Pensionable Salary in the case of a Schedule C Member) that would have been earned by the Member during the period of Part-Time Service in question by the following formula:
- (i) the annualised Standard Remuneration (or Frozen Pensionable Salary in the case of a Schedule C Member) actually earned by the Member during Part-Time Service shall be multiplied by the number of hours that would constitute a week of Full-Time Service for the Member in question as previously notified by the Press to the Member; and
  - (ii) the figure obtained shall then be divided by number of hours actually worked in a week during the period of Part-Time Service.
- 82.4 Where a Schedule B Member was in Part-Time Service at the date of his death the benefits payable in respect of him under Rules 33, 37 and 38 shall be of an amount determined by the Trustees after considering the advice of the Actuary.

### **83 CONTRIBUTION AND BENEFIT LIMITS**

- 83.1 The calculation of contributions and benefits under the Rules shall be subject to the following overriding provisions:
- (a) the Permitted Maximum shall apply to a Class A Member for the purpose of limiting his benefits or contributions in the same way as would have been the case if the Revenue Limits had continued to apply to the Scheme;

- (b) retirement pensions shall not exceed two-thirds of final remuneration (as defined under the Revenue Limits as if they had continued to apply); and
- (c) death benefits under Rules 33 to 38 shall be calculated as if the Revenue Limits continue to apply.

## **84 CONTRACTED-OUT BENEFITS**

### **Section 9(2) of the PSA1993**

- 84.1 The employments of all Active Members shall be contracted-out by reference to the Scheme by virtue of satisfying section 9(2) of the PSA1993. The Trustees and the Press shall accordingly ensure that the benefits provided under the Scheme in respect of any such Member shall satisfy the statutory standard specified in section 12A of the PSA1993. The Rules shall be treated as modified if and to the extent necessary for the purpose of satisfying such statutory standard.
- 84.2 If a Member has Section 9(2B) Rights and receives a refund of contributions on leaving service under Rule 41 the Trustees may pay a contributions equivalent premium in accordance with the PSA1993. The amount of the refund shall be reduced by the certified amount of the premium. The Member shall then cease to have any Section 9(2B) Rights. If the amount of the premium would be less than £17 (or such other amount as may be prescribed under the PSA1993) the liability for Section 9(2B) Rights shall be discharged without payment of the premium.

### **GMPs**

- 84.3 The remaining provisions of this Rule 84 apply 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 PSA1993.
- 84.4 The Member is 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 Pensionable Age but commencement of the pension may be postponed for any period during which the Member remains in employment after Pensionable Age:
  - (a) if the employment is employment to which the Scheme relates and the postponement is not for more than 5 years after Pensionable Age; or
  - (b) if the Member consents to the postponement.
- 84.5 In relation to:
  - (a) a Schedule B Member; or
  - (b) a Schedule C Member except to the extent that his benefits are calculated (in accordance with Schedule C) on the basis of Schedule A Membership in relation to Pensionable Service before 1 September 2007,

a Member may only elect to draw pension before Pensionable Age if the amount of pension remaining payable at Pensionable Age is not less than his GMP. If the pension which would otherwise be payable at Pensionable Age is less than the GMP, the Trustees may either:

- (i) reduce the Member's pension until Pensionable Age by such amount as they shall determine, after considering the advice of the Actuary, and

increase the pension at Pensionable age to the Member's GMP at that date; or

- (ii) defer the commencement of the pension until a later date (and increase it during the postponement by such amount as they shall determine, after considering the advice of the Actuary, to take account of the later date when the pension comes into payment) until the pension as so increased at Pensionable Age is equal to the Member's GMP at Pensionable Age.

#### Widow's GMP

- 84.6 Where the Member is a man and dies at any time leaving a Widow, she shall be entitled, subject to Rule 84.7 below, to receive a pension from the Scheme at a rate equivalent to a weekly rate of not less than half the Member's GMP.
- 84.7 The pension shall be payable to any Widow who is eligible for payment of a State benefit as described in section 17(5) of the PSA1993.

#### Widower's GMP

- 84.8 Where the Member is a woman and dies leaving a Widower, he shall be entitled, subject to 84.9 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 Member's GMP which is attributable to earnings for the tax year 1988/1989 and subsequent tax years.
- 84.9 The pension shall be payable to any Widower who is eligible for payment of a GMP under Regulation 57 of the Occupational Pension Schemes (Contracting-out) Regulations 1996.

#### Revaluation of GMP

- 84.10 Where a Member ceases to be in Contracted-out Employment before Pensionable Age, the Member's GMP at 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) or (B) 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 Pensionable Age (or dies, if earlier).

##### (B) Fixed Rate Revaluation

The increase will be by the rate prescribed under Regulation 62 of the Occupational Pension Schemes (Contracting-out) Regulations 1996 and applicable 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 Pensionable Age (or dies, if earlier).

The Trustees and the Press shall decide which option 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. They shall notify HM Revenue and Customs of a change, if required by law at the time. A different method may apply where GMP liabilities are discharged by transfer to an Insurance Company or insurance office.

#### Increase of GMP

- 84.11 If the commencement of any Member's GMP is postponed for any period after Pensionable Age, that GMP shall be increased to the extent, if any, specified in section 15 of the PSA1993.
- 84.12 Any GMP to which a Member, Widow or Widower is entitled under this Rule 84 shall, insofar as it is attributable to earnings in the tax years from and including 1988/1989, be increased in accordance with the requirements of section 109 of the PSA1993.
- 84.13 Except as permitted by the Contracting-out Laws, 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 84.11 or 84.12.

#### Contributions equivalent premiums

- 84.14 If a Member has accrued rights to a GMP and receives a refund of contributions on leaving service the Trustees may discharge the GMP liability by paying a contributions equivalent premium in accordance with the PSA1993. Whether or not the premium is paid, the amount of the refund shall be reduced by the certified amount of the premium. The GMP liability shall be discharged without payment of the premium if the amount of the premium would be less than £17 (or such other amount as may be prescribed under the PSA1993).

#### Commutation of Contracted-out rights

- 84.15 A Member's GMP or Section 9(B) Rights under the Scheme may not be commuted except as stated in this Rule 84.
- 84.16 The Trustees may commute a Member's pension which includes Section 9(2B) Rights or GMP for a cash sum where:
- (a) the lump sum would qualify as a Trivial Commutation Lump Sum;
  - (b) the lump sum would qualify as a Winding-up Lump Sum;
  - (c) the Member is retiring from Service on grounds of Serious Ill Health and is being paid a Serious Ill Health Lump Sum; or
  - (d) the lump sum would otherwise be of a kind permitted by the Contracting-out Laws.
- 84.17 If the pension includes GMP, commutation may take place before Pensionable Age only if the Member is retiring from Service or the Scheme is being wound-up and a state scheme premium has been (or is treated as having been) paid. The pension may be commuted when it would have come into payment or at such other time as would not make it an Unauthorised Payment.
- 84.18 The Trustees may at the same time as they commute the Member's pension under Rule 84.17 above also commute any pension prospectively payable to survivors on the Member's death and the cash sum may be paid, as the Trustees decide, to the Member or to the person who would otherwise have been entitled to the pension. However, in the case of commutation for a Serious Ill Health Lump Sum, the Scheme must retain

liability for the payment of survivors' pensions in accordance with the Contracting-out Laws.

- 84.19 If a Member has died the Trustees may commute a pension payable on the Member's death for a cash sum if it would qualify as a Trivial Commutation Lump Sum Death Benefit, a Winding-up Lump Sum Death Benefit or would otherwise be of a kind permitted by the Contracting-out Laws.
- 84.20 The rate of conversion of pension to a cash sum for the purpose of this Rule must be certified as reasonable by the Actuary and must also be such that the Secretary of State for Work and Pensions can be satisfied that it is reasonable.

Ceasing to be a contracted-out scheme

- 84.21 If the Scheme ceases to be a contracted-out salary-related scheme, the Trustees must make arrangements in relation to GMPs and Section 9(2B) Rights which comply with the requirements of section 50 of the PSA1993. The Trustees must also notify Members and other beneficiaries in the manner, and at the times, required by the PSA1993. If state scheme premiums as described in Part III of the PSA1993 are paid or deemed to have been paid, the Trustees shall reduce or adjust benefits in the manner which they think appropriate, after consulting the Actuary, and which complies with the requirements of the PSA1993.

**85 PENSION SHARING**

- 85.1 Where the benefits of a Member are subject to the provisions of a Pension Sharing Order the following shall apply:
- (a) the benefits payable in respect of the Member in accordance with these Rules shall be reduced by the debit applicable in accordance with section 29(1)(a) of the WRPA1999.
  - (b) any Pension Credit will be discharged by a transfer to a qualifying arrangement under paragraph 1(3) of schedule 5 to the WRPA1999 with the consent of the Ex-Spouse. Where such consent is not obtained, the Pension Credit will be discharged by a transfer to a qualifying arrangement under paragraph 1(3) of schedule 5 to the WRPA1999 without the consent of the Ex-Spouse.
  - (c) any Pension Credit Benefit may be discharged in any manner consistent with the WRPA1999, as determined by the Trustees. Where the Trustees discharge their liability in accordance with the Pension Sharing (Pension Credit Benefit) Regulations 2000 they shall, where applicable, ensure that the payment, allocation or value of benefits to be provided is at least equal to the amount described in Regulation 11 of the PCB Regulations.
- 85.2 If the Ex-Spouse of a Member dies before the Trustees have implemented a Pension Sharing Order in respect of him, then subject to the provisions of this Rule 85 the Trustees shall use the cash equivalent of the Ex-Spouse's Pension Credit Rights under the Pension Sharing Order (calculated in accordance with PCB Regulations) to provide such lump sum benefits on the discretionary trusts of Rule 36 and pensions for the spouse or Dependants of the Ex-Spouse as they shall decide. For the purposes of this Rule, references to "Member" in Rule 36 and the definition of "Pensionable Child" and "Dependant" shall be replaced by reference to the "Ex-Spouse". Any pension so payable shall be paid for life or in the case of a child of the Ex-Spouse for so long as the child remains a Pensionable Child.

- 85.3 A Member or Ex-Spouse Member entitled to give notice under section 101F(1) of the PSA1993 may not apply under section 95 of the PSA1993 for a transfer payment unless he also gives and does not withdraw notice under section 101F(1) of the PSA1993. Withdrawal of notice may only be made in respect of both such notices. This Rule overrides any inconsistent provisions elsewhere in the Scheme.
- 85.4 Subject to Rule 85.3, an Ex-Spouse Member may request that the Trustees arrange a transfer of his Pension Credit Rights to another scheme. The Trustees must confirm to the receiving scheme or arrangement that the transfer value consists wholly or partly of Pension Credit Rights for the benefit of an Ex-Spouse Member.
- 85.5 The assignment of part or all of the Member's retirement benefits or rights to benefits under the Scheme to his/her Ex-Spouse may be permitted by the Trustees to the extent necessary to comply with a Pensions Sharing Order.
- 85.6 Any reference to a statute (or to a particular chapter, part or section of, or schedule to, a statute) includes any corresponding legislation in Northern Ireland.
- 85.7 The Trustees may recover from a Member and his Spouse or Ex-Spouse any reasonable administrative expenses incurred or likely to be incurred by them in connection with pension sharing, including cost relating to the provision of information, in accordance with the WRPA1999.

## **86 OVERSEAS EMPLOYMENT**

- 86.1 If during any period a Member works (whether wholly or partly) outside the United Kingdom for an Employer and receives remuneration for that work in a foreign currency, the said remuneration shall (for the purpose of calculating the benefits payable to and in respect of him under the Scheme) be converted to its Sterling equivalent on such basis as the Employer shall from time to time determine.

## **MISCELLANEOUS**

### **87 NOTICES**

- 87.1 Any notice required to be given to the Trustees shall be given by sending or delivering it to such address as the Trustees may from time to time notify to the Press and Members for the purpose (which may, if such address has been specified, include an e-mail address). In default of such notification it may be sent or delivered to the registered office of any corporate Trustee or to the Press if there is no corporate Trustee.
- 87.2 Any notice required to be given to the Press or other Employer shall be given by sending or delivering it to such address as is notified from time to time to the Trustees and Members for the purpose (which may, if such address has been specified, include an e-mail address).
- 87.3 Any notification or document which the Trustees are required to furnish to any Member or other Beneficiary shall be deemed to have been delivered by sending it to the last address known to the Trustees or, in the case of a Member in Service, to the Member at the Member's usual place of employment. The Trustees may give notices to Members by e-mail where they consider it appropriate and it is permitted under the Pensions Acts.
- 87.4 A notice sent by first class post shall be deemed to have been effectively served on the fourth working day inclusive of the day of posting or on earlier delivery if proved or acknowledged.

### **88 GOVERNING LAW**

- 88.1 English law governs the Scheme and the running of it and the parties submit to the exclusive jurisdiction of the English courts.



## SCHEDULE A

This Schedule A applies to Members who joined the Scheme before 1 July 1988, but for those who became employed by Cambridge Printing Services Limited on 1 September 2007 their contributions and benefits shall be calculated in accordance with this Schedule A only to the extent described in Schedule C.

### 1 TRANSITIONAL ARRANGEMENTS

- 1.1 This paragraph applies to Members who were Members of the Scheme on 1 April 1978 and who were Members immediately prior to that date. (Prior to 1 April 1978 the Scheme was operated on a money purchase basis.) Paragraph 1.5 additionally applies in respect of any transfer accepted into the Scheme prior to 1 July 1988.
- 1.2 Membership of the Scheme prior to 1 April 1978 shall not be counted towards Pensionable Service except as provided under paragraph 1.4(b)(ii) below.
- 1.3 Where on 1 April 1978 the Member was under 35 years of age the Member's balances as at 31 March 1978 were transferred to a Special Account in respect of the Member.
- 1.4 Where on 1 April 1978 the Member was 35 or more years of age the Member's balances as at 31 March 1978 were dealt with as follows:
  - (a) if the Member was ineligible or declined to become an Active Member the Member's balances were transferred to a Special Account in respect of the Member;
  - (b) if the Member elected to become an Active Member the balances as at 31 March 1978 were time-apportioned between:
    - (i) where relevant, the period from his date of joining the Scheme until the day before his 35<sup>th</sup> birthday, and that portion of his balances were transferred to a Special Account in respect of the Member; and
    - (ii) the period from the later of his date of joining the Scheme and his 35<sup>th</sup> birthday until 31 March 1978 and that portion of his balances were transferred to a Special Account until 31 March 1980 after which they were absorbed within the general funds of the Scheme. That period shall be deemed to be a period of Pensionable Service for the purpose of calculating benefits in respect of his Active Membership.
- 1.5 Special Accounts in respect of Members shall operate in respect of:
  - (a) any pre-age 35 monies retained in the Scheme in accordance with the above provisions of paragraph 1; and
  - (b) any transfer accepted into the Scheme prior to 1 July 1988.

The Trustees shall record separately the portion attributable to Member's and the portion attributable to Employer contributions or those of a previous employer.

Special Accounts will be credited at the end of each half year with interest at a rate to be determined by the Trustees within one month of the commencement of each half year. When the Member's employment with an Employer ceases for any reason his Special Account shall be credited with interest for the period between the end of the previous half year and the date of cessation of employment.

If a Member with a Special Account ceases Service:

- (i) because of death, the Trustees shall pay a lump sum under Rule 36 (Discretionary Trusts of Lump Sum Death Benefits) equal to the value of his Special Account, subject to Rule 83 (Contribution and Benefit Limits);
- (ii) because of the retirement of the Member, a sum equal to the value of his Special Account may at the discretion of the Trustees either be paid to the Member as cash or otherwise be used to purchase an annuity from an Insurance Company for the benefit either of the Member or of the Member and his Spouse upon such terms and conditions as the Member shall agree with the Trustees; or
- (iii) because of leaving Service for any other reason, he may elect:
  - (A) that the value of his Special Account shall be used to purchase an annuity from an Insurance Company payable from his Normal Pension Date upon such terms and conditions as the Member shall agree with the Trustees;
  - (B) that the value of his Special Account shall be paid as a transfer payment under Rule 46.2; or
  - (C) that the value of his Special Account shall be retained in the Scheme until his retirement or earlier death, at which time it shall be applied under sub-paragraph (i) or (ii) above, as applicable.

## **SCHEDULE C**

### **PRINTING SECTION**

This Schedule C applies to Members of the Scheme employed with effect from 1 September 2007 by Cambridge Printing Services Limited who elected to remain Active Members of the Scheme on and after that date. Such Members are entitled to benefits calculated on the basis of either Schedule A or B Membership (according to their date of joining the Scheme) in relation to benefits accrued before 1 September 2007, to the extent described in this Schedule.

For the purposes of Rule 1.2, insofar as they relate to Schedule C Members and so far as lawful the Rules apply with effect on and from 1 September 2007 in relation to benefits accrued on or after 1 September 2007 in place of the interim deed of amendment dated 29 August 2007, and otherwise with effect from the date of these Rules.

#### **1 MEMBERS' CONTRIBUTIONS (RULE 22)**

- 1.1 An Active Member shall contribute at the rate of Frozen Pensionable Salary specified below:
- (a) on and after 1 September 2007 and before 1 May 2008, 6%;
  - (b) on and after 1 May 2008 and before 1 May 2009, 7%;
  - (c) on and after 1 May 2009 and before 1 May 2010, 8%;
  - (d) on and after 1 May 2010, 9%.

#### **2 RETIREMENT AT NORMAL PENSION DATE (RULE 26)**

An Active Member shall be entitled to the total of:

- 2.1 in respect of Pensionable Service before 1 September 2007 a pension calculated as described for a Schedule A or B Member in Rule 27 (Retirement After Normal Pension Date) in relation to that period as if his Normal Pension Date was his 60<sup>th</sup> birthday, subject to a maximum of 25 complete years of Pensionable Service; and
- 2.2 1/60<sup>th</sup> of his Final Pensionable Salary for each complete year of Pensionable Service on and after 1 September 2007, and pro rata for any additional complete day of Pensionable Service.

This Rule is subject to Rule 83 (Contribution and Benefit Limits) and Rule 84 (Contracted-out Benefits).

#### **3 RETIREMENT AFTER NORMAL PENSION DATE (RULE 27)**

- 3.1 On leaving Service after Normal Pension Date an Active Member shall be entitled to the total of:
- (a) in respect of Pensionable Service before 1 September 2007, a pension calculated as described for a Schedule A or B Member in Rule 27 in relation to that period as if his Normal Pension Date was his 60<sup>th</sup> birthday; and
  - (b) in respect of Pensionable Service on or after 1 September 2007, a pension calculated under paragraph 2 above as at the date his Pensionable Service ceases, and increased by such amount as the Trustees shall after considering the Actuary's advice determine.

This Rule is subject to Rule 83 (Contribution and Benefit Limits) and Rule 84 (Contracted-out Benefits).

#### **4 EARLY RETIREMENT (NOT FOR ILL HEALTH) (RULE 28)**

An Active Member entitled to a pension under Rule 28 shall have it calculated as the total of:

- 4.1 in respect of Pensionable Service before 1 September 2007, a pension calculated as described for a Schedule A or B Member under Rule 26 (Retirement at Normal Pension Date) in respect of that period and then, unless the entitlement arises at age 60, increased under Rule 27 (Retirement After Normal Pension Date) if later than age 60, or reduced under Rule 28 if earlier than age 60 (in all cases as if his Normal Pension Date was his 60<sup>th</sup> birthday); and
- 4.2 in respect of Pensionable Service on or after 1 September 2007, a pension calculated under paragraph 2.2 above but then reduced by such amount as the Trustees after considering the Actuary's advice determine, to take account of the earlier date when the pension comes into payment.

This Rule is subject to Rule 83 (Contribution and Benefit Limits) and Rule 84 (Contracted-out Benefits).

#### **5 EARLY RETIREMENT FOR ILL HEALTH (RULE 30)**

An Active Member entitled to a pension under Rule 30 shall have it calculated as the total of:

- 5.1 in respect of Pensionable Service before 1 September 2007, a pension calculated as described for a Schedule A or B Member under Rule 27 (Retirement After Normal Pension Date) in relation to that period as if his Normal Pension Date was his 60<sup>th</sup> birthday and he was retiring at age 65; and
- 5.2 in respect of Pensionable Service on or after 1 September 2007, a pension calculated under paragraph 2.2 above but based on his Final Pensionable Salary at the date of actual retirement and as if his Pensionable Service after 1 September 2007 included the period up to Normal Pension Date.

#### **6 SPOUSE'S PENSION (RULE 37)**

- 6.1 On the death of an Active Member the pension shall be equal to 4/9ths of the deceased Member's Final Pensionable Salary.
- 6.2 On the death of a Pensioner the Spouse's pension shall be equal to 66.7% of the pension the deceased Member was receiving at the date of his death (ignoring any commutation under Rule 32.1 or adjustment under Rule 31 but excluding any pension derived from AVCs).
- 6.3 On the death of a Member entitled to preserved benefits under Rule 40 before his benefits come into payment, the Spouse's pension shall be equal to 66.7% of the Member's preserved pension including revaluation under Rule 40 up to the date of death. The Spouse's pension will be payable from a date chosen by the Spouse between the deceased Member's 60<sup>th</sup> and 65<sup>th</sup> anniversary of birth (inclusive). The elements of pension relating to Pensionable Service before 1 September 2007 and on or after that date respectively shall each be increased or reduced by such amount as the Trustees determine after considering the Actuary's advice, to reflect the Normal

Pension Date of age 60 treated as applicable to the earlier period and the Normal Pension Date of age 65 applicable to the later period.

**7 CHILDREN'S PENSIONS (RULE 38)**

- 7.1 On the death of an Active Member the children's pension shall be equal to:
- (a) if the Member leaves a Spouse, 2/9ths of the Member's Final Pensionable Salary; or
  - (b) if the Member leaves no surviving Spouse, 66.7% of the Member's Final Pensionable Salary.

**8 PRESERVED PENSIONS (REVALUATION) (RULE 40)**

- 8.1 Preserved pensions shall be revalued during deferment as follows:
- (a) in respect of the element of pension attributable to Pensionable Service before 1 September 2007, in accordance with Rule 40.1 as it applies to whichever of Schedule A or B Members as is applicable; and
  - (b) in respect of the element of pension attributable to Pensionable Service on or after 1 September 2007, it shall increase on 1 January each year by the lower of the increase in the Index to the previous October and 5%, provided that:
    - (i) the Member must have left Service at least one year before Normal Pension Date;
    - (ii) any money purchase benefit shall be calculated in accordance with the investment yield and any bonuses arising from the relevant payments; and
    - (iii) the rate of revaluation applied shall to any extent necessary be increased to the minimum rate required by the Revaluation Laws.

**9 PENSION INCREASES (RULE 49)**

- 9.1 Each pension in payment:
- (a) to the extent attributable to Pensionable Service before 1 September 2007 shall be increased in accordance with 49.1 of whichever of Schedule A or B Members as is applicable; and
  - (b) to the extent attributable to Pensionable Service on or after 1 September 2007 shall be increased by the lower of 2.5% per annum and the increase in the Index in the 12 month period ending on the preceding October, except that a Spouse's or Children's pension payable following a Member's death in Service shall be increased by the increase in the Index in the 12 month period ending on the preceding October subject to a minimum of 3% and a maximum of 6%.
- (Different increases apply during deferment for this element of pension (see paragraph 8 above)).

## APPENDIX 1

### Words with Special Meanings

**"Active Member"** means an Employee who has been admitted as a member of the Scheme for retirement benefits and has not ceased to be in Pensionable Service. It excludes a Life Assurance Member. **"Active Membership"** has a corresponding meaning.

**"Actuary"** means a fellow of the Institute or Faculty of Actuaries from time to time appointed by the Trustees as provided in Rule 71 or for any other purpose.

**"Administrator"** means the person appointed in accordance with Rule 72.1.

**"Authorised Payment"** means an authorised member payment (as defined in section 164 of the FA2004) or authorised Employer payment (as defined in section 175 of the FA2004).

**"AVC Account"** means the amount or value (as determined by the Trustees after considering the advice of the Actuary) at any date of the Member's AVCs made on a money purchase basis together with any Matching Employer AVCs.

**"AVCs"** means voluntary contributions made by a Member under Rule 23.

**"AVC Fund"** means the assets from time to time representing the voluntary contributions paid by Members to secure additional benefits on a money purchase basis or received as part of a transfer to the Scheme representing voluntary contributions.

**"Beneficiary"** means any person absolutely or contingently entitled to receive a benefit under the Scheme.

**"Benefit Crystallisation Event"** has the meaning given to that phrase by section 216 of the FA2004.

**"Cash Transfer Sum"** means a sum calculated in accordance with regulations made under section 101AF of the PSA1993.

**"Civil Partner"** means a person registered as a civil partner of the Member in accordance with the Civil Partnership Act 2004.

**"Civil Partnership"** means a civil partnership registered in accordance with the Civil Partnership Act 2004.

**"Class A Member"** means any Member who was either within that description on 5 April 2006 for the purposes of the limits then prescribed by HMRC for exempt approved schemes or joins the Scheme after that date.

**"Confidential Information"** means information which a Trustee or director of a corporate Trustee acquires other than in his capacity as a Trustee or director of a corporate Trustee which he is prevented from disclosing to other Trustees or directors of a corporate Trustee by reason of a duty of confidentiality owed to another party.

**"Contracted-out Benefits"** means the minimum pension the Scheme is required to provide to satisfy the Contracting-out requirements of the PSA1993 (or the right to that minimum). For Contracted-out Employment before 6 April 1997 this is called a guaranteed minimum pension (GMP).

**"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 PSA1993).

**"Contracting-out Laws"** means the contracting-out laws of the PSA1993 (including anti-franking), and include the provisions of Rule 84 (Contracted-out Benefits). Similar expressions have a corresponding meaning.

**"Contribution Salary"** means elements (i) and (ii) in the definition of Standard Remuneration.

**"Cross Border Employee"** means a "qualifying person" within the meaning of the Occupational Pension Schemes (Cross-border Activities) Regulations 2005, namely a person who is employed under a contract of service and whose place of work under that contract is sufficiently located in an EU member state other than the United Kingdom (or Norway, Iceland and Liechtenstein) so that his relationship with his employer is subject to the social and labour law relevant to the field of occupational pension schemes of that member state. However, for the purposes of this definition, a worker seconded to an employer in another EU member state (or Norway, Iceland and Liechtenstein) for a limited period is not to be regarded as being so located. The Press's decision as to whether a worker is on such a secondment shall be final.

**"Death Benefit Salary"** means the aggregate of:

- (a) the annual rate of basic salary and fixed rate emoluments determined in accordance with part (a) of the definition of Standard Remuneration; and
- (b) the fluctuating emoluments referred to in part (b) of the definition of Standard Remuneration but restricted to such emoluments actually received by the Member in the 12 months prior to his death.

With effect from 1 January 2007, unless agreed otherwise between the Press and the relevant Member, the Death Benefit Salary of a Post-January 2007 Active Member or a Life Assurance Member in relation to any period shall be restricted to the aggregate of the relevant Member's:

- (i) basic salary (or full-time equivalent) as at 1 January 2007, pro-rated for part-time hours worked;
- (ii) rate or actual amount of shift pay paid as at 1 January 2007, pro-rated for part-time hours worked;
- (iii) rate or actual amount of senior allowance paid as at 1 January 2007, pro-rated for part-time hours worked;
- (iv) rate of travel allowance paid as at 1 January 2007 (or, if the relevant Member has a car provided by the Press for non-business use, the rate of travel allowance he would have received as at 1 January 2007 had he not had the use of such a car);
- (v) P11D taxable value for the tax year period ending on 5 April 2006 in respect of medical, dental and lifetime care cover; and
- (vi) P11D taxable value for the tax year period ending on 5 April 2006 in respect of a car provided by the Press for business use,

provided that if the relevant Member does not receive any of the above benefits (i) to (vi) at 1 January 2007, but subsequently becomes eligible, they will not, if paid after that date, be taken into account when calculating his Death Benefit Salary.

**"Dependant"** means, in relation to a Member, any natural person who in the opinion of the Trustees is or was at the time of death or retirement of the Member financially dependent on the Member, as appropriate, for all or any of the ordinary necessities of life. Where a pension is to

be paid, that person must also meet the requirements of paragraph 15 of schedule 28 to the FA2004 in order to be treated as a Dependant.

**"Dependants' Annuity"** has the meaning given to that phrase by paragraph 17 of schedule 28 to the FA2004.

**"Disclosure Regulations"** means the Occupational Pension Schemes (Disclosure of Information) Regulations 1996.

**"Employee"** means a permanent full-time or part-time employee in active Service of the Press or any other Employer who has been continuously employed since before 1 January 2002. In respect of a Schedule A Member, the Press's decision as to whether an individual is as an Employee under the Rules is conclusive and binding

**"Employer"** means an Employer participating in the Scheme (including the Press unless the context shows that this is not intended), and in relation to any particular Employee or Member means that Employer by which he is at the relevant time employed or by which he was last employed.

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

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

**"FA2004"** means the Finance Act 2004.

**"Final Contribution Salary"** means:

- (i) in the case of Members in Full-Time Service at the earliest of Normal Pension Date, leaving Service and death, the greater of:
  - (a) the Member's Standard Remuneration for the 12 months immediately preceding the earliest of Normal Pension Date, leaving Service and death; and
  - (b) the yearly average of the Member's total Standard Remuneration for the three consecutive years ending on the date of the earliest of Normal Pension Date, leaving Service and death,disregarding in respect of a Class A member any amount in excess of the Permitted Maximum;
- (ii) in the case of Members with any Part-Time Service in the 12 months prior to the earliest of Normal Pension Date, leaving Service and death, the amount produced by the formula contained in Rule 82.3.

**"Final Pensionable Salary"** means the greater of:

- (a) the Member's Pensionable Salary in the last 12 months of Pensionable Service; and



- (b) the annual average of the Member's Pensionable Salary in the last 36 months of Pensionable Service.

**"Frozen Pensionable Salary"** means the Member's basic salary plus (where relevant) shift pay, senior allowance, and P11D taxable benefits, calculated as follows:

- (a) basic salary: the Member's basic salary (or full-time equivalent) as at 1 September 2007, pro-rated for part-time hours worked;
- (b) shift pay: the rate or actual amount paid to the Member as at 1 September 2007, pro-rated for part-time hours worked;
- (c) senior allowance: the rate or actual amount paid to the Member as at 1 September 2007, pro-rated for part-time hours worked;
- (d) P11D taxable benefits:
  - (i) an amount equal to those P11D taxable benefits returned for the tax year period ending on 5 April 2007 relating to medical, dental and lifetime care cover; and
  - (ii) an amount equal to the P11D taxable benefit returned for the tax year period ending on 5 April 2007 relating to a car for business use.

Any increase (or decrease) in the above amounts after 1 September 2007 shall not be taken into account in calculating Frozen Pensionable Salary.

**"Full-Time Service"** means a periods of Service not deemed by the Press to be Part-Time Service.

**"Fund"** means the assets from time to time of the Scheme.

**"GMP"** means a guaranteed minimum pension (or accrued right to one) under the PSA1993.

**"Ill Health"**: A Member is suffering from **"Ill Health"** if (i) having received evidence from a registered medical practitioner the Trustees are satisfied that he is (and will continue to be) incapable of carrying on his occupation because of physical or mental impairment and (ii) he has ceased to carry on his occupation.

**"Index"** means:

- (a) in respect of Schedule B or C Members, the index of retail prices published by the Office of National Statistics (or any replacement of that Index);
- (b) in respect of Schedule A Members, the index of retail prices published by the Office of National Statistics (or any other suitable index agreed for the purpose of the Scheme by the Press and Trustees).

**"Insurance Company"** has the meaning given to that phrase by section 275 of the FA2004.

**"Insurance Policy"** means a policy or annuity contract issued by an Insurance Company.

**"Life Assurance Member"** means an Employee who is not an Active Member and who was in Service on 31 December 2001. An individual is not a Life Assurance Member if he is an Active Member, leaves Service, opts out of Active Membership, draws pension benefits or joins another pension scheme or life assurance arrangement operated by an Employer. **"Life Assurance Membership"** has a corresponding meaning.

**"Lifetime Allowance"** has the meaning given to that phrase by section 218 of the FA2004.

**"Lifetime Allowance Charge"** has the meaning given to that phrase by section 214(1) of the FA2004.

**"Lifetime Allowance Excess Lump Sum"** has the meaning given to that phrase by paragraph 11 of Schedule 29 to FA2004.

**"Lifetime Annuity"** has the meaning given to that phrase by paragraph 3 of schedule 28 to the FA2004.

**"Matching Employer AVCs"** is defined in Rule 23.7.

**"Member"** means a person who has joined the Scheme and who is entitled or prospectively entitled to any benefit under it. **"Members"** means some or all of them depending on the context. **"Member"** and **"Members"** shall only include a Life Assurance Member when the context so requires.

**"Minimum Pension Age"** means age 55, save that in the case of a Member as at 5 April 2006 who, as at that date, had an actual or prospective right under the Scheme to a pension from an age below age 55, his Minimum Pension Age is that age if it is his protected pension age for the purposes of paragraph 21 of schedule 36 to the FA2004.

**"Nominated Life Partner"** means an adult partner of the Member of either sex who at the date of the Member's death:

- (a) was living with the Member in a relationship closely resembling marriage;
- (b) was in the opinion of the Trustees financially interdependent with the Member (and a dependant of the Member within the meaning of paragraph 15(3) of schedule 28 to the FA2004); and
- (c) had been nominated in writing to the Trustees as a Nominated Life Partner by the Member.

**"Normal Pension Date"** means:

- (a) in relation to a Schedule A Member, the Member's 60<sup>th</sup> birthday;
- (b) in relation to a Schedule B Member, the Member's 60<sup>th</sup> birthday;
- (c) in relation to a Schedule C Member, the Member's 65<sup>th</sup> birthday (provided that the Normal Pension Date is treated as his 60<sup>th</sup> birthday in relation to Pensionable Service before 1 September 2007).

**"PA1995"** means the Pensions Act 1995.

**"Part-Time Service"** means a period of Service deemed by the Press to be part-time Service.

**"PCB Regulations"** means the Pension Sharing (Pension Credit Benefit) Regulations 2000.

**"Pension Commencement Lump Sum"** has the meaning given to that phrase by paragraph 1 of schedule 29 to the FA2004 (including any modifications made by schedule 36 to the FA2004 (Pension Schemes: Transitional Provisions and Savings) in connection with the lump sum to which the Member was entitled on 5 April 2006 under rule 18 of "The Schedule A Rules" or rule 9.1 of "The Schedule B Rules" of the rules governing the Scheme immediately prior to the date of these Rules).

**"Pensionable Age"** means:

- (a) in respect of GMPs, in the case of a man, his 65th birthday and in the case of a woman, her 60th birthday; and
- (b) for the purposes of Rule 31 (Level option pension), in the case of a man, his 65<sup>th</sup> birthday and in the case of a woman, the earlier of her pensionable age as defined under section 181 of the PSA1993 and her 65th birthday.

**"Pensionable Child"** means:

- (a) any child (including an unborn child) who is a legitimate or legally adopted child of the Member;
- (b) a natural child of the Member who was financially dependant on the Member at his death (or would have been if then born);
- (c) a grandchild, step-child or step-grandchild of the Member who was financially dependant on the Member at his death (or would have been if then born); or
- (d) a child to whom the Trustees in their full and unfettered discretion decide to extend this definition provided that at the date of the member's death the child was financially dependant on the Member, the child's financial relationship with the Member was one of mutual dependence, or child was dependant on the Member because of physical or mental impairment,

and who is either:

- (i) under the age of 18 or is receiving full-time education or training approved by the Trustees and is under the age of 23; or
- (ii) on the death of the Member was in the opinion of the Trustees acting on medical advice dependant on the Member either because of physical or mental impairment and was incapable of supporting himself. Such a child will remain a Pensionable Child until such incapacity ceases and shall not become a Pensionable Child again unless there is a revival of the incapacity from the same medical cause within two years or such reasonable time after that as the Trustees having regard to the circumstances of the case shall decide to be appropriate,

but to the extent that these conditions (i) and (ii) would or might adversely affect Subsisting Rights as at the date of these Rules, those rights shall be payable at the discretion of the Trustees with the consent of the Press (see Rule 2).

**"Pensionable Salary"** means:

- (a) basic salary and fixed rate emoluments not included within basic salary but to which the Member is entitled by virtue of the terms of his contract with the Press or other Employer, provided always that the decision of the Press or other Employer as to the extent of those contractual entitlements for the purposes of this definition shall be conclusive and binding upon the Member subject only to Rule 83 (Contribution and Benefit Limits); and
- (b) any other fluctuating emoluments to which the Member is entitled provided always that the decision of the Press or other Employer as to the extent of those entitlements for the purposes of this definition shall be conclusive and binding upon the Member subject only to Rule 83 (Contribution and Benefit Limits).

Overtime (including any bonuses earned during overtime) and any other fluctuating emoluments are not included in Pensionable Salary.

**With effect from 1 September 2007 in relation to a Schedule C Member**, the Pensionable Salary of a Schedule C Member shall mean his Frozen Pensionable Salary.

**"Pensionable Service"** means:

- (a) in relation to a Schedule A Member, the total period of Service not exceeding 25 years which a Member is entitled to count for pension purposes and includes in every case:
  - (i) subject to Rule 82 (Part-Time Service), a period during which the Member was contributing to the Scheme whether continuous or not; and
  - (ii) any period to be counted as a period of Pensionable Service under Rules 24 (Absence From Work), 25 (Family Leave) or 82 (Part-Time Service), or under paragraph 1 (Transitional Arrangements) of Schedule A.

Service before 1 April 1978 can only be counted for pension purposes to the extent specified under paragraph 1 (Transitional Arrangements) of Schedule A.

- (b) in relation to a Schedule B Member, the period not exceeding 25 years of the Member's Active Membership ending on the date of its termination under Rule 21, subject to Rules 20.6 (re-admission), 24 (Absence From Work), 25 (Family Leave), and 82 (Part-Time Service).
- (c) in relation to a Schedule C Member:
  - (i) in respect of the period before 1 September 2007, the period calculated under whichever of (a) or (b) above would otherwise have applied; and
  - (ii) in respect of the period on and after 1 September 2007, the number of complete years and days of Service while a contributing Member and any period credited as additional Pensionable Service in relation to a transfer received from another pension arrangement, subject to Rules 24 (Absence From Work), 25 (Family Leave), and 82 (Part-Time Service).

Pensionable Service is measured in complete years and days. Days shall be counted as 1/365<sup>th</sup> of a year. Where Pensionable Service is adjusted under Rule 82 in respect of Part-Time Service, any limit of 25 years under this Rule shall be adjusted accordingly.

**"Pension Credit"** means a credit under section 29(1)(b) of the WRPA1999 or under corresponding Northern Ireland legislation.

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

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

**"Pension Debit"** means a debit under section 29(1)(a) of the WRPA1999 or under corresponding Northern Ireland legislation.

**"Pensioner"** means a Member to whom a pension is in payment from the Scheme.

**"Pensions Acts"** means the Pensions Act 1995 and/or the Pensions Act 2004 according to the context.

**"Pension Sharing Order"** means any order or provision as is mentioned in section 28(1) of the WRPA1999 or under corresponding Northern Ireland legislation.

**"Permitted Maximum"** means:

- (a) prior to 6 April 2006, the permitted maximum as defined in section 590C(2) of the Income and Corporation Taxes Act 1988; and
- (b) on or after 6 April 2006, the amount which would have been the permitted maximum under that section if:
  - (i) that section had not been repealed; and
  - (ii) in respect of each year of assessment beginning with 2006/07 HM Treasury had made the orders required by sub-section (6) of that section.

**"Post-January 2007 Active Member"** means an Active Member whose Pensionable Service is accrued wholly or partially on and after 1 January 2007 and who was not a Schedule C Member on 1 September 2007.

**"Preservation Laws"** means the laws on preservation of benefits under the PSA1993.

**"Principal Employer"** means the Press or any individual, firm or company which succeeds it in accordance with Rule 8.

**"Protected Rights"** has the meaning given to that phrase by section 10 of the PSA1993;

**"PSA1993"** means the Pension Schemes Act 1993.

**"PSA Pensionable Service"** means the aggregate period that counts towards satisfying the three-month condition as defined in, and for the purposes of, section 101AA(2) of the PSA1993.

**"Qualifying Recognised Overseas Pension Scheme"** means a scheme or arrangement which is a qualifying recognised overseas pension scheme for the purposes of Part 4 of the FA2004.

**"Qualifying Service"** means the aggregate of:

- (a) Pensionable Service whilst an Active Member;
- (b) any other period of Service the Member is entitled to count as Pensionable Service; and
- (c) any period of employment while a member of any other retirement benefits scheme in respect of which the Member has become entitled to additional rights under the Scheme in substitution for accrued rights under such other scheme,

provided that no period may be counted twice and subject (where Pensionable Service while a Member has been broken) to the requirements of the Preservation Regulations.

**"Recognised Transfer"** means a transfer of sums or assets that counts as, or is treated as, a recognised transfer for the purposes of Part 4 of the FA2004.

**"Registered Scheme"** means a scheme or arrangement which is a registered pension scheme for the purposes of Part 4 of the FA2004.

**"Revaluation Laws"** means the laws on revaluation of benefits under the PSA1993.

**"Revenue Limits"** means the limits for exempt approval of the Scheme for tax purposes, as they applied to the Scheme on 5 April 2006 as determined in accordance with Practice Note IR12 (2001) on the Approval of Occupational Pension Schemes as it stood immediately before its repeal.

**"Rules"** means these Rules as amended from time to time.

**"Schedule A Member"** means an Active Member who joined the Scheme before 1 July 1988 and who is not a Schedule C Member. **"Schedule A Membership"** carries a corresponding meaning.

**"Schedule B Member"** means a Life Assurance Member or Active Member who joined the Scheme on or after 1 July 1988 and who is not a Schedule C Member. **"Schedule B Membership"** carries a corresponding meaning.

**"Schedule C Member"** means an Active Member whose employment was transferred from the Press to Cambridge Printing Services Limited on 1 September 2007 and who, prior to that date, had elected to remain in Active Membership on and from 1 September 2007 and who is accruing benefits under Schedule C. Schedule C is applicable to such Members. **"Schedule C Membership"** carries a corresponding meaning.

**"Scheme"** means the Cambridge University Press Contributory Pension Fund.

**"Scheme Year"** means the relevant calendar year commencing on 1 January in any given year or on such other date as the Trustees may from time to time determine to be appropriate, or such other period as may be consistent with the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996.

**"Scheme Administration Member Payment"** has the meaning given to that phrase by section 271 of the FA2004.

**"Section 9(2B) Rights"** has the meaning given by the Occupational Pension Schemes (Contracting-out) Regulations 1996.

**"Serious Ill Health"** means Ill Health of such seriousness that the person concerned is, in the opinion of a registered medical practitioner, expected to live for less than one year and the Trustees have received evidence from the registered medical practitioner to that effect.

**"Serious Ill Health Lump Sum"** has the meaning given to that phrase by paragraph 4 of schedule 29 to the FA2004.

**"Service"** means service with the Press or other Employer. In relation to a Schedule A Member (or to a Schedule C Member to the extent that benefits attributable to the period in question are, in accordance with Schedule C, calculated on the basis of Schedule A Membership), service must be continuous provided that subject to Rule 24 (Absence from Work) and Rule 25 (Family Leave) breaks in service or absences for whatever reason not exceeding one month shall not prejudice the continuity of such Member's Service.

**"Short Service Refund Lump Sum"** has the meaning given to that phrase by paragraph 5 of schedule 29 to the FA2004.

**"Short Service Refund Lump Sum Charge"** has the meaning given to that phrase by section 205 of the FA2004.

**"Special Account"** means the notional account within the assets of the Fund held by the Trustees on behalf of certain of the Members (see paragraph 1 (Transitional Arrangements) of Schedule A).

**"Spouse"** means the wife or husband to whom the Member is legally married at the date of his death or the Member's Civil Partner at the date of his death.

**"Standard Remuneration"** means:

- (a) basic salary and fixed rate emoluments not included within basic salary but to which the Member is entitled by virtue of the terms of his contract with the Press or other Employer, provided always that the decision of the Press or other Employer as to the extent of those contractual entitlements for the purposes of this definition shall be conclusive and binding upon the Member subject only to Rule 83 (Contribution and Benefit Limits); and
- (b) any other fluctuating emoluments to which the Member is entitled provided always that the decision of the Press or other Employer as to the extent of those entitlements for the purposes of this definition shall be conclusive and binding upon the Member subject only to Rule 83 (Contribution and Benefit Limits).

Overtime (including any bonuses earned during overtime) and any other fluctuating emoluments are not included in Standard Remuneration.

**With effect from 1 January 2007 in relation to a Schedule A or B Member**, unless agreed otherwise between the Press or other Employer and the relevant Member, the Standard Remuneration of a Post-January 2007 Active Member in relation to any period shall be restricted, in relation to all Pensionable Service notwithstanding the terms of any other rule of the Scheme, to the relevant Member's:

- (i) basic salary (or full-time equivalent) as at 1 January 2007, pro-rated for part-time hours worked;
- (ii) rate or actual amount of shift pay paid as at 1 January 2007, pro-rated for part-time hours worked;
- (iii) rate or actual amount of senior allowance paid as at 1 January 2007, pro-rated for part-time hours worked;
- (iv) rate of travel allowance paid as at 1 January 2007 (or, if the relevant Member has a car provided by the Press or other Employer for non-business use, the rate of travel allowance he would have received as at 1 January 2007 had he not had the use of such a car);
- (v) P11D taxable value for the tax year period ending on 5 April 2006 in respect of medical, dental and lifetime care cover; and
- (vi) P11D taxable value for the tax year period ending on 5 April 2006 relating to a car provided by the Press or other Employer for business use,

provided that if the relevant Member does not receive any of the above benefits (i) to (vi) at 1 January 2007, but subsequently becomes eligible, they will not, if paid after that date, be taken into account when calculating his Standard Remuneration.

**With effect from 1 September 2007 in relation to a Schedule C Member to the extent that benefits are calculated on the basis of Schedule A or B Membership**, the above provisions apply but references to "January" are modified to be references to "September".

**"Subsisting Rights"** has the meaning given by section 67A of the PA1995.

**"Transfer Value Laws"** means the laws on transfer values under the PSA1993.

**"Trivial Commutation Lump Sum"** has the meaning given to that phrase by paragraph 7 of schedule 29 to the FA2004.

**"Trivial Commutation Lump Sum Death Benefit"** has the meaning given to that phrase by paragraph 20 of schedule 29 to the FA2004.

**"Trustees"** means the trustee or trustees for the time being of the Scheme. "Trustee" means any one of them.

**"Unauthorised Payment"** has the meaning given to that phrase by section 160(5) of the FA2004.

**"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 for Work and Pensions and any relevant provisions of existing social security legislation, in particular section 17(5) of the PSA1993 and Regulation 2 of the Social Security and Family Allowances (Polygamous Marriages) Regulations 1975 (SI 1975/561). With effect on and from 5 December 2005, references in the Scheme to a Widow or Widower shall include a surviving Civil Partner.

**"Winding-up Lump Sum"** has the meaning given to that phrase by paragraph 10 of schedule 29 to the FA2004.

**"Winding-up Lump Sum Death Benefit"** has the meaning given to that phrase by paragraph 21 of schedule 29 to the FA2004.

**"WRPA1999"** means the Welfare Reform and Pensions Act 1999.



## APPENDIX 2


### Scheme Documents to Date

Date	Description
12 March 1930	Trust Deed <sup>1</sup>
13 March 1987	Deed of Trust
6 May 1988	Supplemental Deed of Trust
27 May 1988	Supplemental Deed of Trust
13 January 1994	Deed of Alteration
11 November 1996	Deed of Alteration
26 July 2002	Deed of Amendment
6 April 2006	Deed of Amendment
29 August 2007	Deed of Amendment
29 August 2007	Deed of Adherence
29 August 2007	Interim Deed of Amendment
14 November 2007	Deed of Amendment
13 December 2007	Deed of Appointment and Removal
24 July 2008	Deed of Amendment

<sup>1</sup> Numerous amending deeds were made to this deed before the Deed of Trust of 13 March 1987

This document has been executed as a deed and is delivered on the date stated at the beginning of it.

The UNIVERSITY PRESS SEAL OF THE  
CHANCELLOR MASTERS AND  
SCHOLARS OF THE UNIVERSITY OF  
CAMBRIDGE was affixed to these Rules  
and delivered as a deed when dated in the  
presence of:

  
Chairman of the Press Syndicate  
Name: Prof. G. H. Williams

  
Director of Legal Services to the Press  
Name: Bar. G. H. Williams

Executed as a deed and delivered when dated  
by **CPF PRESS LIMITED** acting by two  
directors/ ~~one director and the company~~  
secretary:

.....  
Director  
Name: ..... D. LABETTON .....

.....  
Director/Secretary  
Name: ..... F. JARVIS .....