

**TRUST DEED AND RULES  
OF  
THE UNIVERSITY OF OXFORD STAFF  
PENSION SCHEME**

THE CHANCELLOR, MASTERS AND SCHOLARS OF THE UNIVERSITY OF OXFORD (1)

OSPS TRUSTEE LIMITED (2)

**THIS TRUST DEED** is made as a deed on

2017

**BETWEEN:**

- (1) **The Chancellor, Masters and Scholars of the University of Oxford** (the "University"); and
- (2) **OSPS Trustee Limited** (company number 08275610) (the "Trustee").

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## 1 BACKGROUND

- 1.1 The Scheme was established by a declaration of trust dated 16 February 1978. This trust deed and the rules attached at Appendices 1 to 5 (the "Trust Deed and Rules") entirely replace the existing deeds and rules of the Scheme with effect on and from the date of this Trust Deed and Rules. The purpose of this Trust Deed and Rules is to consolidate previous amendments to the Trust Deed and Rules dated 10 April 2015. It is not intended to make any substantive change to the Trust Deed and Rules. Any such substantive change will be ineffective unless it is required by law and the Trust Deed and Rules shall be construed to reflect the parties' intention not to make any such substantive change. If any provision of the Trust Deed and Rules is inconsistent with this agreed intention, it will be void from the outset but if for any reason it cannot be treated as void, it may be corrected or rectified by a deed made between the University and the Trustees (including retrospectively), without the need for court directions or approval or any legal proceedings. The adoption of this Trust Deed and Rules will not invalidate an act, omission or decision done or made by the Trustees, the University or any Employer before the date of their adoption if such act, omission or decision was done or made in accordance with the deed and rules governing the Scheme at the time. Except where expressly stated otherwise, nothing contained in this Trust Deed and Rules shall affect:
- (a) the calculation of the amount of the benefits (including revaluation and increases) payable to or in respect of any Member who last ceased to be an Active Member before the date of this Trust Deed and Rules. The amount of those benefits shall continue to be calculated in accordance with the provisions of the Scheme in force at the time he last ceased to be an Active Member. The delivery of these benefits, the options attaching to them, the definitions applicable to them (except to the extent that they relate to their calculation) and the application of any reduction or augmentation applicable on a winding up of the Scheme shall however be determined in accordance with this Trust Deed and Rules; or
  - (b) benefits in respect of which a transfer payment or a refund of contributions was made from the Scheme before the date of this Trust Deed and Rules.
- 1.2 As exceptions to Clause 1.1(a), Rules 17, 18, 21.3, 21.4, 21.5, 21.9, 23.3, 23.4, 23.5, 23.8, 25.7, 25.8, 25.9 and 25.11 of the DB Rules and the definition of Normal Pension Date in Appendix 4 were amended with effect on and from the Amendment Date so as to apply so far as relevant to Deferred Pensioners and Postponed Pensioners as at the Amendment Date.
- 1.3 As exceptions to Clause 1.1(a):
- (a) the definition of Index in Appendix 4 (including the discretion or power to select and apply any one or more cost-of-living indices and how they are to be combined and the combination applied) shall apply in respect of the calculation of the amount of benefits (including the calculation of the relevant Annual Index Increase or Limited Annual Index Increase for the purposes of revaluation and increases) payable to or in respect of all Members whether or not they last ceased to be an Active Member before or after the adoption of this Trust Deed and Rules (and the exercise of any discretion or power in accordance with that definition may accordingly apply to the calculation of such benefits);
  - (b) the discretions or powers contained in Rule 26.1 of the DB Rules and Rule 26.2 of the DB Rules as to whether to disapply or modify the restriction of the increases in the first year of payment of a pension shall apply in respect of all Members whether or not they last ceased to be an Active Member before or after the adoption of this Trust Deed and Rules (and the exercise of any discretion or power in accordance with those Rules may accordingly apply to the calculation of such increases); and

- (c) the change from age 17 to age 18 in paragraph (a) of the definition of Eligible Child in Appendix 4 shall apply in respect of benefits in respect of all Members whether or not they last cease or ceased to be an Active Member before or after the adoption of this Trust Deed and Rules.
- 1.4 On and from 1 October 2017, Membership of the DB Section of the Scheme will be closed to new members (subject to a power in exceptional circumstances under Rule 17.3 of the General Rules) and a new defined contribution membership section will be established on a non-segregated basis.
- 1.5 The Rules relating to the DB Section are contained in Appendix 1 (DB Rules), Appendix 3 (General Rules), Appendix 4 (Definitions) and Appendix 5 (Early Retirement Factors - Early Retirement Reduction Factors (Appendix B to the 1997 Rules)).
- 1.6 The Rules relating to the DC Section are contained in Appendix 2 (DC Rules), Appendix 3 (General Rules) and Appendix 4 (Definitions).
- 1.7 Unless the context otherwise requires, references in Appendices 1 to 3 to a Rule without reference to a particular Appendix or category of Rules shall be taken to refer to a Rule within the same Appendix.
- 1.8 The legal advisers to the Trustees have confirmed that the adoption of these Rules will not make any changes to the Scheme that are regulated modifications within the meaning given by section 67A of the PA1995. That said, the Trust Deed and Rules shall not take effect if and to the extent that they purport to make any such modification on the basis that any offending modification shall be treated as void from the outset and severed but that the remainder of the Trust Deed and Rules shall have full effect.
- 1.9 The main purpose of the Scheme is the provision of retirement benefits for and in respect of those Employees and former Employees who have been admitted to Membership of the Scheme. Prior to 6 April 2016 the Scheme was contracted-out on a salary-related basis under the PSA. On and from 6 April 2016, no Active Member will be in employment which is contracted-out by reference to the Scheme. Rule 27 of the DB Rules (Contracted-out Benefits), modified to the extent necessary in order to comply with the Contracting-out Laws, will continue to apply to determine the benefits payable to and/or in respect of Members who were in contracted-out employment by reference to the Scheme prior to that date.
- 1.10 Definitions of particular words and phrases in the Trust Deed and Rules are set out in Appendix 4 to this Trust Deed and Rules.
- 1.11 "He" also means "she" unless the context shows that this is not intended.
- 1.12 References to statutes include modifications and re-enactments, and any regulations that go with them.

## **2 OPERATION AS A REGISTERED SCHEME**

- 2.1 The Scheme is a Registered Scheme for the purposes of the FA2004 and is designed to provide Authorised Payments in accordance with that Act.
- 2.2 Subject to Clause 2.4:
- (a) no payments shall be made under this Scheme which would be Unauthorised Payments;
- (b) Members shall not earn through Pensionable Service on or after 16 August 2006 any rights that would give rise to Unauthorised Payments; and
- (c) the Scheme shall be managed and administered in a manner that is consistent with it remaining a Registered Scheme.

- 2.3 This Clause shall override any other inconsistent Clause or Rule in the Trust Deed and Rules.
- 2.4 If the Rules as they stood on 5 April 2006 would have required the Trustees to make a payment that would be an Unauthorised Payment, the Trustees shall have the discretion with the consent of the University to make that payment to the extent that it is referable to Subsisting Rights which have accrued under the Scheme before 17 August 2006.

SCHEME ASSETS

**3 DECLARATION OF TRUST**

- 3.1 The Trustees shall hold the Fund on trust to apply it in accordance with the provisions of this Trust Deed and Rules.
- 3.2 The Trustees shall hold and invest the part of the Fund that represents money purchase AVCs and the investment return on them (the AVC Fund) separately from the other assets of the Fund.
- 3.3 The Trustees shall hold and invest the part of the Fund that represents money purchase Member Accounts and the investment return on them separately from the other assets of the Fund.
- 3.4 The Trustees shall hold and invest the part of the Fund that represents money purchase Investment Builder Accounts and the investment return on them (the DC Fund) separately from the other assets of the Fund.

AMENDMENT**4 AMENDMENT**

- 4.1 Subject to sections 67 to 67I of the PA1995 and the Contracting-out Laws, and Clause 4.3, the University and the Trustees may by deed replace or change all or any of the provisions of the Trust Deed and Rules or other provisions of the Scheme including this Clause 4 in any way. Any change may have retrospective or prospective effect.
- 4.2 If the University and the Trustees have agreed to make changes in the Trust Deed and Rules and the changes have been announced to Members in writing, the Trust Deed and Rules shall be deemed to have been amended to give effect to those changes from the date of the announcement insofar as they relate to Members who have personally received a copy of the announcement, provided a deed is completed under Clause 4.1 formalising the changes within six months of the date of the announcement.
- 4.3 No change under this Clause 4 will have the effect to the extent that it would:
- (a) change the sole purpose or object of the Scheme, namely the provision of benefits that are Authorised Payments for Employees who join the Scheme;
  - (b) would prejudice or impair any benefits accrued in respect of Membership of the Scheme in accordance with the Trust Deed and Rules at the date such change takes effect, and for the purposes of this sub-clause benefits accrued at the date of change shall mean for Pensioners and Deferred Pensioners, their benefit entitlements at such date and for Active Members, benefits calculated in respect of them by the method described in Rule 11 of the DB Rules (Deferred Benefits) and Rule 12 of the DC Rules (Deferred Benefits) based on Pensionable Service to such date and Pensionable Salary at such date (whether or not such Members would have had an entitlement thereto if they had left Service at such date).

## TRUSTEES

### **5 APPOINTMENT AND REMOVAL OF TRUSTEES**

- 5.1 Subject to the remainder of this Clause 5, the University shall have power by deed to:
- (a) appoint a new or additional Trustee (including a corporate body as sole trustee); and
  - (b) to remove a Trustee, subject to the consent of all the other Trustees in the case of a Trustee appointed under Clause 5.5(b) below, except that where the Trustee is a sole corporate trustee it may only be removed with the consent of the corporate trustee.
- 5.2 The Trustees shall comply with section 241 or section 242 (as the case may be) of the PA2004 (member-nominated trustees and directors), by securing the making and implementation of arrangements for the member-nomination of Trustees or directors of a corporate Trustee (as the case may be) in accordance with the relevant section. Any Trustee who has been appointed as a member-nominated trustee for the purposes of section 241 of the PA2004, or a member-nominated director of a corporate Trustee for the purposes of section 242 of the PA2004, may only be removed with the agreement of all the other Trustees.
- 5.3 All powers exercised by the University and Trustees under this Clause 5 will be subject to any applicable requirements from time to time under Part 5 of the Occupational Pension Schemes (Scheme Administration) Regulations 1996 concerning relevant multi-employer schemes (as defined in those regulations) and other overriding laws.
- 5.4 No person shall be eligible for appointment as a Trustee or a director of a corporate Trustee if he is prohibited, ineligible or disqualified from acting as such under the PA2004. Any person who becomes so prohibited, ineligible or disqualified following his appointment shall immediately notify the University and the other Trustees (or officers of a corporate Trustee) and his appointment shall be void from the time he became prohibited, ineligible or disqualified, but things done by him as a Trustee or director of a corporate Trustee (as the case may be) shall not be invalidated by reason of his prohibition, ineligibility or disqualification.
- 5.5 Subject to Clause 5.6, the Trustees or officers of a corporate Trustee which is acting as the sole Trustee of the Scheme shall consist of:
- (a) five individuals appointed by the Council of the University;
  - (b) five individuals who are Members, consisting of:
    - (i) three individuals who are Active Members, and one individual who is either an Active Member or a Pensioner, all of whom are nominated and elected by the Active Members of the Scheme pursuant to arrangements adopted by the Trustees from time to time under Clause 5.2 above; and
    - (ii) one Pensioner who is nominated and elected by the Pensioners of the Scheme pursuant to arrangements adopted by the Trustees from time to time under Clause 5.2 above; and
  - (c) a Chairman appointed by the Vice-Chancellor of the University giving notice in writing to the Trustees, after consultation with them.
- 5.6 Except in the circumstances of an Active Member who has become a Pensioner being permitted to continue in office under Clause 5.8(f), no more than two Pensioners may be Trustees (or directors of a corporate Trustee) at any one time.

- 5.7 Subject to Clause 5.8, Clause 5.9 and Clause 5.10, a Trustee shall be appointed to serve a term not exceeding three years except that where a corporate trustee is appointed as the sole Trustee of the Scheme its term shall not be limited.
- 5.8 A Trustee's term of office under Clause 5.7 shall end before its appointed expiry date if the Trustee dies or upon the occurrence of any of the following events:
- (a) in the case of any Trustee, if the Trustee serves one month's written notice on the University and the Trustees that he wishes to resign or retire as a Trustee, in which case his term of office shall end upon the expiry of such notice (or such shorter period as the Trustees and the University may from time to time agree with the Trustee);
  - (b) in the case of a Trustee who has been appointed under Clause 5.5(a) above, his removal by the University pursuant to its power under Clause 5.1(b);
  - (c) in the case of a Trustee who has been appointed under Clause 5.5(b) above, his removal by the University pursuant to its power under Clause 5.1(b) with the agreement of all the other Trustees;
  - (d) in the case of the Chairman appointed under Clause 5.5(c), his removal by the decision of the Vice-Chancellor of the University notified in writing to the Trustees or his removal by the University pursuant to its power under Clause 5.1(b).
  - (e) in the case of a Trustee who was an Active Member at the time of his appointment under Clause 5.5(b) above, if he ceases to be an Active Member (and does not immediately become a Pensioner upon such cessation) in which case his term of office shall expire immediately upon his ceasing to be an Active Member (and a deed of removal shall not be required under Clause 5.1) unless the Trustees and the University agree otherwise;
  - (f) in the case of a Trustee who was an Active Member at the time of his appointment under Clause 5.5(b) above, if he ceases to be an Active Member and immediately becomes a Pensioner at a time when there are already two Pensioners who are Trustees, in which case his term of office shall expire immediately upon his ceasing to be an Active Member (and a deed of removal shall not be required under Clause 5.1) unless the Trustees and the University agree otherwise to extend his term of office for a period determined by them at their discretion but expiring no later than the date on which the Trustee's original term would have expired.
- 5.9 Where the term of office of a Trustee has ended (either before its appointed expiry date in accordance with Clause 5.8, or upon its appointed expiry date) but a replacement Trustee has not yet been appointed in accordance with Clause 5.5:
- (a) in the case of a vacancy for a Trustee to be appointed by the Council of the University pursuant to Clause 5.5(a) which has arisen other than as a result of the events set out in Clause 5.8(a) or 5.8(b) above, the Trustees may at their discretion either:
    - (i) extend the term of office of the Trustee whose term has expired, on a temporary basis (without any requirement for a further deed of appointment); or
    - (ii) require the University to appoint another individual selected by the Trustees as a Trustee, on a temporary basis
 until such time as a replacement Trustee is appointed by the Council of the University under Clause 5.5(a) or earlier removal by resolution of the Trustees;

- (b) in the case of a vacancy for a Trustee to be appointed by the Council of the University pursuant to Clause 5.5(a) which has arisen as a result of the events set out in Clause 5.8(a) or 5.8(b) above, the Trustees may at their discretion require the University to appoint another individual selected by the Trustees as a Trustee on a temporary basis until such time as a replacement Trustee is appointed by the Council of the University under Clause 5.5(a) or earlier removal by resolution of the Trustees;
- (c) in the case of a vacancy for a Trustee to be appointed under Clause 5.5(a) which has arisen other than as a result of the events set out in Clause 5.8(a) or 5.8(c) above, the Trustees may at their discretion:
- (i) extend the term of office of the Trustee whose term has ended, on a temporary basis (without any requirement for a further deed of appointment); or
  - (ii) require the University to appoint another individual selected by the Trustees as a Trustee, on a temporary basis

until such time as a replacement Trustee is appointed pursuant to arrangements adopted by the Trustees from time to time under Clause 5.2 or earlier removal by resolution of the Trustees;

- (d) in the case of a vacancy for a Trustee to be appointed under Clause 5.5(b) which has arisen as a result of the events set out in Clause 5.8(a), 5.8(c), 5.8(e) or 5.8(f) above, the remaining Trustees may continue to manage the Scheme without the necessity for another individual to be appointed as a Trustee until such time as a replacement Trustee is appointed pursuant to arrangements adopted by the Trustees from time to time under Clause 5.2, provided this does not breach the requirements of section 241 of the PA2004 taking into account any relevant Code of Practice from time to time issued by the Pensions Regulator;
- (e) in the case of a vacancy for a Chairman to be appointed under Clause 5.5(c) which has arisen other than as a result of the events set out in Clause 5.8(a) or 5.8(d) above, the Vice-Chancellor of the University may:
- (i) extend the term of office of the Chairman whose term has expired, on a temporary basis (without any requirement for a further deed of appointment); or
  - (ii) appoint another individual to act as Chairman on a temporary basis

until such time as a replacement Chairman is appointed by the Vice-Chancellor under Clause 5.5(c) or earlier removal by the Vice-Chancellor;

- (f) in the case of a vacancy for a Chairman to be appointed under Clause 5.5(c) which has arisen as a result of the events set out in Clause 5.8(a) or 5.8(d) above, the Vice-Chancellor of the University may appoint another individual to act as Chairman on a temporary basis until such time as a replacement Chairman is appointed by the Vice-Chancellor under Clause 5.5(c) or earlier removal by the Vice-Chancellor.

- 5.10 In the event that no Chairman or Acting Chairman has been appointed by the Vice-Chancellor under Clause 5.5(c) or Clause 5.9(e) or 5.9(f), the Trustees may at their discretion select one of their number to act as Chairman until such time as the Vice-Chancellor appoints a replacement Chairman or an Acting Chairman.

## **6 TRUSTEES' RIGHT TO CHARGE**

- 6.1 Any Trustee (or any officer of a corporate Trustee) shall be entitled to be paid from the Fund (unless the University and Trustees agree that the University will meet such costs



directly) such remuneration or charges as he may agree with the University and the Trustees for acting as a Trustee if he is either:

- (a) engaged in the business of providing a trustee service for payment; or
- (b) the Trustees agree that he should be paid for some or all of his time spent acting as a Trustee

but in each case, payment of remuneration or charges may be subject to such conditions and be for such defined duration as the Trustees decide from time to time.

## **7 TRUSTEES' PERSONAL INTEREST**

- 7.1 The decision of, or the exercise of a power by, the Trustees shall not be invalidated or questioned on the ground that any of the Trustees had a personal or conflicting interest (whether direct or indirect) in the result of the decision or the exercise of the power.
- 7.2 A Member who is or has been a Trustee (or a director or officer of a corporate Trustee or a delegate of the Trustees) may retain for himself any benefit to which he is entitled by virtue of his Membership, including any benefit as augmented or provided under Rule 17 of the General Rules (Discretionary and Special Benefits), whether or not he participated in the exercise of the power in Rule 17 of the General Rules in relation to him.

## **8 TRUSTEES' DISCRETION**

- 8.1 The discretions conferred on the Trustees by the Rules shall be absolute and unfettered discretions and the Trustees shall not be obliged to give to any Member or any other person any reason or justification for any exercise of such discretion.

## **9 LIMIT OF TRUSTEES' LIABILITY**

- 9.1 Subject to section 31 and section 33 of the PA1995, no Trustee shall as trustee of the Scheme or in respect of the exercise or purported exercise of or the omission of the exercise of his rights or powers in relation to the Scheme incur any personal responsibility or be liable for anything whatsoever except for wilful default or neglect.
- 9.2 The Trustees shall not incur any liability whatsoever:
  - (a) in respect of any business transacted by any person appointed in good faith under Clause 14 or Clause 15;
  - (b) arising from the negligence or default of any Professional Adviser or any advice given by any Professional Adviser proving subsequently to be incorrect or inadequate;
  - (c) for not having effected insurance or for failing to recover the amount insured under any insurance;
  - (d) in respect of any payment to any person made by mistake in good faith;
  - (e) if the Fund is insufficient to pay the benefits under the Scheme by reason of contributions being insufficient or unpaid or by reason of any loss or depreciation of the assets in the Fund.
- 9.3 No person shall have any claim upon or interest in the Scheme or any claims against the Trustees or Employers other than under these Rules.

## **10 TRUSTEES' INDEMNITIES**

- 10.1 The University undertakes both before and after the winding-up of the Scheme to indemnify each of the Trustees (including before and after he ceases to be a Trustee) against all or any claims, costs, losses, damages, awards, expenses, taxation,

compensation orders made by the Pensions Ombudsman or fines and penalties which he may pay or incur or which may be made or awarded against him as a trustee of the Scheme except for any arising from his own wilful default or neglect.

- 10.2 If the University fails to indemnify the Trustees fully under Clause 10.1 before the expiry of a period of notice of not less than one month given to it by the Trustees, the Trustees shall be indemnified to the extent necessary out of the Fund, except in the circumstances in which the indemnity in Clause 10.1 would not apply.
- 10.3 The liability under the indemnities in Clauses 10.1 and 10.2 shall be reduced to the extent that insurance cover applies.

## **11 TRUSTEES' INSURANCE**

- 11.1 The Trustees may insure themselves, any of their delegates and their delegates' employees, and anyone else they see fit against any liabilities they incur in connection with the Scheme. So far as the law permits, the Trustees may pay the premiums for these insurances from the Fund.

## **12 CORPORATE TRUSTEE**

- 12.1 As well as applying to the Trustees, the provisions of the preceding Clauses 9, 10 and 11 shall also apply (with any necessary changes) to:
- (a) directors and officers of a corporate trustee of the Scheme; and
  - (b) former directors and officers of a corporate trustee of the Scheme.

## **13 DECISIONS OF TRUSTEES**

- 13.1 The Trustees shall meet from time to time for the purpose of considering the affairs of the Scheme. Meetings shall be called by the Chairman of the Trustees. If any three of the Trustees, acting together, by written notice to the Chairman call for a meeting, the Chairman shall convene a meeting within fifteen days of receiving the notice.
- 13.2 The decisions of the Trustees are required to be taken by agreement of a majority of the Trustees present and voting. The Chairman shall not be entitled to a vote other than a casting vote. If the Chairman is absent from a meeting, the Trustees present shall elect by show of hands one of their number as Acting Chairman for that meeting. The Acting Chairman shall be entitled to a vote in his own right as a Trustee and also to a casting vote as Acting Chairman.
- 13.3 A quorum of Trustees, including the Chairman or Acting Chairman, must be present when any decision is so taken, but a Trustee who is not so present may subsequently make a decision of the other Trustees effective by signing a written record of it and the Trustees may also make decisions by joining together in telephone conference or video-link as if they were meeting together in person. The quorum for the purposes of this Rule is the greater of 60% of the Trustees or five Trustees.
- 13.4 A decision recorded as a resolution in writing and signed as approved by the requisite number of Trustees (including the Chairman) shall be effective as if it were a decision of a meeting provided the proposed resolution has been sent to all the Trustees. For this purpose separate pieces of paper, including facsimile copies, together bearing all the necessary signatures shall be treated as valid. The requisite number of Trustees for the purposes of this Clause is the greater of 60% of the Trustees or five Trustees.
- 13.5 An Electronic Communication sent by a Trustee to the Chairman of the Trustees and copied to the Secretary, by which the Trustee agrees a resolution, shall be treated as if it were a written resolution signed by him, provided that the Chairman or the Secretary verifies by telephone or in person the identity of the person sending the Electronic Communication or the Electronic Communication includes a passcode, digital signature or other device that the Chairman or the Secretary reasonably considers to be sufficient

evidence of the sender's identity. For the purposes of this Clause 13.5, "Electronic Communication" means, subject to compliance with section 1168(5) Companies Act 2006, a document or information which is sent or supplied in electronic form (which shall have the meaning given to it in section 1168 Companies Act 2006).

- 13.6 The Secretary shall within a reasonable period inform the Trustees of any resolutions approved or agreed in accordance with Clause 13.2 or Clause 13.4.
- 13.7 The Trustees shall cause proper minutes to be kept of their resolutions and proceedings.
- 13.8 Subject to Clauses 13.1-13.7 inclusive, and section 32 of the PA1995 (decisions of trustees and notices of meetings), the Trustees may make such regulations for the conduct of their business as they decide.
- 13.9 If a corporate body is sole Trustee, its procedures and the conduct of its internal affairs shall be governed by its constitution.

#### **14 ARRANGEMENTS FOR THE RUNNING OF THE SCHEME**

- 14.1 The Trustees may from time to time in writing authorise such persons as they think fit to draw cheques on any bank account of the Scheme or to endorse any cheque or to give receipts and discharges and so that any such receipt or discharge shall be as valid and effective as if it were given by the Trustees and so that the provision of a written authority of the Trustees shall be a sufficient protection to any person taking any such receipts or discharge or otherwise acting under or relying on such authority.
- 14.2 The Trustees may make arrangements generally for the administration of the Scheme as they think fit. In particular, they may employ such agents and staff including a secretary to transact any business of the Scheme, including the payment of pensions and benefits and any valid receipt given to such agents and staff shall be a good and sufficient discharge to the Trustees.
- 14.3 The Trustees may (subject to the powers for the time being exercisable by the University or the Employers) exercise all rights authorities and discretions in connection with the Scheme requisite or proper to enable them to carry out any transaction, act, deed or thing arising under or in connection with the Scheme.
- 14.4 Where the Trustees are required to obtain the consent of, or to act on the instructions of, any Employer, they may accept the written confirmation of, respectively, the Registrar of the University, the Bursar of any College and any director or the secretary of any company (as appropriate) as sufficient evidence that the consent or instruction has been duly authorised.
- 14.5 Where any time limit is prescribed by these Rules or otherwise, the Trustees may in their discretion waive the limit to any extent which they think fit. The power shall not apply in the case of a statutory duty, and shall not be exercised so as to extend the period of two years referred to in Rule 22 of the DB Rules and Rule 23 of the DC Rules (Death Benefit Trusts).
- 14.6 The Trustees shall have power retrospectively to ratify any administrative action or omission or exercise of a discretion on their behalf which may have taken place in relation to the Scheme (although not expressly authorised by any other provision of this Trust Deed and Rules) where they consider that the action or omission or exercise of discretion is not unlawful and such ratification does not have any material adverse effect on the interests of any Beneficiary, nor prejudiced the status of the Scheme as a Registered Scheme.
- 14.7 The Trustees may accept or renounce gifts and other transfers of assets to the Scheme. Any gifts and assets received shall be applied by them for the general purposes of the Scheme.

- 14.8 The Trustees shall be under no obligation to bring or defend any legal proceedings in relation to the Scheme.
- 14.9 The Trustees may contract with anyone, on any terms (including terms that allow recourse to the assets of the Scheme) and for any purpose.
- 14.10 The Trustees may give such undertakings, indemnities or guarantees as the Trustees decide are appropriate for the efficient administration of the Scheme and unless stated otherwise their successors shall be bound by them.

## **15 DELEGATION**

- 15.1 The Trustees may delegate any of their duties, powers or discretions to anyone (including a committee and including the University or any other Employer) on any terms. The terms may allow sub-delegation. The Trustees will not have to supervise any delegate (including a committee) nor will they be responsible for any loss incurred as a result of delegation or sub-delegation or the negligence or default of a delegate or sub-delegate (including a committee in either case).
- 15.2 Any discretion of the Trustees to make any decision about investments may not be delegated other than in accordance with section 34 of the PA1995.
- 15.3 At the date of this Trust Deed the Trustee has delegated part of the administration of the Scheme to the University including for the purposes of Regulation 9(5) of the Automatic Enrolment Regulations. The Trustee or University may terminate this arrangement in accordance with the terms of the contract in place from time to time.
- 15.4 The Trustees may delegate aspects of the administration of the Scheme under Clause 15.1 to different persons.

## **16 POWERS UNDER GENERAL LAW**

- 16.1 The powers given to the Trustees under this Trust Deed and Rules shall be in addition to all other powers given to them by general law and statute.

## EMPLOYERS

### **17 EMPLOYERS' LIABILITY**

- 17.1 No person shall have any claims against the Employers other than under this Trust Deed and Rules.

### **18 EMPLOYER REPRESENTATION**

- 18.1 The University is the nominated representative of all Employers and will act for and on behalf of them in all and any of the circumstances in which pensions legislation and the Trust Deed and Rules from time to time allow or require the Trust Deed and Rules or employers participating in an occupational pension scheme to nominate a representative. Without limitation, this includes acting on behalf of the Employers for the purpose of obtaining services to facilitate compliance with the duties falling on Employers under the Pensions Act 2008.

### **19 BECOMING AN EMPLOYER**

- 19.1 The University and the Trustees may by deed admit to participation in the Scheme (including retrospectively) as an Employer any person associated with the University whose participation in the Scheme would be consistent with its status as a Registered Scheme.

- 19.2 A person to be admitted under Clause 19.1 shall by deed in favour of the Trustees:

- (a) observe and perform the provisions of the Scheme so far as they are applicable to it as an employer participating in the Scheme;
- (b) exercise no right or discretion conferred on it by or under the Pensions Acts without the prior written consent of the University;
- (c) nominate the University as the "appropriate person" to act for it for the purposes of sections 241 and 242 of the PA2004 (member-nominated trustees and directors);
- (d) provide agreement in accordance with section 229 of the PA2004 (matters requiring agreement of the employer); and
- (e) agree that the Trustees may consult University under the Occupational Pension Schemes (Investment) Regulations 2005 (consultation on the statement of investment principles) to the exclusion of that person;
- (f) nominate the University as its representative for the purposes of section 227 of the PA2004 (schedule of contributions) in relation to the Scheme;
- (g) nominate the University to provide agreement in accordance with section 229 (matters requiring agreement of the employer) of the PA2004; and
- (h) comply with such other requirements stipulated by the University.

### **20 CEASING TO BE AN EMPLOYER**

- 20.1 An Employer other than the University shall cease to participate in the Scheme immediately if any of the following happens:

- (a) one month's written notice is given by the Employer to the Trustees terminating its liability to contribute to the Scheme, in which case the cessation shall take effect from the end of the calendar month that coincides with, or follows, the expiry of the written notice;
- (b) an order or effective resolution is made for the winding-up of the Employer;

- (c) the Employer ceases to trade or otherwise carry on business, unless the University, the Employer and the Trustees agree otherwise. Such agreement may have retrospective effect;
- (d) a resolution of the Trustees to terminate an Employer's participation or it has failed to pay the contributions due to the Scheme or has failed to remedy a breach of its other obligations under the Rules within a reasonable period of notice given to it by the Trustees in that regard;
- (e) the University and the Trustee agree that the continued participation of the Employer would prejudice the status of the Scheme as a Registered Scheme;
- (f) the Employer ceasing to have any Active Members in its Service, unless the Trustees and the Employer agree otherwise; or
- (g) the effective date of a notice given by the University to terminate contributions to the Scheme under Clause 26.4.

## **21 EFFECT OF CEASING TO BE AN EMPLOYER**

- 21.1 An Active Member who is an Employee of the Employer ceasing to participate in the Scheme shall cease to be an Active Member on the date on which the Employer ceases to participate. The Employee shall be entitled to such benefits in respect of his Active Membership to that date as the Trustees are required to provide in accordance with Rules 11, 12 and 13 of the DB Rules and Rules 12 and 13 of the DC Rules (Early Leavers).
- 21.2 An Employer which ceases to participate in the Scheme shall cease to be liable to pay contributions to the Scheme under Clause 26, other than those that have fallen due for payment before the date participation ceases, but shall be liable to pay to the Scheme an amount equal to the Employer Deficit. The Trustees may agree to the satisfaction of such liability by payment of instalments over such period as they may decide to be reasonable, with or without security, and with or without interest. Alternatively, with effect from 1 January 2011, and subject to the agreement of the University, the Trustees may at their discretion (having taken legal advice and consulted with the Actuary) waive or reduce the Employer Deficit (or a proportion of it) that is due to the Scheme, or may apportion the liability for the Employer Deficit to another Employer with the agreement of that Employer.
- 21.3 The Employer Deficit in relation to a Former Employer shall be calculated in the following manner. The Actuary shall estimate, using his professional judgement:
- (a) the amount equivalent to the proportion of the Fund at the date the Former Employer ceases to participate in the Scheme that the Scheme's liabilities attributable to employment with the Former Employer bears to its total liabilities; and
  - (b) the cost at that date of securing all the Former Employer Benefits by acquiring policies with an Insurance Company.
- 21.4 The Employer Deficit shall be calculated by deducting (a) from (b), but if this is a negative number the Employer Deficit shall be nil. The Actuary shall have discharged his duty to estimate the cost within (b) above if he makes his professional judgement on published information available to the actuarial profession and he shall not be required to obtain quotations in the market.
- 21.5 The University and the Trustees (having taken legal advice and consulted with the Actuary) may agree to apportion any liability (whether current, contingent or prospective) under section 75 or 75A of the PA 1995 from one Employer (or Former Employer) to another Employer. The liability of the Employer from which liability is apportioned will be reduced or extinguished accordingly. Any Employer from which or to which, liability is apportioned must consent to the apportionment. Any apportionment

must qualify as a "scheme apportionment arrangement" or a "flexible apportionment arrangement" as defined in the Occupational Pension Schemes (Employer Debt) Regulations 2005, and in particular, the Trustees must be reasonably satisfied that the funding test as defined in regulation 2(4A) of those Regulations has been met.

## **22 RECONSTITUTION OR AMALGAMATION OF THE UNIVERSITY**

- 22.1 If the University shall have been dissolved in circumstances such that its assets and liabilities are assumed by some other body or institution for the purposes of reconstruction or amalgamation (total or partial) with such other body or institution, then subject to the agreement of the Trustees that body or institution may assume the obligations of the University under the Scheme and the Scheme shall continue and the Rules shall apply as if that body or institution were the University.

## VALUATIONS AND ACCOUNTS

### **23 ACTUARIAL VALUATIONS AND REPORTS**

- 23.1 The Trustees may from time to time obtain actuarial valuations of the Scheme and shall in any event comply with section 41 of the PA1995 (Provision of documents for members) and section 224 of the PA2004 (Actuarial valuations and reports) and the regulations made under those sections, and shall ensure amongst other things that:
- (a) they obtain actuarial valuations within the prescribed intervals;
  - (b) they obtain actuarial certificates on the prescribed occasions and within the prescribed periods; and
  - (c) such valuations and certificates comply with the statutory requirements.
- 23.2 The Trustees shall disclose the results of any actuarial valuation to the University on request.

### **24 ACCOUNTS**

- 24.1 The Trustees shall obtain accounts to the Scheme made up to the end of each Scheme Year and audited by the Auditor within such period as may be prescribed by the PA1995. The Trustees shall also prepare an annual report. The accounts and the report must comply with section 41 of the PA1995.

## FUNDING AND CONTRIBUTIONS

### **25 STATUTORY FUNDING DOCUMENTATION**

- 25.1 If they are required to do so under Part 3 of the PA2004, the Trustees shall prepare, review from time to time, and if necessary revise:
- (a) a statement of funding principles;
  - (b) a schedule of contributions.
- 25.2 If the Trustees determine following an actuarial valuation that the statutory funding objective was not met they shall prepare a recovery plan setting out the steps to be taken to meet that objective and the period over which they are to be taken or shall review and if necessary revise any such existing recovery plan. The Trustees will send a copy of the recovery plan to the Pensions Regulator within a reasonable period after it is prepared, accompanied by the schedule of contributions and such information as is prescribed by Part 3 of the PA2004.
- 25.3 The Trustees shall obtain such advice from the Actuary and such consents from the Employers as may be required to comply with Part 3 of the PA2004.
- 25.4 The schedule of contributions must satisfy the requirements specified by Part 3 of the PA2004 and be certified by the Actuary in the manner prescribed by Part 3 of the PA2004.
- 25.5 If required by section 87 of the PA1995 the Trustees shall prepare, maintain and from time to time revise a payment schedule satisfying the requirements of that section.

### **26 EMPLOYERS' CONTRIBUTIONS**

- 26.1 Each Employer shall:
- (a) procure that the Active Members in its Service who are not Pension Salary Sacrifice Members pay contributions to the Scheme at the rate applicable under



Rule 4 of the DB Rules and Rule 4 of the DC Rules (Member Contributions);  
and

- (b) pay Pension Salary Sacrifice Contributions to the Fund in respect of each Active Member in its Service who is a Pension Salary Sacrifice Member while he is an Active Member which are equal in amount to the contributions which that Active Member would have made under Rule 4 of the DB Rules and Rule 4 of the DC Rules (Member Contributions) if he had not entered into the Pension Salary Sacrifice Arrangement. These amounts shall be payable at the same time as they would have been by the Pension Salary Sacrifice Member if he had not entered into the Pension Salary Sacrifice Arrangement and shall be recorded as a separately identifiable amount in the schedule of contributions and payment schedule referred to in Clause 26.2.

26.2 Each Employer shall pay to the Fund the contributions shown in the current schedule of contributions and payment schedule (if any) as payable by it, together with:

- (a) such further annual or other contributions to the Scheme (including contributions payable before a schedule of contributions has been prepared) as the Actuary may certify in relation to each Employer as being necessary for the proper maintenance of the Scheme and the benefits under the Scheme in respect of its employees and former employees; and
- (b) such further contributions as will ensure the contributions under Rule 5 of the DC Rules (Employers' Contributions) are satisfied.

Employers may be required to pay contributions under this Rule at different rates.

26.3 Each Employer shall pay its contributions and those of its Employees to the Scheme by the 7<sup>th</sup> day of the calendar month following that in respect of which they were due. No contributions are due in respect of Employees and Irregular Employees declining Membership under Rule 1.3 or Rule 1.6 of the DC Rules and any payments made by an Employer in respect of such persons shall be treated as received in error unless the Employer agrees or the University determines to any extent that the payment should be retained in the Scheme for its general purposes. The Trustees will charge interest on contributions that are not paid on time.

26.4 The University may at any time terminate its liability to contribute to the Scheme by giving one month's written notice to the Trustees. On receipt of such notice, the Trustees shall notify each of the other Employers and the Members and no further contributions shall be payable to the Scheme with effect from the end of the calendar month which coincides with, or follows, the expiry of the written notice, other than any payable or accrued for the period up to receipt of the notice by the Trustees or payable under section 75 of the PA1995 (Deficiencies in the assets). On termination of its liability to contribute under this Clause 26.4, the University shall however also be liable to pay to the Scheme an amount equal to the Employer Deficit that would be applicable to it under Clause 21 if it were an Employer ceasing to participate in the Scheme under Clause 20 at the date on which its liability to contribute is terminated under this Clause 26.4. The Trustees may agree to the satisfaction of such liability by payment of instalments over such period as they may decide to be reasonable, with or without security, and with or without interest. Alternatively, the Trustees may at their discretion, having first received legal and actuarial advice that it would not be improper for them to do so, elect to waive or reduce such liability (or a proportion of it) or may apportion the liability for the Employer Deficit to another Employer.

26.5 An Employer, other than the University, may at any time terminate its liability to contribute to the Scheme by giving one month's written notice to the Trustees. On receipt of such notice, the Trustees shall notify the University and each Member who is an Employee of that Employer and no further contributions shall be payable to the Scheme by that Employer or its Employees with effect from the end of the calendar month which coincides with, or follows, the expiry of the written notice, other than any

payable or accrued for the period up to that date or under section 75 of the PA1995 (Deficiencies in the Assets) or payable in accordance with Clause 21.2.

## **27 EXPENSES**

- 27.1 Subject to the remainder of this Clause and Clauses 6.1, 11.1, 27.2 and 33.1, all costs, charges, tax and expenses incurred by the Trustees and their delegates and agents in connection with the Scheme (including in relation to the DB Section and the DC Section and the winding-up of the Scheme) and any remuneration of the Trustees shall be borne by the University.
- 27.2 Such exceptional or ongoing costs as the University and the Trustees acting on the advice of the Actuary agree, shall be borne by the Fund.
- 27.3 All administration expenses relating to money purchase AVCs of Members shall be payable out of those AVCs unless the Trustees and the University agree otherwise.
- 27.4 The Employers shall contribute towards the University's expenditure under this Rule in such proportions as they agree with the University or, in default of agreement, as the Trustees may decide.
- 27.5 An Employer's liability to pay expenses under this Rule shall cease on its ceasing to be liable to pay contributions under Clause 26 (except to the extent accrued or arising before the date of cessation).

## INVESTMENT

### **28 STATEMENT OF INVESTMENT PRINCIPLES**

28.1 If required to do so by section 35 of the PA1995, the Trustees shall prepare, maintain and periodically review, and if necessary revise, a written statement of principles relating to the investment of the assets of the Scheme in the form and covering the matters prescribed under that section. Before preparing or revising the statement the Trustees shall comply with the requirements under that section. The Trustees shall prepare, maintain and periodically review a written statement of investment principles governing the default arrangement if required to do so in accordance with Part 3 of the Occupational Pension Schemes (Charges and Governance) Regulations 2015 and the relevant provisions of the Occupational Pension Schemes (Investment) Regulations 2005. For this purpose, default arrangement has the meaning given by regulation 1(2) of the Occupational Pension Schemes (Investment) Regulations 2005.

### **29 INVESTING THE ASSETS**

29.1 Subject to sections 33 to 36 inclusive of the PA1995, the Trustees shall have full and unrestricted powers of investment and application of the Fund as if they were absolutely and beneficially entitled to the assets of the Fund. In particular and without prejudice to the generality of the foregoing, the Trustees may invest or apply all or any part of the Fund in any part of the world:

- (a) in deferred or immediate annuity, life assurance or other policies effected with an Insurance Company;
- (b) in acquiring any interest in, or improving, repairing or developing any land or property;
- (c) in units, unit trusts, investment trusts or mutual funds or other common investment funds or securitised issues;
- (d) in the purchase of or subscription for or in underwriting, sub-underwriting or guaranteeing the subscription of any stocks, shares, debenture stocks, debentures or other investments whether jointly with other persons or not;
- (e) in entering into and engaging in any obligations or contracts or dealings and in particular but without prejudice to the generality hereof, in engaging in dealings in currencies, traded options, financial futures, commodities, commodity futures and derivatives of all kinds;
- (f) by placing the same on deposit with any local authority, bank, Insurance Company, building society or finance company at such rate of interest (if any) and upon such terms as the Trustees shall think fit;
- (g) in stocklending;
- (h) by participating in any scheme of deposit administration or any managed funds administered by an Insurance Company;
- (i) by co-operating with the trustees or administrators of any other retirement benefit schemes in commingling assets in common investment funds under arrangements which will not the status of the Scheme as a Registered Scheme;
- (j) in any property or asset including an investment of a wasting or reversionary nature or one that does not produce income.

29.2 The Trustees shall always ensure that the Scheme complies with any restrictions on employer-related investments, as defined in section 40 of the PA1995, from time to time prescribed by regulations made under that section.

- 29.3 The Trustees shall exercise their powers of investment under this Clause 29 in accordance with section 36 of the PA1995, having regard amongst other things to the need for diversification and the suitability to the Scheme of proposed investments and the need to obtain and consider proper advice in accordance with subsection (3) of that section. Rule 7 of the DC Rules makes further provision with respect to the investment of Members' Investment Builder Accounts.
- 29.4 Any cash held as part of the Fund may be retained or placed on deposit or current account with any bank or with any deposit taking institution and the Trustees shall not be chargeable in respect of any interest on any such cash in excess of the interest (if any) actually paid or credited thereon.
- 29.5 If any investment requires an indemnity to be given by the Trustees against liabilities arising in the event of the Scheme losing its status as a Registered Scheme the Trustees shall have power to bind the Scheme notwithstanding that such indemnity may only become operative by reason of some act or omission which constitutes a breach of trust on the part of the Trustees.

### **30 FUND MANAGERS**

- 30.1 The Trustees may at any time appoint one or more Fund Managers to manage the investments of the Scheme on such terms as the Trustees think fit and any such Fund Manager may be authorised:
- (a) to exercise all or any of the powers or discretions of the Trustees with regard to investments or the holding of investments;
  - (b) to delegate and authorise the sub-delegation of any power or discretion so given to the Fund Manager;
  - (c) to appoint any custodian and authorise the appointment of sub-custodians.
- 30.2 The terms and conditions on which any Fund Manager is appointed may (without limitation) include provisions authorising such Fund Manager to act, notwithstanding any conflict between the Fund Manager's interest and his duties to the Scheme, or authorising such Fund Manager or agent to retain any benefit received through acting as investment manager. Any such provisions may equally apply to any delegate or sub-delegate or custodian or sub-custodian appointed pursuant to such terms and conditions.

### **31 USE OF NOMINEES/CUSTODIAN**

- 31.1 The Trustees may keep assets of the Scheme in the name of a nominee or nominees and appoint any person as custodian and authorise the appointment of sub-custodians by that person of any part of the Fund on any terms.

### **32 BORROWING**

- 32.1 The Trustees may borrow money for the purposes of the Scheme, on any terms including the provision of security, but subject to compliance with the limits in sections 182 and 184 of the FA2004.

### **33 INSURANCE**

- 33.1 The Trustees may insure (up to any amount) any assets of the Fund against loss, damage or depreciation (from any cause whatsoever). So far as the law permits, the Trustees may pay the premiums for these insurances from the Fund.

## TERMINATION OF THE SCHEME

### **34 EVENTS THAT CLOSE THE SCHEME**

34.1 The Scheme shall be closed:

- (a) by the University giving three months' notice in writing to the Trustees to discontinue the Scheme;
- (b) on an Order in Council or an effective statute of the University being made for the dissolution of the University;
- (c) on a resolution of the Trustees after consulting the Actuary to close the Scheme on the grounds that the University is failing to pay all contributions payable by it they are of the reasonable opinion acting on the advice of the Actuary that the statutory funding objective in section 222 of the PA2004 is not met, and in their opinion there are no reasonable proposals for the statutory funding objective to be met within a reasonable period;

unless another body or institution assumes the obligations of the University under Clause 22.

34.2 Another body or institution may assume the obligations of the University under Clause 22 in respect of one or other of the DB Section and the DC Sections only. In that event that section shall continue and the section not so continued shall be discontinued.

### **35 CLOSURE OF EITHER SECTION OF THE SCHEME**

35.1 On three months' notice in writing from the University to the Trustees to discontinue either the DB Section or DC Section, or a resolution of the Trustees to close the DC Section on the grounds that the University is failing to pay all contributions payable by it, the relevant section of the Scheme shall be closed unless another body assumes the obligations of the University in relation to the relevant section.

### **36 RUNNING AS A CLOSED SCHEME**

36.1 If the Scheme is closed in accordance with Clause 34:

- (a) all the Active Members shall cease to accrue benefits and shall cease to be Active Members;
- (b) the Scheme will be continued as a closed fund;
- (c) an Employer shall have no liability to make further contributions to the Scheme other than contributions that have accrued but remain outstanding in respect of its participation in the Scheme prior to the Closure Date or under section 75 of the PA1995 (deficiencies in the assets).

36.2 At any time while the Scheme is being continued as a closed fund after the Closure Date the Trustees may determine to wind-up the Scheme in accordance with Clauses 38 and 39.

36.3 All the powers exercisable under the Scheme (including the power of amendment) shall remain in effect until the Scheme is completely wound up and shall not be affected by the closing of the Scheme.

36.4 If the DB Section or the DC Section is closed in accordance with Clause 35, this Clause 36 and Clauses 37 to 40 shall apply to that section with such modifications as are necessary in the opinion of the Trustees.

**37 WINDING-UP DEFICIT**

37.1 On the determination to wind-up the Scheme or the DB Section, the Actuary shall, using his professional judgement:

- (a) estimate the amount that would be necessary as at the Winding-up Date to enable the Trustees to secure all entitlements or accrued rights to benefits under the Scheme (including money purchase benefits) by acquiring policies with an Insurance Company and shall deduct from that amount the value of the Fund as at the Winding-up Date in order to determine the "Winding-up Deficit" (but if this results in a negative amount the Winding-up Deficit shall be nil); and
- (b) calculate the proportion of the Winding-up Deficit that the Scheme's liabilities attributable to employment with each Last Employer bears to the aggregate of its liabilities attributable to employment with all the Last Employers

and each of the Last Employers shall be liable to pay to the Scheme an amount equivalent to their respective proportion of the Winding-up Deficit.

37.2 The Trustees may agree to the satisfaction of such liability by payment of instalments over such period as they may decide to be reasonable, with or without security, and with or without interest. Alternatively, the Trustees may at their discretion waive or reduce the Winding-up Deficit (or a proportion of it) that is due to the Scheme, or may apportion the liability for the Winding-up Deficit to another Employer with the agreement of that Employer.

37.3 The Actuary shall have discharged his duty to estimate the amount described in Clause 37.1(a) if he makes his professional judgement on published information available to the actuarial profession and he shall not be required to obtain quotations in the market.

**38 WINDING-UP**

38.1 Prior to completing the winding up of the Scheme, the Trustees shall comply with the provisions of sections 73 to 73B of the PA1995, but subject to that, following the Winding-up Date, the Trustees shall convert the Fund into cash within such period as the Trustees shall on professional advice and having regard to prevailing investment conditions consider reasonable, save that they may:

- (a) effect or retain any Insurance Policies already effected under Rule 4 of the General Rules (Buying Out Benefits) to be assigned to Beneficiaries (or another Registered Scheme on behalf of the Beneficiaries) in satisfaction of their entitlement to benefits under this Rule; and
- (b) retain any assets in kind for the purpose of satisfying the entitlement to benefits of Beneficiaries under this Rule in compliance with the Contracting-out Laws and Preservation Laws.

**39 ORDER OF PRIORITY ON WINDING-UP**

39.1 Subject to the payment of all costs, charges, tax and expenses, and remuneration authorised by Clauses 6 and 27, on the winding-up of the Scheme the Trustees shall first apply the Fund (so far as the Fund allows) to satisfy:

- (a) any money purchase benefits (as defined in the PSA) payable for or in respect of Members; and
- (b) the preferential liabilities of the Scheme as described in, and calculated under, section 73(3) of the PA1995.

39.2 If the available assets (but excluding any part of the assets that relates to any voluntary contributions) are not sufficient to secure fully the benefits in the classes specified in (a) and (b) of Clause 39.1 the benefits shall be secured in that order of priority. The

preferential liabilities referred to in Clause 39.1(b) shall be satisfied in the order of priority prescribed by section 73 of the PA1995.

39.3 The Fund remaining after the application of Clause 39.1(b) shall be applied in accordance with section 74 of the PA1995 by the Trustees to satisfy liabilities in the following order of the priorities, but making allowance to the extent that any such priority has already been satisfied in whole or in part as a preferential liability under Clause 39.1:

(a)

- (i) pensions and other benefits for any persons whose entitlement to payment thereof has arisen hereunder prior to the Winding-up Date;
- (ii) pensions and other benefits for Members which have been postponed beyond Normal Pension Date (such benefits to be payable as at the Winding-up Date); and
- (iii) pensions for each other person who at the Winding-up Date is entitled to a pension contingently on the death of a Member as set out in paragraphs (i) and (ii) above;

(b)

- (i) pensions and other benefits for Active Members at the Winding-up Date who at that date had not attained Normal Pension Date;
- (ii) pensions and other benefits for Members who had left Service or Active Membership before the Winding-up Date with an entitlement to Deferred Benefits, and
- (iii) pensions for each other person who at the Winding-up Date is entitled to a pension contingently on the death of a Member as set out in paragraphs (b) and (ii) above

being in each case benefits which had, in the opinion of the Trustees with the advice of the Actuary accrued to such persons in respect of Pensionable Service before 6 April 1995;

- (c) GMPs and accrued rights to GMPs and state scheme premiums in respect of a Member's contracted-out employment prior to 6 April 2016;
- (d) any other benefits to which any Members or other person is entitled or contingently entitled from the Scheme for which provision has not already been made and all such benefits shall be of such amount as the Actuary shall certify having regard to the rights or prospective rights of every Member, or other person to or in respect of whom the benefit is payable on the basis that any Members in Service at the Winding-up Date shall be entitled (the assets of the Fund being sufficient) to benefits being not less than those to which they would have been entitled if they had left Service on the Winding-up Date.

39.4 If the Fund is insufficient to secure the full benefits within any of the categories listed above, the benefits within that category shall be secured on a proportionate basis.

39.5 The Fund remaining after the application of Clause 39.3 shall be applied by the Trustees after consultation with the Actuary in increasing benefits under the Scheme of any one or more Members, their Eligible Children and Dependants and providing Authorised Payments for such other persons, in such amounts and manner as the Trustees in their discretion decide and will not prejudice the Scheme's status as a Registered Scheme.

- 39.6 Subject to section 76 of the PA1995 (excess assets on winding-up), the Trustees shall pay all of the Fund remaining after the application of Clause 39.5 to the Employers in such proportions as the Trustees decide.

#### **40 METHOD OF SECURING BENEFITS ON THE WINDING-UP OF THE SCHEME**

- 40.1 The Trustees shall satisfy the liabilities of the Fund under Clauses 38 and 39 in accordance with section 74 of the PA1995 or by one or more of the following methods:

- (a) acquiring transfer credits under another occupational pension scheme which satisfies the prescribed requirements and is able and willing to accept payment;
- (b) acquiring rights under the rules of another Registered Scheme which satisfies the prescribed requirements and is able and willing to accept payment;
- (c) buying one or more policies which satisfy the prescribed requirements from one or more Insurance Companies which are willing to accept payment;
- (d) assigning the benefit of one or more contracts to provide an annuity which satisfies prescribed requirements;
- (e) by lump sum (with the consent of the Member) provided the lump sum qualifies as a Serious Ill Health Lump Sum, Winding-up Lump Sum Death Benefit or Winding-up Lump Sum.

- 40.2 Provided that:

- (a) The prescribed requirements for the purposes of this Rule are those contained in the Winding-up Regulations and the Preservation Laws;
- (b) the consent of the Members will be required to the method of satisfying liabilities in respect of them unless the necessary Conditions in the Winding-up Regulations or the Preservation Laws are satisfied; and
- (c) benefits secured under 40.1(c) or 40.1(d) (and the conditions to which they are subject) do not necessarily have to be identical to those to which they correspond under the Rules (and the conditions applicable to them under the Rules), if the Trustees so decide, so long as the benefits secured are not less in value than those to which they correspond under the Scheme and (together with the conditions to which they are subject) are Authorised Payments.

#### **41 COUNTERPARTS**

- 41.1 This deed may be executed in any number of counterparts which taken together shall constitute one document, and any party may execute this deed by signing any one or more of such counterparts.

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



**EXECUTED** as a **DEED** by affixing the **COMMON SEAL** )  
of the **CHANCELLOR, MASTERS AND SCHOLARS** )  
**OF THE UNIVERSITY OF OXFORD** )  
in the presence of: )

.....

Vice-Chancellor / Registrar / Director of Finance /  
Assistant Registrar (Governance and Compliance)

**EXECUTED** as a **DEED** by

)

.....

**OSPS TRUSTEE LIMITED**

)

Director

acting by two directors

)

)

.....

Director

**Appendix 1****DB Rules****RULES OF THE DEFINED BENEFIT SECTION OF THE SCHEME (DB RULES)**

These Rules apply to Members of the DB Section and any references to Active Member, Postponed Pensioner, Deferred Pensioner, Pensioner, Ex-Spouse Member and Salary Sacrifice Member shall be construed accordingly. Unless the context requires otherwise, references in this Appendix to a Rule without reference to a particular appendix or category of rules are to this Appendix 1. If a Member of the Scheme is entitled to benefits under both the DB Section and the DC Section, this Appendix 1 applies with regard to his Membership solely of the DB Section unless otherwise specified.

## MEMBERSHIP

### **1 ELIGIBILITY AND ADMISSION**

- 1.1 This Rule is subject to Rule 2 (Automatic Enrolment). Rules 1.2 to 1.4 apply to Employees other than Irregular Employees. Rules 1.5 to 1.7 apply only to Irregular Employees. On and from 1 October 2017 no person shall be admitted to Membership of the DB Section or shall be eligible to re-join it (see also Rule 17.3 of the General Rules). This Rule 1.1 overrides the remainder of this Rule 1 and Rule 2. Active Members on 30 September 2017 shall continue to be Active Members of the DB Section on and from 1 October 2017 subject to the remainder of these Rules.
- 1.2 An Employee shall be eligible to join the DB Section as an Active Member at any time before his 75<sup>th</sup> birthday unless there is in the opinion of the Trustees no reasonable expectation that he would become entitled by his 75<sup>th</sup> birthday to preserved benefits if he were to leave Active Membership at that time. An eligible Employee shall be included as an Active Member in the Scheme automatically with effect from the date he became an Employee, subject to any requirement imposed by the Trustees for him to provide information under Rule 9 of the General Rules (Member Information). However, if Rule 2 applies to the Employee, the date of his admission to Active Membership (including on automatic re-enrolment) shall be determined under Rule 2.3; he shall not be required to provide information under Rule 9 of the General Rules as a condition of admission; and he may not be required to enter into a Pension Salary Sacrifice Arrangement as a condition of admission. Where Rule 2 applies so that the Scheme is an Automatic Enrolment Scheme in relation to a Non-eligible Jobholder or is available to an Entitled Worker, the Non-eligible Jobholder or Entitled Worker may complete an Opt in Notice and join the Scheme (under the DC Section if on or after 1 October 2017) in accordance with arrangements made under the Automatic Enrolment Laws.
- 1.3 If an Employee does not wish to join the DB Section in accordance with this Rule 1 as an Active Member, he may give notice accordingly to the Trustees or the Employer within three months of his becoming an Employee. In any case where special conditions are to be imposed on an Employee's admission, the period for giving such notice is extended to three months from the date he is notified of the special conditions. If the Employee is enrolled in the DB Section under arrangements made for the purposes of Section 3(2) of the Pensions Act 2008 or re-enrolled under arrangements made for the purposes of Section 5(2) of the Pensions Act 2008, this Rule shall not apply but the Member may opt out under Rule 3.2.
- 1.4 An Employee who chooses not to join the DB Section prior to 1 October 2017 in accordance with this Rule 1 when he first becomes eligible, or chooses to withdraw from Active Membership, may not join or rejoin the DB Section at a later date, unless the Employer decides otherwise and then only on such special conditions as the University and Trustees may agree after consulting with the Actuary. If an Employee rejoins the DB Section within the same tax year as his previous withdrawal, he must rejoin the same Cost Plan as applied before his withdrawal. However, if Rule 2 applies in respect of the Employee, he may be automatically enrolled or re-enrolled as an Active Member or, if applicable, complete an Opt in Notice and join or rejoin the Scheme (under the DC Section if on or after 1 October 2017), in accordance with the Automatic Enrolment Laws and any arrangements made under those laws.
- 1.5 An Irregular Employee shall be eligible to join the DB Section as an Active Member at the invitation of his Employer and subject to such terms as to his Membership as his Employer may agree with the Trustees (such terms to be specified in the invitation from his Employer). An eligible Irregular Employee shall be included as an Active Member in the DB Section automatically with effect from the date specified in the invitation (not being earlier than the date of the invitation), subject to any requirement imposed by the Trustees for him to provide information under Rule 9 of the General Rules (Member Information). However, if Rule 2 applies to the Irregular Employee, the date of his admission to Active Membership (including on automatic re-enrolment) shall be determined under Rule 2.3; he shall not be required to provide information under Rule 9

of the General Rules (Member Information) as a condition of admission; and he may not be required to enter into a Pension Salary Sacrifice Arrangement as a condition of admission. Where Rule 2 applies so that the Scheme is an Automatic Enrolment Scheme in relation to a Non-eligible Jobholder who is an Irregular Employee, the Non-eligible Jobholder may complete an Opt in Notice and join the Scheme (under the DC Section if on or after 1 October 2017) in accordance with arrangements made under the Automatic Enrolment Laws.

- 1.6 If an Irregular Employee does not wish to join the DB Section as an Active Member in accordance with this Rule 1, he may give notice to the Trustees or the Employer to that effect within three months of the date of the invitation under Rule 1.5. If the Irregular Employee is enrolled in the Scheme under arrangements made for the purposes of Section 3(2) of the Pensions Act 2008 or re-enrolled under arrangements made for the purposes of Section 5(2) of the Pensions Act 2008, this Rule shall not apply but the Member may opt out under Rule 3.2.
- 1.7 An Irregular Employee who chooses not to join the DB Section in accordance with this Rule 1 when he first becomes eligible, or chooses to withdraw from Active Membership, may not join or rejoin the DB Section at a later date, unless the Employer decides otherwise and then only on such special conditions as the University and Trustees may agree after consulting with the Actuary. If an Irregular Employee rejoins the DB Section within the same tax year as his previous withdrawal, he must rejoin the same Cost Plan as applied before his withdrawal. However, if Rule 2 applies in respect of the Irregular Employee, he may be automatically re-enrolled as an Active Member or, if applicable, complete an Opt in Notice and join or rejoin the Scheme (under the DC Section if on or after 1 October 2017), in accordance with the Automatic Enrolment Laws and any arrangements made under those laws.
- 1.8 If an Employee ceases to be an Active Member in consequence of becoming an Irregular Employee under Rule 3.1, he may continue as an Active Member or be re-admitted as such at the invitation of his Employer and subject to such terms as to his Membership as his Employer may agree with the Trustees (such terms to be specified in the invitation from his Employer) with effect from the date specified in the invitation (not being earlier than the date of the invitation). However, where Rule 2 applies, this Rule is subject to compliance with the Automatic Enrolment Laws.
- 1.9 An Employee who is a qualifying person for the purposes of the Occupational Pension Schemes (Cross Border Activities) Regulations 2005 shall not be eligible to join the Scheme.

## **2 AUTOMATIC ENROLMENT**

- 2.1 Subject to Rule 2.2, this Rule 2 shall apply to an Employer with effect from its Employer's Staging Date, such that the Scheme shall be an Automatic Enrolment Scheme for the purposes of the Pensions Act 2008 in relation to that Employer's Employees. An Employer may at any time give written notice to the Trustees that the Scheme shall be available to its Entitled Workers or any group or category of them from a date specified in the notice (but such notice may not have retrospective effect). On and from 1 October 2017 such arrangements shall relate to the DC Section for new Members (see DC Rule 2) and no further admissions to the DB Section shall be made except under Rule 17.3 of the General Rules in exceptional circumstances.
- 2.2 An Employer may at any time give notice in writing to the Trustees that this Rule 2 shall not apply or shall cease to apply to it such that the Scheme shall not be an Automatic Enrolment Scheme for the purposes of the Pensions Act 2008 in relation to its Employees (or, where notice has been given under Rule 2.1 in relation to Entitled Workers, to its Entitled Workers) or any category or group of them. An Employer who gives notice under this Rule may subsequently give notice in writing to the Trustees at any time that this Rule 2 shall apply in relation to its Employees or Entitled Workers or any category or group of them. The effective date of any notice under this Rule 2.2 shall not be retrospective.

- 2.3 If an Employer is required under the Automatic Enrolment Laws to admit (or re-admit as the case may be) any Employee into Active Membership of the Scheme, the Employee shall become an Active Member in accordance with the Automatic Enrolment Laws on whichever of the Automatic Enrolment Date, Automatic Re-enrolment Date or Deferral Date is applicable at the time.
- 2.4 The Trustees and the Employers shall at all times ensure that the Scheme is administered in accordance with the requirements of the Automatic Enrolment Laws and in a way which allows an Employer to discharge its obligations under the Automatic Enrolment Laws. If an Employer has notified the Trustees that it intends to rely on Sections 3(3) and 5(3) of the Pensions Act 2008 in relation to any group or category of Jobholders, this obligation extends to ensuring that the Scheme is administered in a way consistent with its being a Qualifying Scheme for the purposes of Sections 3(3) and 5(3) of that Act.
- 2.5 In particular, to the extent that the Scheme is or is intended by an Employer to be an Automatic Enrolment Scheme or a Qualifying Scheme, this Rule 2 shall override any inconsistent provisions in Rule 1, Rule 3 of the DB Rules and Rule 9 of the General Rules and these Rules shall be treated as modified as necessary to satisfy the requirements of the Automatic Enrolment Laws for an Automatic Enrolment Scheme.
- 2.6 The University may by written notice to the Trustees disapply this Rule 2 at any time so that it ceases to have effect on the date specified in that notice such that the Scheme shall not be an Automatic Enrolment Scheme or Qualifying Scheme for the purposes of the Pensions Act 2008. The effective date of any notice under this Rule 2.6 shall not be retrospective.

### **3 TERMINATION OF MEMBERSHIP**

- 3.1 Subject to Rule 2 (if applicable), an Active Member who:
- (a) ceases paying contributions to the Scheme (or, in the case of a Member who is a Pension Salary Sacrifice Member, in respect of whom Pension Salary Sacrifice Contributions cease to be payable by his Employer) at Normal Pension Date under Rule 4.6;
  - (b) retires from Service;
  - (c) reaches age 75;
  - (d) dies;
  - (e) ceases to be an Employee (or an Entitled Worker where relevant);
  - (f) not being an Irregular Employee, becomes one;
  - (g) becomes a qualifying person for the purposes of the Occupational Pension Schemes (Cross-border Activities) Regulations 2005;
  - (h) ceases to be allowed to remain as an Active Member under Rule 8;
  - (i) ceases to be an Active Member under Rule 10; or
  - (j) withdraws from the Scheme having given notice under Rule 3.2
- shall cease to be an Active Member.
- 3.2 An Active Member may withdraw from Active Membership by giving the Trustees at least 28 days' notice in writing (subject to the Trustees' discretion to waive this notice period or accept a shorter period of notice). The cessation of Active Membership shall take effect from the last day of the month in which the notice expires or such other date as the Trustees decide is appropriate. Without prejudice to the generality of the

foregoing, if an Employee or Irregular Employee has been enrolled in the Scheme under arrangements made for the purposes of Section 3(2) of the Pensions Act 2008 or re-enrolled under arrangements made for the purposes of Section 5(2) of the Pensions Act 2008, he may withdraw from Active Membership if he provides a valid Opt out Notice to his Employer in accordance with the Automatic Enrolment Laws and any arrangements made under them, which shall include arrangements for refunding contributions. An Active Member may, with the consent of the Trustees and the University, withdraw from Active Membership of the DB Section under this Rule 3.2 and be immediately admitted as an Active Member of the DC Section in accordance with DC Rule 1.

- 3.3 If a former Active Member becomes an Active Member again, subject as follows he shall retain any benefits to which he is entitled under the Scheme as a Deferred Pensioner or Pensioner and accrue benefits in respect of his new period of Active Membership as if he had not previously been an Active Member. At the Trustees' discretion and at the Member's request, benefits attributable to an Active Member's former period of Active Membership under the DB Section may be merged with any benefits accrued in respect of a new period of Active Membership of the DB Section and treated as if the benefits had been accrued under one continuous period of Active Membership. On and from 1 October 2017, such new period of Active Membership will be in the DC Section unless otherwise permitted under Rule 17.3 of the General Rules in exceptional circumstances.

#### **4 MEMBER CONTRIBUTIONS**

- 4.1 Save for any Active Member who is a Pension Salary Sacrifice Member, prior to 1 April 2018 each Active Member shall pay contributions to the Scheme from the Amendment Date at whichever of the following rates is applicable from time to time:

- (a) if the Active Member is accruing benefits under the Higher Cost Plan, 7.8%;
- (b) if the Active Member is accruing benefits under the Standard Cost Plan, 6.6%;  
or
- (c) if the Active Member is accruing benefits under the Lower Cost Plan, 5.6%

of his Pensionable Salary from month to month.

- 4.2 Save for any Active Member who is a Pension Salary Sacrifice Member, on and from 1 April 2018 each Active Member shall pay contributions to the Scheme at whichever of the following rates is applicable from time to time:

- (a) if the Active Member is accruing benefits under the Higher Cost Plan, 9.6%;
- (b) if the Active Member is accruing benefits under the Standard Cost Plan, 8%; or
- (c) if the Active Member is accruing benefits under the Lower Cost Plan, 6.6%

of his Pensionable Salary from month to month.

- 4.3 Members who are Pension Salary Sacrifice Members shall not contribute to the Scheme under this Rule 4 for so long as they are participating in the Pension Salary Sacrifice Arrangement.

- 4.4 Contributions will continue to be payable by a Member or, in the case of a Member who is a Pension Salary Sacrifice Member, Pension Salary Sacrifice Contributions will continue to be payable by his Employer, on and after his Normal Pension Date unless he elects otherwise under Rule 4.6, for so long as he remains an Active Member.

- 4.5 Contributions under Rule 4.1 and Rule 4.2 shall be deducted from a Member's pay by his Employer each month.

- 4.6 A Member who remains in Service after Normal Pension Date may elect by giving the Trustees and Employer at least 28 days' (or such lesser period as the Trustees and Employer may accept) notice in writing before his Normal Pension Date:
- (a) in the case of a Member who is not a Pension Salary Sacrifice Member, to cease paying contributions under this Rule 4 and so to cease Active Membership from his Normal Pension Date; and
  - (b) in the case of a Member who is a Pension Salary Sacrifice Member, to cease participation as a Pension Salary Sacrifice Member and so to cease Active Membership, in which case his Employer will cease to pay Pension Salary Sacrifice Contributions under Clause 26 of the Trust Deed (Employers' Contributions) from his Normal Pension Date.

An Active Member who does not make an election to cease Active Membership at Normal Pension Date under this Rule 4.6 may withdraw from Active Membership under Rule 3.2 at any time after Normal Pension Date. A Member who makes an election under this Rule 4.6 or who withdraws from Active Membership after Normal Pension Date shall from the date of ceasing to be an Active Member be a Postponed Pensioner whilst he remains in Service, and his benefits under the Scheme shall be calculated with reference to his Pensionable Service accrued to the date of cessation of his Active Membership. However, a Postponed Pensioner may subsequently resume Active Membership in accordance with Rule 1.4 or, where applicable, Rule 2 (Automatic Enrolment). On and from 1 October 2017, Active Membership may only be resumed under the DC Section except under Rule 17.3 of the General Rules in exceptional circumstances. However, any Postponed Pensioner who resumes Active Membership may not become a Pension Salary Sacrifice Member.

- 4.7 An Active Member shall pay contributions (and so accrue benefits) under the Standard Cost Plan unless he selects to belong to either the Higher Cost Plan or the Lower Cost Plan instead. An Active Member in Pensionable Service immediately before the Amendment Date at any time before or within one month of that date could select a Cost Plan to take effect from the Amendment Date. Any person who becomes an Active Member of the DB Section on or after the Amendment Date may select a Cost Plan within one month of joining the Scheme. Otherwise, Active Members may by at least one month's notice in writing to the Trustees select a Cost Plan once in any CARE Scheme Year, to take effect from the beginning of the next CARE Scheme Year following the expiry of the notice. The arrangements for the selection of a Cost Plan by Active Members (including the method for the giving of notice) shall be determined from time to time by the Trustees.

## **5 SALARY SACRIFICE ARRANGEMENTS**

- 5.1 The Employer of a Member shall notify the Trustees immediately in writing:
- (a) if any Member becomes, or ceases to be, a Salary Sacrifice Member; or
  - (b) if any Member becomes, or ceases to be, a Pension Salary Sacrifice Member; or
  - (c) if the terms or conditions of any Member's participation in a Salary Sacrifice Arrangement are altered in any other way which might affect his benefits or contributions under the Scheme.
- 5.2 Subject to Rule 5.3, the Employer of a Salary Sacrifice Member shall determine the amount of the earnings that would have been included in the Salary Sacrifice Member's basic salary or wages if he had not entered into the Salary Sacrifice Arrangement for the purpose of the definition of Pensionable Salary and the Trustees shall be entitled to rely on the accuracy of any amount notified to it by the Employer without making further enquiry.



- 5.3 The Employer of a Salary Sacrifice Member may determine that any reduction in earnings pursuant to a Salary Sacrifice Arrangement (other than a Pension Salary Sacrifice Arrangement) shall be wholly or partially disregarded for the purposes of Rule 5.2 such that any earnings foregone shall not be included for the purpose of calculating the Member's Pensionable Salary.

## **6 MEMBER ACCOUNTS**

- 6.1 A Member to whom a Special Credit has been credited shall be treated as having an account with a credit standing to his name at any time equal to the amount determined as follows:

- (a) the amount of the Special Credit;
- (b) investment return as determined to be appropriate by the Trustees in respect of the Special Credit for the period up to that time since 17 January 2000;

adjusted (positively or negatively) as the Trustees consider appropriate to reflect the changes in the value of that part of the Fund notionally attributable to the Member's Account.

- 6.2 The Trustees shall hold and invest the part of the Fund that represents Member Accounts and the investment return on them separately from the other assets of the Fund.

- 6.3 If the full proceeds of a Member's Account cannot be used to provide benefits within the Member's Lifetime Allowance, a Lifetime Allowance Excess Lump Sum will be paid (less tax) to the Member or his personal representatives.

- 6.4 The Trustees shall provide each Member with a statement of the amount of his Member's Account as soon as possible after the end of each Scheme Year.

- 6.5 Neither the calculation of a Member's benefits by reference to his Member's Account nor any other provision in the Rules gives the Member the right to any particular assets within the Fund.

- 6.6 The Member's Account shall be applied at the time his other benefits under the Scheme come into payment or, with the Trustees' consent, at any other time after he has reached Minimum Pension Age, at the Member's election either:

- (a) by securing through Insurance Policies purchased from an Insurance Company an immediate annuity payable to the Member for life, with any one or more of the following benefits:
  - (i) any increases payable under Rule 26; and/or
  - (ii) if the Trustees agree, a guarantee of the continued payment of the annuity for up to 5 years or the payment as a lump sum to the Member's estate of the value of the remaining annuity instalments which would have been made during the 5 year guarantee period if the Member had not died before the end of that period; and/or
  - (iii) if the Trustees agree, an annual annuity for the Member's Spouse, any Eligible Child or any Dependant, payable for life or in the case of an Eligible Child for as long as he remains an Eligible Child, from the date of the Member's death, with any increases payable under Rule 26;

Provided that:

- (A) the total cost of providing the above benefits, (as determined by the Trustees after taking advice from the Actuary) together with

any increases in pensions required under proviso (B), shall not exceed the value of the Member's Account; and

- (B) if section 51 of the PA1995 so requires, any annuity provided from the application of the Member's Account shall be increased annually by the appropriate percentage determined from year to year and as defined in that section; or

- (b) by converting the Member's Account:

- (i) before the Amendment Date, to a credit of Pensionable Service; or  
(ii) on or after the Amendment Date, to a credit of annual pension

which in either case is equivalent to the Member's Account as determined by the Trustees acting on the advice of the Actuary; or

- (c) by converting the Member's Account to additional immediate pension payable to the Member from the Fund during his lifetime, with such increases as may be required under section 51 of the PA1995, such that the value of the pension and its increases is equal to the Member's Account as determined by the Trustees acting on the advice of the Actuary.

6.7 An election by a Member under Rule 6.6 shall be made in writing to the Trustees at least one month but not more than three months before his other benefits under the Scheme come into payment. If no election is made within that period by a Member, the Trustees may apply the Member's Account for the benefit of the Member in accordance with Rule 6.6 as they think fit but the Trustees shall not apply a Member's Account by providing a pension under the Scheme for him or a Dependant of his unless the Member or Dependant (as the case may be) had the opportunity to select a lifetime annuity (within paragraph 3 of Schedule 28 to the FA2004) or a dependant's annuity (within paragraph 17 of Schedule 28 of the FA2004) instead. If the Trustees have agreed under Rule 6.6 that the Member's Account will not be applied at the time his other benefits under the Scheme come into payment, the provisions of this Rule 6.7 will be adapted accordingly so that the timings relate to the date or event agreed to by the Trustees under Rule 6.6.

6.8 If the Member so elects by notifying the Trustees at least one month before his pension becomes payable, his Member's Account may be applied in conjunction with any money purchase AVCs paid by him in securing benefits under Rule 6.6.

6.9 A Member may by notifying the Trustees at least one month before his pension becomes payable require them to apply his Member's Account in accordance with Rule 6.6 in the purchase of Insurance Policies from an Insurance Company nominated by him.

6.10 A pension or annuity payable to a Member or other Beneficiary in consequence of the application of a Member's Account under this Rule shall not be taken into account for the purpose of calculating any benefits payable under the Scheme on the death of the Member or Beneficiary concerned, other than where:

- (a) such benefits have been specifically secured under this Rule; or  
(b) Pensionable Service or an amount of annual pension has been credited under Rule 6.6(b).

This Rule 6.10 shall accordingly take precedence over Rules 21, 22, 23, 24 and 25.

6.11 Instead of applying a Member's Account under the above provisions of Rule 6, a Member may at any time transfer a Cash Equivalent transfer value representing the whole, but not part, of his Member's Account to another Registered Scheme or Qualifying Recognised Overseas Pension Scheme by Recognised Transfer even if his

other benefits under the Scheme are not being transferred or are being transferred to a different scheme. The Trustees' consent to the transfer shall be required unless the Member has a statutory right to make the transfer. The transfer shall comply with any relevant provisions of the Preservation Laws.

## **7 ADDITIONAL VOLUNTARY CONTRIBUTIONS**

- 7.1 Subject to Rule 7.4, an Active Member may pay AVCs to the Scheme to secure additional benefits under arrangements made by the Trustees with the consent of the University. Those arrangements shall include the manner in which such benefits are to be secured whether within the Scheme or by an Insurance Policy. AVCs paid after Normal Pension Date shall be used to provide benefits on a money purchase basis only, unless they are being paid pursuant to arrangements entered into before the Amendment Date under which the Trustees have agreed to provide defined benefits in respect of AVCs paid up to the 31 July following the Member's 65<sup>th</sup> birthday (and this is later than his Normal Pension Date). Subject to the agreement of the Trustees, the University and his Employer, if an Active Member participating in a Pension Salary Sacrifice Arrangement wishes his Employer to pay additional contributions on his behalf to the Scheme, he may request his Employer to pay Pension Salary Sacrifice Contributions on his behalf equal to the AVCs that the Active Member would have wished to pay under this Rule if he had not entered into the Pension Salary Sacrifice Arrangement. Those Pension Salary Sacrifice Contributions shall be treated for the purposes of this Rule as if they were AVCs made by the Member.
- 7.2 The Trustees may set a minimum rate of contribution of AVCs from time to time. A Member may increase the rate of his AVCs at any time but only once in any period of twelve months unless the Trustees permit otherwise. A Member may reduce or discontinue his AVCs by giving at least 28 days' notice in writing to the Trustees, and the reduction or discontinuance will take effect from the last day of the month in which the notice expires.
- 7.3 AVCs shall cease upon cessation of Active Membership unless the Member is a Postponed Pensioner and the Trustees with the consent of his Employer permits the Member to continue to pay AVCs (on such terms as may be agreed but providing benefits only on a money purchase basis).
- 7.4 No new arrangements under Rule 7.1 to credit additional Pensionable Service in respect of AVCs (including increases to the amount of AVCs payable under existing arrangements) may be entered into on or after 1 August 2012. On and after the Amendment Date arrangements may be offered under Rule 7.1 by the Trustees with the consent of the University for Active Members (or Postponed Pensioners under Rule 7.3) to pay AVCs to purchase an additional defined amount of annual pension or annual pension and lump sum retirement benefit. However, the Trustees may with the consent of the University withdraw the option for Members to purchase additional defined benefits at any time (without prejudice to any existing contractual obligations).
- 7.5 The benefits payable under this Rule 7 shall be additional to all other benefits payable under the Rules. They must only comprise payments that are authorised under section 160 of the FA2004 but otherwise will comply with any wishes made known by the Member to the Trustees in writing unless the Trustees determine on reasonable grounds that this is impracticable. Such benefits may on retirement include payment to the Member of a lump sum falling within the description of a Pension Commencement Lump Sum in connection with his becoming entitled to the pension comprised in his Scale Benefits, provided that the total lump sum payable from the Scheme is within the Member's permitted maximum for the purposes of paragraph 2 of Schedule 29 to the FA2004.
- 7.6 Any credit of additional Pensionable Service or annual pension granted in respect of AVCs made by a Member shall be subject to the condition that the Trustees may on the advice of the Actuary reduce the period credited or pension granted, if the Member retires on grounds of Incapacity within 5 years of starting to pay AVCs as the result of a

medical condition known to the Member or his Employer at the time he started to pay the AVCs, provided that the making of any such reduction would not breach the Disability Non-Discrimination Requirements. Any credit of Pensionable Service or annual pension granted in respect of an increased level of AVCs may similarly be reduced by the Trustees if the Member retires on grounds of Incapacity within 5 years of starting to pay the increased level of AVCs as the result of a medical condition known to the Member or his Employer at the time such increase was first made, provided that the making of any such reduction would not breach the Disability Non-Discrimination Requirements.

- 7.7 Any pension payable to a Member or other Beneficiary that has been derived from AVCs under this Rule shall not be taken into account for the purpose of calculating any benefits payable under the Scheme on the death of the Member or Beneficiary concerned, other than where:
- (a) such benefits have been specifically secured under this Rule 7; or
  - (b) additional Pensionable Service or an amount of annual pension has been credited in respect of AVCs.
- 7.8 The Trustees shall hold and invest the part of the Fund that represents money purchase AVCs and the investment return on them separately from the other assets of the Fund.
- 7.9 If the full proceeds of a Member's AVCs cannot be used to provide benefits within the Member's Lifetime Allowance, a Lifetime Allowance Excess Lump Sum will be paid (less tax) to the Member or his personal representatives.
- 7.10 The Trustees shall not secure a Member's money purchase AVC benefits by providing a pension under the Scheme for him or a Dependant of his unless the Member or Dependant (as the case may be) had the opportunity to select a lifetime annuity (within paragraph 3 of Schedule 28 to the FA2004) or a dependant's annuity (within paragraph 17 of Schedule 28 of the FA2004) instead.
- 7.11 A Member may at any time transfer the whole, but not part, of his AVC Fund to another Registered Scheme or Qualifying Recognised Overseas Pension Scheme by Recognised Transfer even if his other benefits under the Scheme are not being transferred or are being transferred to a different scheme.
- 7.12 The Trustees shall not knowingly accept contributions by or on behalf of a Member which exceed the annual limit for relief under Section 190 of the FA2004. Each Member and his Employer shall provide the Trustees with such information as they may request in order to confirm that any contribution complies with this Rule but the Trustees shall not be under any duty to monitor contributions being made nor to make any enquiry.
- 7.13 If in any tax year the pension contributions paid by or in respect of a Member (other than by his Employer) exceed the maximum amount to which the Member is entitled to tax relief under section 190 of the FA2004, the Trustees may make a refund to the Member of the excess contributions, provided that such refund complies with the requirements for a refund of excess contributions lump sum under paragraph 6 of Schedule 29 to the FA2004. The Trustees may pay interest on any refund under this Rule (at such rate as they may decide) or may adjust such refund to take account of investment returns in the Fund (calculated in such manner as they may decide), but only to the extent that such interest or adjustment is permitted as a Scheme Administration Member Payment under section 171 of the FA2004. The Trustees may before making any payment under this Rule, deduct the amount of any tax or charge that is payable in respect of any such payment.

## **8 SERVICE AS AN ACTIVE MEMBER DURING ABSENCE**

- 8.1 Subject to Rule 2, an Active Member who is absent from work, other than on leave falling within Rule 10 (Family Leave), may at the discretion of the Trustees remain an Active Member:
- (a) for the period of absence where it is due to injury or illness or any period of service with the armed forces or other work of national importance for the United Kingdom;
  - (b) otherwise for all or such part of the period of absence before Normal Pension Date as the Trustees decide.
- 8.2 Subject to Rule 2, Active Membership under this Rule may be terminated at any time by the Trustees.

## **9 BENEFITS AND CONTRIBUTIONS DURING ABSENCE**

- 9.1 Subject to Rule 9.3, contributions shall continue to be payable to the Scheme by a Member who is absent from work but treated as remaining an Active Member in accordance with Rule 8.1 and by his Employer in respect of him as if his Pensionable Salary had been at the level that he would, in the Trustees' opinion, have received but for his absence.
- 9.2 Benefits payable under the Scheme on the death of a Member who is absent from work but treated as remaining an Active Member in accordance with Rule 8.1 shall be calculated as if his Pensionable Salary had been at the level that he would have received, in the Trustees' opinion, but for absence.
- 9.3 This Rule 9.3 is subject to Rule 2. If in the Trustees' opinion the total income of a Member who is absent from work and is treated as remaining an Active Member in accordance with Rule 8.1 is significantly less than it would have been but for his absence, the Trustees may suspend or reduce his rate of contributions to the Scheme (and those of the Employer in respect of him). In that case, the Trustees may reduce the period of his absence ranking as Pensionable Service (to nil if appropriate), on the advice of the Actuary, though he will not be treated as if his Active Membership had ceased. Subject to Rule 9.4, in the case of a Member whose Pensionable Service has been reduced in this way or whose CARE Pension for a CARE Scheme Year is significantly less than it would have been but for his absence, the reduction in the period of absence treated as Pensionable Service or the diminution in CARE Pension for the CARE Scheme Year in question shall be made good, subject to the agreement of the Trustees and the Employer, if:
- (a) the Member agrees to make good the omission or reduction in his contributions (calculated on the basis of the Cost Plan to which he returns) on such terms as the Trustees decide or they are paid by the Employer on his behalf; and
  - (b) either the Member makes good the omission or reduction in contributions payable by the Employer in respect of him (calculated on the basis of the Cost Plan to which he returns) on such terms as the Trustees decide or they are paid by the Employer; and
  - (c) the Employer agrees to pay such further contributions as the Trustees decide on the advice of the Actuary.
- 9.4 Subject to Rule 2, if a Member who is absent from work and is treated as remaining an Active Member in accordance with Rule 8.1 is not receiving any pay, he may not make any contributions to restore Pensionable Service or CARE Pension under Rule 9.3 unless he returns to work.
- 9.5 On returning to work after a period of absence, an Active Member shall continue to belong to the same Cost Plan as applicable at the start of his period of absence, unless

either the Member during his absence selects a different Cost Plan to take effect at the beginning of a CARE Scheme Year in accordance with Rule 4.7 or the Trustees and his Employer agree otherwise. After returning to work the Member may select another Cost Plan to take effect at the beginning of the next CARE Scheme Year in accordance with Rule 4.7.

- 9.6 If a Member is absent from work, other than on leave falling within Rule 10 (Family Leave), but does not continue in Active Membership under Rule 8.1 or his period of absence does not rank as Pensionable Service, he shall continue to be entitled to lump sum benefits under Rule 21 on his death as if he were an Active Member calculated as if his Pensionable Salary had been at the level that he would have received, in the Trustees' opinion, but for his absence from work. Any periods of Pensionable Service separated by a period of absence from work that is does not rank as Pensionable Service shall be aggregated for the purposes of calculating benefits.

## **10 FAMILY LEAVE**

- 10.1 A Member shall be deemed to be an Active Member while he or she is absent from work:
- (a) on ordinary maternity leave;
  - (b) on ordinary adoption leave;
  - (c) on paternity leave and is receiving statutory paternity pay or contractual pay;
  - (d) on additional maternity leave and is receiving statutory or contractual pay;
  - (e) on additional adoption leave and is receiving statutory or contractual pay;
  - (f) on shared parental leave and is receiving statutory or contractual pay; or
  - (g) on parental leave and is receiving contractual pay.
- 10.2 Benefits for the period of leave within Rule 10.1 shall be based on the pay that the Member would have received if he had been working normally. The Member's contributions under Rule 4.1 shall be based on the pay (if any) he actually receives, but the Employer's contributions shall be based on the pay that the Member would have been receiving if he had been at work. The Employer shall pay the additional contributions required in order to make up the difference between the contributions paid by the Member and those that would have been payable by him under Rule 4.1 (Member Contributions) if he had been working normally and receiving normal remuneration for doing so, together with its normal contributions.
- 10.3 Subject to Rules 2, 10.4 and 10.5, if a Member comes to the end of one of the forms of family leave listed in Rule 10.1 without either returning to work under a legal right to do so or immediately beginning another form of leave on the list, he shall be treated as having left Service at the end of the family leave.
- 10.4 This Rule 10.4 is subject to Rule 2. If a Member begins additional maternity leave or additional adoption leave that is unpaid and would otherwise have been treated as having left Service, but returns to work after such a period of leave under a legal right to do so, his period of employment before his leave will be treated as continuous with his period of employment after his return to work and his Pensionable Service shall also be treated as continuous, but excluding the period of unpaid leave. However, the period of unpaid leave may be included as Pensionable Service and CARE Pension may be credited for the period of unpaid absence with the agreement of the Trustees and the Employer if the Member agrees to make good the omission or reduction in his contributions (calculated on the basis of the Cost Plan to which he returns) on such terms as the Trustees decide (or they are paid by the Employer on his behalf). In that event the Employer must also make good the omission or reduction in contributions

payable by the Employer in respect of the Member on such terms as the Trustees decide.

- 10.5 This Rule 10.5 is subject to Rule 2. If a Member begins additional paternity, parental or any other kind of family leave that is unpaid and would otherwise have been treated as having left Service, but returns to work after such a period of leave, his period of employment before his leave may at the agreement of the Trustees and his Employer be treated as continuous with his period of employment after his return to work and his Pensionable Service shall also be treated as continuous, but excluding the period of unpaid leave. However, the period of unpaid leave may be included as Pensionable Service and CARE Pension may be credited for the period of unpaid absence with the agreement of the Trustees and the Employer if the Member agrees to make good the omission or reduction in his contributions (calculated on the basis of the Cost Plan to which he returns) on such terms as the Trustees decide (or they are paid by the Employer on his behalf). In that event the Employer must also make good the omission or reduction in contributions payable by the Employer in respect of the Member on such terms as the Trustees decide.
- 10.6 During any period throughout which an Active Member is absent from work for family reasons, but not on leave falling within Rule 10.1, and is paid contractual remuneration by his Employer benefits will be provided for and in respect of the Member as he were working normally during that period but based on the remuneration actually paid to him. Member contributions shall be based on his actual remuneration paid.
- 10.7 On returning to work after a period of absence, an Active Member shall continue to belong to the same Cost Plan as applicable at the start of his period of absence, unless either during his absence he selects another Cost Plan to take effect at the start of a CARE Scheme Year in accordance with Rule 4.7 or the Trustees and his Employer agree otherwise. After returning to work the Member may select another Cost Plan to take effect at the beginning of the next CARE Scheme Year in accordance with Rule 4.7.
- 10.8 "Ordinary maternity leave", "additional maternity leave", "ordinary adoption leave", "additional adoption leave" and "shared parental leave" are defined in the Employment Rights Act 1996. "Paternity leave" and "parental leave" are defined in regulations made under that Act.

## EARLY LEAVERS

### **11 DEFERRED BENEFITS**

- 11.1 A Member who ceases to be an Active Member under Rule 3 before his Normal Pension Date after at least 2 years' Qualifying Service (or is otherwise entitled to short service benefit under the PSA) without becoming entitled to the immediate payment of his pension and lump sum retirement benefit will be entitled to Deferred Benefits calculated under Rule 14.9 on reaching his Normal Pension Date, unless his Deferred Benefits come into payment immediately under Rule 15.5 (Early payment of deferred benefits (not because of Incapacity)) or Rule 16.8 (Early payment of Deferred Benefits due to Incapacity).

### **12 REFUND OF CONTRIBUTIONS/CASH TRANSFER SUM**

- 12.1 Subject to the remainder of this Rule 12.1, a Member who ceases to be an Active Member without becoming entitled to Deferred Benefits under Rule 11 will be entitled to a refund of his contributions to the Scheme (including AVCs) and any amount to be treated as Member's contributions under Rule 3 of the General Rules (Receiving Transfers), adjusted under Rule 12.2 together with his AVC Fund. Where an Employee or Irregular Employee is enrolled in the Scheme under arrangements made for the purposes of Section 3(2) of the Pensions Act 2008, if he ceases to be an Active Member on the provision of a valid Opt out Notice to his Employer, contributions shall be refunded in accordance with the Automatic Enrolment Laws and any arrangements made under them.
- 12.2 A refund under Rule 12.1 will be reduced by:
- (a) the certified amount of any Contributions Equivalent Premium (so far as it relates to contributions not made under the Pension Salary Sacrifice Arrangement in respect of the Member's contracted-out employment prior to 6 April 2016) paid by the Trustees to the Secretary of State under the PSA; and
  - (b) the amount of any tax for which the Trustees are liable in respect of the refund.
- 12.3 A Member who is not entitled to Deferred Benefits but has the right to a Cash Transfer Sum under section 101AB of the PSA may instead of a refund elect a Cash Transfer Sum in accordance with Section 101AD of that Act. Any election must be made within the reasonable timescale specified by the Trustees. If the Trustees are participating in the Public Sector Transfer Club, Rule 28 (Public Sector Transfer Club) shall apply in respect of the calculation of the transfer if it falls within the rules of the Public Sector Transfer Club.
- 12.4 A Member who is not entitled to Deferred Benefits and does not have the right to a Cash Transfer Sum under section 101AB of the PSA may instead of a refund elect for a transfer under Rule 1 of the General Rules (Member's Statutory Right to Transfer). The amount of the transfer will be the amount that would otherwise be refunded to the Member before any reduction under Rule 12.2.

### **13 REVALUATION REQUIREMENTS**

- 13.1 Subject to Rule 17.4, the Trustees will increase Deferred Benefits accrued or treated as accrued before the Amendment Date once each calendar year on the Review Date by the Annual Index Increase. If the Deferred Pensioner ceased to be an Active Member after the immediately previous Review Date, the increase will be restricted to one-twelfth of the Annual Index Increase for each complete month from the date his Active Membership ceased to the Review Date.
- 13.2 The Trustees will increase Deferred Benefits accrued or treated as accrued on and after the Amendment Date once each calendar year on the Review Date by the Limited Annual Index Increase. If the Deferred Pensioner ceased to be an Active Member after the immediately previous Review Date, the following shall apply in respect of the



element of Deferred Benefits accrued by him since the immediately previous Review Date:

- (a) in the case of a Deferred Pensioner who ceased to be an Active Member before 1 April 2014, the increase will be restricted to one-twelfth of the Limited Annual Index Increase for each complete month from the date his Active Membership ceased to the Review Date; and
- (b) in the case of a Deferred Pensioner who ceased to be an Active Member on or after 1 April 2014, no increase will be given on the Review Date immediately following the end of the CARE Scheme Year in which the Deferred Benefits were accrued.

13.3 Deferred Benefits shall not be reduced under this Rule on account of a reduction in the Index.

RETIREMENT BENEFITS**14 BENEFITS PAYABLE ON RETIREMENT AT NORMAL PENSION DATE****Benefits Payable on Retirement from Active Membership at Normal Pension Date**

- 14.1 An Active Member who leaves Service at Normal Pension Date shall receive a pension at the rate specified in Rule 14.3 and a lump sum as specified in Rule 14.5.
- 14.2 Active Members accrue CARE Pensionable Service with effect on and from the Amendment Date. Any Active Members in Pensionable Service immediately before the Amendment Date shall have ceased to accrue FS Pensionable Service with effect on and from that date.
- 14.3 The annual rate of pension referred to in Rule 14.1 is the aggregate of:
- (a) the excess of 1/80th of his Final Pensionable Salary for each year of FS Pensionable Service over the SERPS Offset, subject to Rule 17.4, and if applicable revalued in accordance with Rule 14.4 and
  - (b) his CARE Pension, calculated under Rules 14.7 and 14.8.
- 14.4 This Rule 14.4 applies with effect on and from 1 April 2019 to defined benefits attributable to FS Pensionable Service. Where a pension is to be revalued under this Rule 14.4 it shall be revalued once each calendar year on the Review Date by the Annual Index Increase. Revaluation under this Rule shall cease once the Member ceases Pensionable Service. No reduction shall be applied under this Rule on account of a reduction in the Index.
- 14.5 The lump sum referred to in Rule 14.1 is the aggregate of:
- (a) a lump sum equal to 3/80ths of his Final Pensionable Salary for each year of FS Pensionable Service, subject to Rule 17.4, and if applicable revalued in accordance with Rule 14.6; and
  - (b) a lump sum equal to 3 times his CARE Pension.
- 14.6 Where a lump sum is to be revalued under this Rule 14.6 it shall be revalued once each calendar year on the Review Date beginning with the Review Date 1 April 2019 by the Annual Index Increase. Revaluation under this Rule shall cease once the Member leaves Pensionable Service. No reduction shall be applied under this Rule on account of a reduction in the Index.
- 14.7 An Active Member shall accrue pension during each CARE Scheme Year of his CARE Pensionable Service on or after the Amendment Date at the rate of:
- (a) 1/80<sup>th</sup> of his Pensionable Salary in that CARE Scheme Year for each period of participation in the Higher Cost Plan;
  - (b) 1/85<sup>th</sup> of his Pensionable Salary in that CARE Scheme Year for each period of participation in the Standard Cost Plan; and
  - (c) 1/90<sup>th</sup> of his Pensionable Salary in that CARE Scheme Year for each period of participation in the Lower Cost Plan.
- 14.8 The pension accrued each CARE Scheme Year (calculated under Rule 14.7 above) shall be increased once each calendar year on the Review Date beginning with the Review Date at the start of the second CARE Scheme Year following the CARE Scheme Year in which the pension has been accrued by the Limited Annual Index Increase. Increases under this Rule shall cease once the Member ceases Pensionable Service except that revaluation under this Rule shall continue to apply until actual

retirement (or age 75 if earlier) where Rule 17.1 applies. No reduction shall be applied under this Rule on account of a reduction in the Index.

**Benefits Payable to a Deferred Pensioner at Normal Pension Date**

- 14.9 In the case of a Deferred Pensioner, subject to Rules 15.5, 16.8, and 17.7, his Deferred Benefits shall be payable at Normal Pension Date. They shall be calculated as described in Rule 14.1 but by reference to his Pensionable Service and, for benefits accrued prior to the Amendment Date, Final Pensionable Salary (as revalued under Rule 14.4 and 14.6 if appropriate) at the date his Active Membership ends. These Deferred Benefits shall be increased in accordance with Rule 13 (Revaluation Requirements) and calculated subject to Rule 17.4.

**15 BENEFITS PAYABLE ON RETIREMENT BEFORE NORMAL PENSION DATE NOT ON GROUNDS OF INCAPACITY**

**Benefits payable on retirement from Active Membership before Normal Pension Date not on grounds of Incapacity**

- 15.1 An Active Member who leaves Service before Normal Pension Date but after he has reached his Minimum Pension Age may elect for an immediate pension and lump sum retirement benefit with the consent of his Employer provided he is entitled to Deferred Benefits under Rule 11.1. If the Active Member's Normal Pension Date is after his 65<sup>th</sup> birthday and he has a period of FS Pensionable Service he need not obtain his Employer's consent on or after his 65th birthday.

- 15.2 Subject to Rule 15.3 and Rule 15.8, the benefits payable under Rule 15.1 will be:

- (a) a pension at an annual rate of the aggregate of:
  - (i) the excess of 1/80<sup>th</sup> of his Final Pensionable Salary for each year of FS Pensionable Service over the SERPS Offset, and if applicable revalued in accordance with Rule 14.4; and
  - (ii) his CARE Pension, calculated in the same way as under Rules 14.7 and 14.8; and
- (b) in the case of a male Member who is at least age 60 when he retires and whose Employer has consented to his retirement, if at the time he retires women of the same age have an earlier State Pension Age than men of his age, an additional temporary pension at an annual rate equal to the SERPS Offset, payable from the later of his retirement and the State Pension Age for woman of the same age until his State Pension Age (For the avoidance of doubt, any additional temporary pension under this Rule shall be disregarded for the purposes of calculating any pensions or other benefits payable on the Member's death); and
- (c) a lump sum equal to the aggregate of:
  - (i) 3/80ths of his Final Pensionable Salary for each year of FS Pensionable Service, and if applicable revalued in accordance with Rule 14.6; and
  - (ii) 3 times his CARE Pension.

- 15.3 Subject to Rule 15.8, the benefits payable under Rule 15.1 will be reduced for early payment by such factor as the Actuary advises unless:

- (a) the Member is at least age 60 when he retires, and the Employer agrees that no reduction is to be made; or

- (b) the Employer requests that no reduction is to be made and certifies that the Member is being required to leave Service in order to improve the efficiency of the Employer
- (c) and, save where (a) applies to a Member whose Active Membership (or, if appropriate, last period of Active Membership) began before 1 August 2004, the Employer has first paid or agreed to pay such additional contributions (if any) to the Scheme as the Trustees may require, having consulted with the Actuary regarding the cost of the early retirement

provided that if the Member is aged at least 65 when he retires under this Rule, no reduction shall be made to any benefits attributable to FS Pensionable Service and Rule 17.3 applies. On retirement before age 65 any reduction to benefits attributable to FS Pensionable Service shall reflect early payment before age 65.

- 15.4 For the purposes of Rule 15.3 the Trustees' consent shall be required for use of a factor that is greater than the Early Retirement Factor corresponding to the Member's age at retirement, and a factor smaller than the Early Retirement Factor corresponding to the Member's age at retirement cannot be applied to benefits accrued for Pensionable Service up to, and including, 26 October 2000.

**Benefits payable to a Deferred Pensioner before Normal Pension Date not on grounds of Incapacity**

- 15.5 A Deferred Pensioner may elect to receive his Deferred Benefits at any time after he has reached the Minimum Pension Age, except that subject to Rule 18 (Flexible Retirement) no pension or lump sum retirement benefit can be paid to a Deferred Pensioner before he actually leaves Service (or reaches age 75, if earlier) and his Deferred Benefits will be reduced for early payment before Normal Pension Date by such factor as the Actuary advises, provided that:
- (a) the Trustees' consent shall be required for a factor that is greater than the Early Retirement Factor corresponding to the Member's age of retirement;
  - (b) a factor smaller than the Early Retirement Factor corresponding to the Member's age at retirement cannot be applied to benefits accrued by Pensionable Service up to, and including, 26 October 2000; and
  - (c) in respect of benefits attributable to FS Pensionable Service, the reduction (if any) shall be by reference to the Member's 65<sup>th</sup> birthday and Rule 17.3 applies on retirement under this Rule after age 65.
- 15.6 The Trustees must be reasonably satisfied that Deferred Benefits payable early are at least equal in value to the benefits that would otherwise have been provided for the Member under Rule 14.9.

**General**

- 15.7 Benefits may only be paid early under this Rule to the extent that the amount of pension remaining payable at State Pension Age is not less than his GMP at that age. If the pension that would be payable at State Pension Age would be less than the GMP to which the Member would be entitled at that age the Trustees may reduce the pension until State Pension Age by an amount that enables the pension to be increased at State Pension Age to the level of the GMP.
- 15.8 The Trustees and the Employer shall take such steps as are necessary to ensure that the benefits provided under this Rule 15 shall comply with the law against discrimination on grounds of age.

## **16 BENEFITS PAYABLE ON RETIREMENT ON GROUNDS OF INCAPACITY BEFORE NORMAL PENSION DATE**

### **Benefits payable on retirement from Active Membership on grounds of Incapacity before Normal Pension Date**

- 16.1 An Active Member may leave Service with an immediate pension and lump sum retirement benefit at any time before his Normal Pension Date on grounds of Incapacity.
- 16.2 In the case of a Member who has completed at least two years' Service, the pension payable under Rule 16.1 shall be at an annual rate of the aggregate of:
- (a) 1/80th of his Final Pensionable Salary for each year of his FS Pensionable Service, subject to Rule 17.3 and if applicable revalued in accordance with Rule 14.4;
  - (b) his CARE Pension, calculated under Rules 14.7 and 14.8; and
  - (c) 1/80<sup>th</sup>, 1/85<sup>th</sup> or 1/90<sup>th</sup> of the annual rate of his Pensionable Salary at the date of leaving Pensionable Service (depending on whether he is accruing benefits under the Higher Cost Plan, the Standard Cost Plan or the Lower Cost Plan at that date) for each year of his Prospective Pensionable Service, subject to Rule 19 of the General Rules (Part Years of Pensionable Service). For this purpose a Member's Pensionable Salary shall be taken to be the Pensionable Salary he would have received in the Trustees' opinion, but for his Incapacity.
- 16.3 In the case of a Member who has completed less than two years' Service the pension payable under Rule 16.1 shall be at an annual rate of the aggregate of:
- (a) 1/80th of Final Pensionable Salary for each year of his FS Pensionable Service, subject to Rule 17.3 and if applicable revalued in accordance with Rule 14.4; and
  - (b) his CARE Pension, calculated under Rules 14.7 and 14.8.
- 16.4 When the Member reaches State Pension Age, any pension payable under Rule 16.1 by reference to his FS Pensionable Service will be reduced by an amount equal to the SERPS Offset calculated at the Member's retirement increased in the ratio that his pension attributable to FS Pensionable Service as at State Pension Age bears to his starting pension attributable to FS Pensionable Service at the date of leaving Pensionable Service.
- 16.5 The lump sum retirement benefit payable under Rule 16.1 shall be 3 times the annual rate of the pension payable as at the date of leaving Pensionable Service.
- 16.6 The Trustees may reduce, suspend or terminate a pension being paid under Rule 16.1 if in the opinion of the Trustees the Pensioner ceases to be suffering from Incapacity (assessed as though he were still in the employment applying at the time he retired from Service) before Normal Pension Date. The Trustees may reinstate or increase a pension which has been reduced, suspended or terminated if they are subsequently satisfied that the Member's circumstances have changed again. In any event, the pension payable to the Member from Normal Pension Date shall be at least that to which he would have been entitled under Rule 11.1 calculated as if he had left Service on grounds other than Incapacity. No reduction shall be made under this Rule if such reduction would give rise to an Unauthorised Payment.
- 16.7 Subject to compliance with the Disability Non-Discrimination Requirements, if a Member leaves Service on grounds of Incapacity as a result of a medical condition known to the Member or his Employer at the time he became an Active Member and he has been an Active Member for less than 5 years, he will not be entitled to a pension under Rule 16.2 but will only be entitled to a pension under Rule 16.3.

**Benefits payable to a Deferred Pensioner on grounds of Incapacity before Normal Pension Date**

- 16.8 A Deferred Pensioner who is no longer in Service may elect to receive his Deferred Benefits (together with revaluation under Rule 13 and subject to Rule 17.3) immediately if he satisfies the Trustees that he is likely due to ill health or infirmity to be permanently incapable of working.

**General**

- 16.9 If the Member's Incapacity is such that, in the opinion of the Trustees, he is unable to make election for benefits under this Rule, the Trustees may deem him to have done so.

**17 BENEFITS PAYABLE ON RETIREMENT AFTER NORMAL PENSION DATE**

**Benefits payable on retirement after Normal Pension Date to Members who are Active Members or Postponed Pensioners**

- 17.1 If an Active Member or Postponed Pensioner remains in Service after Normal Pension Date the payment of his pension and lump sum retirement benefit under the Scheme (other than his GMP, to the extent that this cannot lawfully be postponed) will be postponed until the date of his actual retirement from Service or his seventy-fifth birthday if earlier, subject to Rule 18.
- 17.2 If an Active Member or Postponed Pensioner remains in Service after Normal Pension Date his pension and lump sum retirement benefit will be calculated under Rule 14 as if he had retired at Normal Pension Date but increased as the Trustees acting on the advice of the Actuary think fit to take account of late receipt, provided that if it produces a greater amount, the element of benefits attributable to Pensionable Service before the Amendment Date shall instead be calculated as above with the exception that the reference to Normal Pension Date shall be to the date of cessation of his Active Membership. Adjustments calculated under this Rule 17.2 shall take into account any increases or revaluation under any other Rule in order to avoid double counting.
- 17.3 If a Member with a period of FS Pensionable Service has a Normal Pension Date later than his 65<sup>th</sup> birthday, this Rule 17.3 applies. If such a Member retires under Rule 14.1, 15.1, 16.1, 14.9, 15.5, or 16.8, his retirement and death benefits attributable to FS Pensionable Service shall be calculated in accordance with Rule 17.2 as though his 65<sup>th</sup> birthday were substituted for Normal Pension Date if he falls within any of the following categories:
- (a) a Deferred Pensioner who was an Active Member until at least his 65<sup>th</sup> birthday;
  - (b) an Active Member; or
  - (c) a Postponed Pensioner.

If a Member to whom this Rule applies is a Deferred Pensioner who was not an Active Member on attaining age 65, his retirement and death benefits attributable to FS Pensionable Service shall be calculated on retirement under Rule 14.9, 15.5, or 16.8 in accordance with Rule 17.7 as though his 65<sup>th</sup> birthday were substituted for Normal Pension Date.

- 17.4 Where the Member has not made an election under Rule 4.6 he will accrue additional benefits from Normal Pension Date for so long as he contributes to the Scheme under Rule 4.1 (or, in the case of a Pension Salary Sacrifice Member, for so long as his Employer pays Pension Salary Sacrifice Contributions under Clause 26 of the Trust Deed (Employers' Contributions) in respect of him).

- 17.5 Where Rule 17.4 applies, the additional pension and lump sum retirement benefit will be calculated under Rules 14.3(b) and 14.5(b) for the period of his Active Membership from his Normal Pension Date to the date of cessation of his Pensionable Service. If contributions under Rule 17.4 cease before the Member draws benefits, the benefits under this Rule 17.5 will be increased in respect of the period between the date contributions ceased and actual retirement (or reaching age 75, if earlier) as the Trustees acting on the advice of the Actuary think fit to take account of late receipt.

**Benefits payable on retirement after Normal Pension Date to Members who are Deferred Pensioners**

- 17.6 A Deferred Pensioner may with the consent of the Trustees before his Normal Pension Date elect to postpone the commencement of his retirement benefits until any time between his Normal Pension Date and his 75th birthday, in which case his benefits payable at his eventual retirement shall be calculated at his Normal Pension Date under Rule 14.9 but increased as the Trustees acting on the advice of the Actuary think fit to take account of late receipt, subject to Rule 17.3.
- 17.7 Subject to Rule 11 of the General Rules (Unclaimed Monies), a Deferred Pensioner who fails to provide the information required to put his benefits into payment at his Normal Pension Date but who claims his benefits after his Normal Pension Date shall be treated as though he retired at his Normal Pension Date with all outstanding arrears of pension and his retirement lump sum paid without interest but taking account of any increases that would have been made in accordance with Rule 26 (Pension Increases), provided such benefits can be paid as Authorised Payments. If the Deferred Pensioner dies before his benefits are paid, then a lump sum shall be payable on his death in accordance with Rule 21.5 instead of a payment being made under this Rule.

**18 FLEXIBLE RETIREMENT**

- 18.1 Unless he is an Irregular Employee, an Active Member or Postponed Pensioner may at any time from Minimum Pension Age, with the consent of his Employer, receive a percentage of his retirement benefits before leaving Service provided he gives at least three months' written notice to the Trustees (or such lesser notice period as they may accept). The terms and conditions shall be agreed between the Member and the Employer but the Trustees may impose such conditions as appear to them to be appropriate from time to time generally or in any particular case. The Member may continue or resume Active Membership, subject to any terms and conditions agreed or imposed under this Rule, but need not do so. On leaving Service (or reaching age 75, if earlier), the Member must draw the remainder of his retirement benefits.
- 18.2 Unless otherwise agreed by the Employer, Trustees and Member, the benefits drawn shall be the agreed percentage of benefits calculated under whichever of Rules 14, 15, or 17 would apply if the Member was drawing his benefits in full on retirement from Service.
- 18.3 A notice given under Rule 18.1 shall specify whether it is intended that the Member will receive a further percentage of his retirement benefits under Rule 18.1 before leaving Service and, if so, on what date. The notice shall also include the anticipated date of the Member's retirement. Failure to comply with this Rule 18.3 shall not invalidate a notice.
- 18.4 A Member who dies after he has drawn part but not all of his retirement benefits under Rule 18.1 shall be treated as an Active Member, Deferred Pensioner or Postponed Pensioner as appropriate to the extent of his undrawn retirement benefits and, if he was an Active Member at death, his Prospective Pensionable Service shall continue to count for the purposes of calculating benefits under Rules 21, 23, and 25 as appropriate. Such a Member shall be treated as a Pensioner in respect of his pension in payment, including any increases under Rule 26.
- 18.5 A Member with Deferred Benefits attributable to a previous period of discontinued Service not forming part of the continuum of his last period of Service or treated as such

under Rule 3.3 may draw those Deferred Benefits under the remainder and subject to the conditions of these Rules as if he were not still in Service.

- 18.6 A Deferred Pensioner who has remained in continuous Service since ceasing Pensionable Service and who is permitted to draw retirement benefits from the Universities Superannuation Scheme whilst remaining in Service may at any time from Minimum Pension Age, with the consent of his Employer, draw his Deferred Benefits in full. The Member must give at least three months' written notice to the Trustees (or such lesser notice period as they may accept). The remainder of the terms and conditions shall be agreed between the Member and the Employer but the Trustees may impose such conditions as appear to them to be appropriate from time to time or in any particular case. A Member who draws his retirement benefits under this Rule shall be treated as a Pensioner for all purposes of the Rules.



## OPTIONS ON RETIREMENT

### **19 ALLOCATION OF PENSION AND CHOICE OF EXTRA PENSION**

- 19.1 Subject to the consent of the Trustees, a Member retiring from Active Membership or a Deferred Pensioner may elect by written notice to the Trustees, before his pension comes into payment, to give up part of his pension in return for a pension under Rule 19.2 payable to one or more of his Dependants on his death after his pension has commenced.
- 19.2 A pension payable to a Dependant as described in Rule 19.1 shall be:
- (a) payable to such of the Member's Spouse, Eligible Child or Dependants as is nominated by the Member in his notice under Rule 19.1 to receive the pension;
  - (b) commencing on the Member's death;
  - (c) equal in value to the pension being given up by the Member, as decided by the Trustees on the advice of the Actuary;
  - (d) payable in addition to any other pension payable to a Dependant under the Rules;
  - (e) when added to all other pensions payable under this Rule 19.2, not greater than the amount of the Member's reduced pension (calculated before any commutation under Rule 20);
  - (f) not so great as to reduce the Member's pension below his GMP;
  - (g) payable for the life of the nominated person or such shorter period as the Member agrees with the Trustees; and
  - (h) non-commutable and non-assignable.
- 19.3 An election shall cease to have effect if the Member dies before his pension becomes payable. If the nominated person dies before the Member, the Member shall remain entitled only to the reduced pension.
- 19.4 Subject to the consent of the Trustees, a Member may elect by written notice to the Trustees, before his pension comes into payment, to convert the whole or part of his lump sum retirement benefit under Rule 14.1 into additional pension payable to the Member himself. The basis on which lump sum retirement benefit is converted to pension under this Rule 19.4 will be determined by the Trustees, so long as it is confirmed as reasonable by the Actuary. There shall be no Dependants' pensions or other benefits contingent on the Member's death attaching to or derived from any pension elected under this Rule 19.4.
- 19.5 An election under this Rule 19 may be revoked or varied by the Member in writing at any time before his pension becomes payable.

### **20 LUMP SUM ON RETIREMENT**

- 20.1 Subject to the consent of the Trustees, a Member retiring from Active Membership or a Deferred Pensioner may elect, by written notice to the Trustees, before his pension comes into payment, to give up part of his pension for extra lump sum payable on the date when the pension is due to start, provided he keeps a pension at least equal to his GMP. Any lump sum payable under this Rule 20 (together with any lump sum payable under Rule 7.1) must:
- (a) qualify as a Pension Commencement Lump Sum; and

- (b) must not exceed the Member's permitted maximum for the purposes of paragraph 2 of Schedule 29 to FA 2004 (but including any modifications that apply under paragraph 34 of Schedule 36 to FA 2004).
- 20.2 The Trustees may allow a Member who is in Serious Ill Health and who is entitled to draw his pension under Rules 14, 16 or 17 to commute his entitlement to benefits for a Serious Ill Health Lump Sum subject to the pension remaining payable to his surviving Dependants satisfying the Contracting-out Laws. A Member whose pension has been commuted under this Rule 20.2 shall be deemed for the purposes of Rule 21 to be a Pensioner in receipt of a pension equal to that which he would have been receiving but for the commutation. Death benefits which remain payable shall be deemed to be a separate arrangement under the Rules for the purpose of the FA2004. If the Member's Serious Ill Health is such that, in the opinion of the Trustees, he is unable to make an application for benefits under this Rule, the Trustees may deem him to have done so.
- 20.3 Subject to the condition in Rule 20.4, the Trustees may convert a Member's entitlement to benefits under the Scheme into a lump sum and payment of that lump sum shall be a complete discharge to the Trustees in respect of that entitlement to benefits.
- 20.4 The condition referred to in Rule 20.3 is that the lump sum must qualify as a Trivial Commutation Lump Sum.
- 20.5 Subject to the condition in Rule 20.6, the Trustees may convert a Dependand's entitlement under the Scheme to Pension Death Benefit and Lump Sum Death Benefit in respect of a Member into a lump sum and payment of that lump sum shall be a complete discharge to the Trustees in respect of that entitlement to benefits.
- 20.6 The condition referred to in Rule 20.5 is that the lump sum must qualify as a Trivial Commutation Lump Sum Death Benefit.
- 20.7 The Trustees may make a payment of a lump sum to or in respect of a Member if it is within Part 2 of the Registered Pension Schemes (Authorised Payments) Regulations 2009. The payment of the lump sum shall be a complete discharge to the Trustees in respect of any entitlement to benefits in respect of which the payment is made. The Trustees shall decide the basis on which the lump sum is calculated (but the lump sum shall not be less than an amount certified as reasonable by the Actuary).
- 20.8 The basis on which pension or entitlement to benefits are converted to lump sum under this Rule 20 will be determined by the Trustees, so long as it is confirmed as reasonable by the Actuary.

DEATH BENEFITS

**21 LUMP SUM DEATH BENEFITS**

**Lump sum payable on the death of an Active Member before Normal Pension Date**

21.1 On the death of an Active Member before Normal Pension Date a lump sum will be held on the Death Benefit Trusts in respect of him equal to the greater of:

- (a) 3 times the Member's annual rate of Pensionable Salary as at the date of his death (or, in the case of an Irregular Employee, 3 times his Death Benefit Salary), provided that the multiple above shall be 4 if the Member notified the Trustees of his terminal illness before the Amendment Date; or
- (b) a sum equal to the aggregate of:
  - (i) 3/80ths of the Member's Final Pensionable Salary for each year of his FS Pensionable Service and if applicable revalued in accordance with Rule 14.6;
  - (ii) 3 times his CARE Pension, calculated under Rules 14.7 and 14.8; and
  - (iii) 3/80<sup>ths</sup>, 3/85<sup>ths</sup> or 3/90<sup>ths</sup> of the annual rate of his Pensionable Salary at the date of death (depending on whether he was accruing benefits under the Higher Cost Plan, the Standard Cost Plan or the Lower Cost Plan at that date) for each year of his Prospective Pensionable Service.

together with an amount equal to the credit standing to his Member's Account. For the purposes of this Rule 21.1 a Member's Pensionable Salary shall be taken to be the Pensionable Salary he would have received in the Trustees' opinion, but for any absence in the period leading up to his death.

**Lump sum payable on the death of an Active Member on or after Normal Pension Date**

21.2 On the death of an Active Member on or after Normal Pension Date a lump sum will be held on the Death Benefit Trusts in respect of him equal to the greater of:

- (a) 3 times the Member's annual rate of Pensionable Salary (or, in the case of an Irregular Employee, 3 times his Death Benefit Salary) calculated as at the date of his death; and
- (b) the aggregate of:
  - (i) the lump sum retirement benefit to which he would have been entitled if he had retired the day before the date of his death; and
  - (ii) the lump sum that would have been payable in respect of him under Rule 21.6 if he had retired the day before the date of his death (and not exercised any options under Rule 19 (Allocation of Pension and Choice of Extra Pension) or Rule 20 (Lump Sum on Retirement))

together with an amount equal to the credit standing to his Member's Account.

**Lump sum payable on the death of a Deferred Pensioner**

21.3 On the death before Normal Pension Date of a Deferred Pensioner whose Deferred Benefits have not come into payment, a lump sum equal to the lump sum element of the Member's Deferred Benefits as calculated under Rule 14.5 and increased in accordance with Rule 13 (Revaluation Requirement) to date of death, together with an amount equal to the credit standing to his Member's Account, will be held on the Death Benefit Trusts in respect of him.

- 21.4 On the death on or after Normal Pension Date of a Deferred Pensioner whose Deferred Benefits have been postponed in accordance with Rule 17.6 and have not yet come into payment, a lump sum equal to the aggregate of:
- (a) the lump sum retirement benefit to which he would have been entitled if he had retired the day before the date of his death (and not exercised any options under Rule 19 (Allocation of Pension and Choice of Extra Pension) or Rule 20 (Lump Sum on Retirement)); and
  - (b) the lump sum that would have been payable in respect of him under Rule 21.6 if he had retired the day before the date of his death (and not exercised any options under Rule 19 (Allocation of Pension and Choice of Extra Pension) or Rule 20 (Lump Sum on Retirement))

together with an amount equal to the credit standing to his Member's Account, will be held on the Death Benefit Trusts in respect of him.

- 21.5 On the death on or after Normal Pension Date of a Deferred Pensioner to whom Rule 17.7 applies before claiming his retirement benefits, a lump sum shall be held on the Death Benefit Trusts equal to the sum of his Member's Account and the lump sum that would have been payable (if any) under Rule 21.6 if he had drawn his benefits on his Normal Pension Date, subject to the proviso in Rule 21.6. Subject to Rule 11 of the General Rules (Unclaimed Monies), a lump sum equal to the unpaid instalments of pension and retirement lump sum due under Rule 17.7 shall be paid to his personal representatives as a defined benefits lump sum death benefit (within the meaning given by paragraph 13 of schedule 29 to the FA2004).

**Lump sum payable on the death of a Pensioner**

- 21.6 On the death of a Pensioner within five years after his pension began, a lump sum shall be held on the Death Benefit Trusts in respect of him equal to the payments of pension which would have been made to him during the remainder of the five year period if he had survived and his pension had continued to be paid during that period at the same rate as applies at the date of his death.
- 21.7 On the death of a Pensioner five or more years after his pension began, no lump sum is payable.
- 21.8 On the death before Normal Pension Date of a Pensioner receiving a pension under Rule 16.1 a lump sum shall be held on the Death Benefit Trusts equal to the greater of:
- (a) the amount payable under Rule 21.6 and
  - (b) 3 times the annual rate of the Member's Pensionable Salary as at the date of retirement, less the aggregate of any instalments of pension and lump sum paid to him since retirement, provided that the multiple above shall be 4 if the Member retired before the Amendment Date or applied to do so.

**Lump sum payable on the death of a Postponed Pensioner**

- 21.9 On the death of Postponed Pensioner a lump sum will be held on the Death Benefit Trusts in respect of him equal to the greater of:
- (a) 3 times the Member's annual rate of Pensionable Salary (or, in the case of an Irregular Employee, 3 times his Death Benefit Salary) calculated at the date his Active Membership ceased, provided that the multiple above shall be 4 if the Member last ceased Active Membership before the Amendment Date; and
  - (b) the aggregate of:
    - (i) the lump sum retirement benefit to which he would have been entitled if he had retired the day before the date of his death; and

- (ii) the lump sum that would have been payable in respect of him under Rule 21.6 if he had retired the day before the date of his death (and not exercised any options under Rule 19 (Allocation of Pension and Choice of Extra Pension) or Rule 20 (Lump Sum on Retirement))

together with an amount equal to the credit standing to his Member's Account.

#### **Lump sum payable on the death of a flexible retiree**

- 21.10 On the death of a Member who has drawn part of his retirement benefits under Rule 18.1 but before he has drawn his full retirement benefits, the Lump Sum Death Benefit shall be provided according to his status determined under Rule 18.4.
- 21.11 Any pension comprised within money purchase benefits accrued by a Member under the Scheme shall be disregarded for the purposes of this Rule.

## **22 DEATH BENEFIT TRUSTS**

- 22.1 Any lump sum benefit payable under the Scheme in respect of the death of a Member shall be held by the Trustees on trust with power to pay it (whether in one payment or in a series of two or more payments) within two years from the earlier of the day on which the Trustees first knew of the Member's death and the day on which the Trustees could first reasonably be expected to have known of it (other than where the death occurred before 6 April 2006, in which case the two years shall run from the date of actual death) to or for the benefit of such one or more of:
  - (a) any person who has paid the funeral expenses of the deceased, to the extent of the expenses so paid;
  - (b) the Spouse or any former Spouse of the Member;
  - (c) any parent or other ancestor of the Member or the widow or widower of such person;
  - (d) any Dependant of the Member;
  - (e) any Child or other descendant of the Member or the Spouse or widow or widower of such person ("Child" includes a person to whom the Member in the Trustees' opinion stood in loco parentis);
  - (f) any brother or sister or uncle or aunt of the Member (whether of the whole blood or the half blood) and the spouse or widow or widower of such person;
  - (g) any person or unincorporated body notified by the Member in writing to the Trustees for the purpose of this Rule 22;
  - (h) any person or unincorporated body beneficially interested under the intestacy or any testamentary disposition of the Member; and
  - (i) the personal representatives of the Member (other than where the residue of the Member's estate passes as bona vacantia)
  - (j) and in such shares (if more than one) and subject to such trusts (including discretionary trusts) and with such powers and provisions as the Trustees decide.
- 22.2 The relationships described in Rule 22.1 shall include adoptive and step-relationships and relationships of half-blood. People yet to be born at the Member's death shall also be included for the purposes of Rule 22.1.
- 22.3 Any balance of such lump sum benefit not paid under Rule 22.1 within such period of two years shall be retained by the Trustees for the general purposes of the Scheme

- 22.4 In exercising their power under Rule 22.1, the Trustees may (but shall not be bound to) have regard to any wishes that the Member may have expressed in writing to the Trustees.
- 22.5 Any expenses or costs incurred in connection with any payment under Rule 22.1, including the establishment of a separate trust, may if the Trustees decide, be deducted from the lump sum payable.

## 23 PENSIONS FOR DEPENDANTS

### **Pension payable on the death of an Active Member before Normal Pension Date**

- 23.1 On the death before Normal Pension Date of an Active Member who leaves a Dependant, the Dependant will be paid a pension for life. The annual amount will be the aggregate of:
- (a) 1/120th of the Member's Final Pensionable Salary for each year of his FS Pensionable Service, less two-thirds of the SERPS Offset and revalued if applicable in accordance with Rule 14.4;
  - (b) 1/2 of the Member's CARE Pension, calculated under Rules 14.7 and 14.8; and
  - (c) 1/2 of 1/80<sup>th</sup>, 1/85<sup>th</sup> or 1/90<sup>th</sup> of the annual rate of the Member's Pensionable Salary at the date of leaving Pensionable Service (depending on whether he was accruing benefits under the Higher Cost Plan, the Standard Cost Plan or the Lower Cost Plan at that date) for each year of his Prospective Pensionable Service, subject to Rule 19 of the General Rules (Part years of Pensionable Service). For this purpose a Member's Pensionable Salary shall be taken to be the Pensionable Salary he would have received in the Trustees' opinion, but for any absence in the period leading up to his death.

However, during the first three months following the Member's death, the pension will be payable at the same rate as the Member's yearly rate of Pensionable Salary taken for the purpose of calculating the Member's contributions at date of death (or the rate which would in the Trustees' opinion normally apply) if this produces a greater rate of pension, again less any reduction required under Rule 24 (Reduction of Dependant's Pension).

### **Pension payable on the death of an Active Member on or after Normal Pension Date**

- 23.2 On the death of an Active Member on or after Normal Pension Date who leaves a Dependant, the Dependant will be paid a pension for life. The annual amount will be the aggregate of:
- (a) 1/120th of the Member's Final Pensionable Salary for each year of his FS Pensionable Service less two-thirds of the SERPS Offset and revalued if applicable in accordance with Rule 14.4;
  - (b) 1/2 of the Member's CARE Pension accrued up to Normal Pension Date, calculated under Rules 14.7 and 14.8; and
  - (c) 1/2 of the Member's CARE Pension accrued from Normal Pension Date to the date of death,

However, during the first three months following the Member's death, the pension will be payable at the same rate as the Member's yearly rate of Pensionable Salary taken for the purpose of calculating the Member's contributions at date of death (or the rate which would in the Trustees' opinion normally apply) if this produces a greater rate of pension.

**Pension payable on the death of a Deferred Pensioner**

23.3 On the death before Normal Pension Date of a Deferred Pensioner whose Deferred Benefits have not come into payment and who leaves a Dependant, the Dependant will be paid a pension for life. The annual amount will be the aggregate of:

- (a) 2/3 of the pension element of the Member's Deferred Benefits attributable to his FS Pensionable Service; and
- (b) 1/2 of the pension element of the Member's Deferred Benefits accrued or treated as accrued on and after the Amendment Date

calculated at the date of his death (including revaluation under Rule 13 (Revaluation Requirements)).

23.4 On the death on or after Normal Pension Date of a Deferred Pensioner who has elected to postpone his Deferred Benefits in accordance with Rule 17.6 so that they have not yet come into payment and who leaves a Dependant, the Dependant will be paid a pension for life. The annual amount will be the aggregate of:

- (a) 2/3 of the pension element of the Member's Deferred Benefits attributable to his FS Pensionable Service; and
- (b) 1/2 of the pension element of the Member's Deferred Benefits accrued or treated as accrued on and after the Amendment Date

calculated in accordance with Rule 17.6.

23.5 On the death on or after Normal Pension Date of a Deferred Pensioner to whom Rule 17.7 applies such that his retirement benefits have not yet been put into payment and who leaves a Dependant, the Dependant will be paid a pension for life. The annual amount will be the aggregate of:

- (a) 2/3 of the pension element of the Member's Deferred Benefits attributable to his FS Pensionable Service; and
- (b) 1/2 of the pension element of the Member's Deferred Benefits accrued or treated as accrued on and after the Amendment Date,

calculated at the date of his Normal Pension Date (including revaluation under Rule 13 (Revaluation Requirements) for the period up to his Normal Pension Date) but then increased in accordance with Rule 26 (Pension Increases) (as if it had come into payment at Normal Pension Date).

**Pension payable on the death of a Pensioner**

23.6 On the death of a Pensioner (other than one to whom Rule 23.7 applies) leaving a Dependant, the Dependant will be paid a pension for life. The annual amount will be the aggregate of:

- (a) 2/3 of the Member's pension accrued or treated as accrued before the Amendment Date; and
- (b) 1/2 of the Member's pension accrued or treated as accrued on and after the Amendment Date

each element of the Member's pension being calculated as it would have been at the date of his death disregarding any elections made under Rule 19.4 or Rule 20 (Lump Sum on Retirement) but taking into account any election made under Rule 19.1 and the increases that would have applied up to his death under Rule 26 (Pension Increases). However, during the first three months following the Member's death, the pension will

be payable at the same rate as the Member's pension from the Scheme at date of death if this produces a greater rate of pension.

23.7 On the death before Normal Pension Date of a Pensioner receiving a pension payable under Rule 16.1 who leaves a Dependant, the Dependant will be paid a pension for life. The annual amount will be:

- (a) in the case of a Member who was receiving a pension calculated under Rule 16.2, the aggregate of:
  - (i)  $\frac{2}{3}$  of the pension calculated under Rule 16.2 in respect of his FS Pensionable Service less two-thirds of the SERPS Offset, both increased in the ratio which that element of the pension the Pensioner was receiving at the date of his death bears to that element of his pension at the date it starts; and
  - (ii)  $\frac{1}{2}$  of the pension calculated under Rule 16.2 in respect of his CARE Pensionable Service and Prospective Pensionable Service, increased in the ratio which that element of the pension the Pensioner was receiving at the date of his death bears to that element of his pension at the date it starts; and
- (b) in the case of a Member who was receiving a pension calculated under Rule 16.3, the aggregate of:
  - (i)  $\frac{2}{3}$  of the pension calculated under Rule 16.3 in respect of his FS Pensionable Service less two-thirds of the SERPS Offset, both increased in the ratio which that element of the pension the Pensioner was receiving at the date of his death bears to that element of his pension at the date it starts; and
  - (ii)  $\frac{1}{2}$  of the pension calculated under Rule 16.3 in respect of his CARE Pensionable Service, increased in the ratio which that element of the pension the Pensioner was receiving at the date of his death bears to that element of his pension at the date it starts.

For the purposes of paragraphs (a) and (b), if relevant, the pension payable to the Pensioner shall be assumed to be the rate that would have applied disregarding any elections made under Rule 19.4 or Rule 20 (Lump Sum on Retirement) but taking into account any election made under Rule 19.1. However, during the first three months following the Member's death, the pension will be payable at the same rate as the Member's pension from the Scheme at date of death if this produces a greater rate of pension.

#### **Pension payable on the death of a Postponed Pensioner**

23.8 On the death of a Postponed Pensioner who leaves a Dependant, the Dependant will be paid a pension for life. The annual amount will be the aggregate of:

- (a)  $\frac{2}{3}$  of the pension element of the Member's Deferred Benefits attributable to his FS Pensionable Service; and
- (b)  $\frac{1}{2}$  of the pension element of the Member's Deferred Benefits accrued or treated as accrued on and after the Amendment Date,

calculated in accordance with Rule 17 (Benefits Payable on Retirement After Normal Pension Date) on the basis that the Postponed Pensioner was deemed to have retired the day before he died.



### **Pension payable on the death of a flexible retiree**

- 23.9 On the death of a Member who has drawn part of his retirement benefits under Rule 18.1 but before he has drawn his full retirement benefits, the pensions payable to any Dependant shall be provided according to his status determined under Rule 18.4.
- 23.10 Rule 24 (Reduction of Dependant's Pension) applies to any pension payable under this Rule.

### **24 REDUCTION OF DEPENDANT'S PENSION**

- 24.1 Any pension payable to a Dependant under the Scheme will be adjusted under this Rule 24, unless agreed otherwise between the Member and the Trustees.
- 24.2 If a Member is not survived by a widow or widower, the Trustees may decide that the pension payable on his death to a Dependant shall be of reduced amount or shall not be payable at all.
- 24.3 If a Dependant is more than 15 years younger than the Member, Pensioner, Postponed Pensioner or Deferred Pensioner, the Dependant's pension shall be reduced by such amount as the Trustees on the advice of the Actuary decide is appropriate, not exceeding 2.5% for each year of difference in age in excess of 15 years. The pension cannot however be reduced to such extent that the widow or widower does not receive his full GMP or a pension of at least the same amount as his Statutory Pension in respect of a Member's contracted-out employment prior to 6 April 2016.
- 24.4 The widow or widower's GMP shall be paid in accordance with Rule 27 (Contracted-out Benefits). A pension at least equivalent to the Statutory Pension in respect of a Member's contracted-out employment prior to 6 April 2016 in relation to the widow or widower of a Member shall be payable to the widow or widower of the Member.
- 24.5 These Rules shall take effect as modified to the extent necessary to ensure that Rule 24.4 is satisfied. If a pension payable under the Scheme to a Spouse is paid to a person other than the widow or widower, it will not exceed the difference between:
- (a) the aggregate of any GMP and pension paid under Rule 24.4 in respect of a Member's contracted-out employment prior to 6 April 2016 and
  - (b) the total pension payable to a Spouse under the Scheme.

### **25 CHILDREN'S ALLOWANCES**

- 25.1 An allowance shall be payable to an Eligible Child from the date of the Member's death until he ceases to be an Eligible Child. The amount of the allowance is determined under the remainder of this Rule 25.
- 25.2 The allowance applicable for the purposes of Rule 25 depends on whether a pension is then currently payable to a Dependant in relation to the Member and on the number of Eligible Children set out in the table below. Where the allowance is not equal to a Dependant's pension, any fraction stated relates to a proportion of the Member's pension or prospective pension as further described in the appropriate sub-rule of Rule 25:

	<b>No Dependant's pension payable</b>	<b>Dependant's pension payable</b>
Youngest Child	Equal to a Dependant's pension before the application of Rule 24	One-quarter
Second youngest Child	One-quarter	One-quarter

Third youngest Child	One-quarter	Nil
Any other Child	Nil	Nil

- 25.3 When a Child ceases to be an Eligible Child, the total Child's Allowance payable to any remaining Eligible Children remains the same.
- 25.4 If there is more than one Eligible Child, the Trustees may decide to which of them the allowances under this Rule 25 shall be payable or decide to divide the total Child's Allowance available between them in equal proportions. They may reallocate the allowances under this Rule 25 between Eligible Children from time to time, including when a Child ceases to be an Eligible Child.

**Allowance payable on the death of an Active Member before Normal Pension Date**

- 25.5 On the death of an Active Member before Normal Pension Date, any Child's Allowance under Rule 25.2 based on a proportion of Member's pension will be the relevant proportion of the Member's prospective pension, being the aggregate of:
- (a) 1/80th of his Final Pensionable Salary for each year of FS Pensionable Service revalued if applicable in accordance with Rule 14.4;
  - (b) his CARE Pension, calculated under Rules 14.7 and 14.8; and
  - (c) 1/80<sup>th</sup>, 1/85<sup>th</sup> or 1/90<sup>th</sup> of the annual rate of his Pensionable Salary at the date of his death (depending on whether he is accruing benefits under the Higher Cost Plan, the Standard Cost Plan or the Lower Cost Plan at that date) for each year of his Prospective Pensionable Service, subject to Rule 19 of the General Rules (Part Years of Pensionable Service).

**Allowance payable on the death of an Active Member on or after Normal Pension Date**

- 25.6 On the death of an Active Member on or after Normal Pension Date, any Child's Allowance under Rule 25.2 based on a proportion of Member's pension will be the relevant proportion of the Member's pension, calculated at the date of his death but on the basis that he is deemed to have retired immediately before his death.

**Allowance payable on the death of a Deferred Pensioner**

- 25.7 On the death before Normal Pension Date of a Deferred Pensioner whose Deferred Benefits have not come into payment, if there is an Eligible Child of the Deferred Pensioner, any Child's Allowance under Rule 25.2 based on a proportion of Member's pension will be the relevant proportion of the Member's deferred pension calculated at the date of his death on the basis that he is deemed to have retired under Rule 15.5 immediately before his death but with no reduction being applied for early payment.
- 25.8 On the death on or after Normal Pension Date of a Deferred Pensioner whose Deferred Benefits have been postponed in accordance with Rule 17.6 and have not yet come into payment, if there is an Eligible Child of the Deferred Pensioner, any Child's Allowance under Rule 25.2 based on a proportion of Member's pension will be the relevant proportion of the Member's deferred pension calculated at the date of his death under Rule 17.6 but on the basis that he is deemed to have retired immediately before his death.
- 25.9 On the death on or after Normal Pension Date of a Deferred Pensioner to whom Rule 17.7 applies such that his retirement benefits have not yet been put into payment, if there is an Eligible Child of the Deferred Pensioner, any Child's Allowance under Rule 25.2 based on a proportion of Member's pension will be the relevant proportion of the

Member's deferred pension, calculated at date of death but on the basis that his Deferred Benefits came into payment under Rule 17.7 immediately before his death.

**Allowance payable on the death of a Pensioner**

- 25.10 On the death of a Pensioner, if there is an Eligible Child of the Pensioner, any Child's Allowance under Rule 25.2 based on a proportion of Member's pension will be the relevant proportion of the Member's pension in payment immediately before his death.

**Pension payable on the death of a Postponed Pensioner**

- 25.11 On the death of a Postponed Pensioner, if there is an Eligible Child of the Postponed Pensioner, any Child's Allowance under Rule 25.2 based on a proportion of Member's pension will be the relevant proportion of the Member's pension calculated in accordance with Rule 17 (Benefits Payable on Retirement After Normal Pension Date) on the basis that the Postponed Pensioner was deemed to have retired the day before he died.

**Pension payable on the death of a flexible retiree**

- 25.12 On the death of a Member who has drawn part of his retirement benefits under Rule 18.1 but before he has drawn his full retirement benefits, any Child's Allowance payable to any Eligible Child shall be provided according to his status determined under Rule 18.4.

**General**

- 25.13 Any pension comprised within money purchase benefits accrued by a Member under the Scheme shall be disregarded for the purposes of this Rule.
- 25.14 Any SERPS Offset otherwise applicable in the calculation of a Member's pension or Dependant's pension shall be disregarded for the purposes of this Rule.
- 25.15 Any election under Rules 19 (Allocation of Pension and Choice of Extra Pension) or 20 (Lump Sum on Retirement) except for an actual election under Rule 19.1 shall be disregarded for the purposes of calculating a Member's pension or Dependant's pension for the purposes of this Rule.

## PENSION INCREASES

### **26 PENSION INCREASES**

26.1 All pensions in course of payment will be increased in respect of any element accrued or treated as accrued before the Amendment Date once each calendar year at each Review Date by the Annual Index Increase. In the case of:

- (a) a pension payable to a Pensioner that started after the immediately previous Review Date; or
- (b) a pension payable to a Dependant or Child where neither their pension nor any pension payable to the Member through whom they are entitled to a pension was in payment at the immediately previous Review Date

the increase will be restricted to one-twelfth of the Annual Index Increase for each complete month from the date their (or, if earlier, his) pension started unless the Trustee decides that the restriction in the increase shall not apply or shall be by reference to the date on which the Member's Pensionable Service ceased. Pensions shall not be reduced under this Rule on account of a decrease in the Index.

26.2 All pensions in course of payment will be increased in respect of any element accrued or treated as accrued on or after the Amendment Date once each calendar year at the Review Date by the Limited Annual Index Increase. In the case of:

- (a) a pension payable to a Pensioner that started after the immediately previous Review Date; or
- (b) a pension payable to a Dependant or Child where neither their pension nor any pension payable to the Member through whom they are entitled to a pension was in payment at the immediately previous Review Date

the increase in respect of any element of the pension accrued or treated as accrued after the immediately previous Review Date will be limited to one-twelfth of the Limited Annual Index Increase for each complete month from the date their (or, if earlier, his) pension started unless the Trustee decides that the restriction in the increase shall not apply or shall be by reference to the date on which the Member's Pensionable Service ceased. Pensions shall not be reduced under this Rule on account of a decrease in the Index.

26.3 This Rule shall also apply at the discretion of the Trustees to pension derived from AVCs or a Member's Account or from the exercise of any option under Rule 19 (Choice of Extra Pension), any augmentation under Rule 17 of the General Rules (Discretionary and Special Benefits) and any grant of benefits under Rule 3 of the General Rules (Receiving Transfers).

### **27 CONTRACTED-OUT BENEFITS**

27.1 Prior to 6 April 2016, the employments of all Members in Service after 6 April 1997 were contracted-out by reference to the Scheme by virtue of it satisfying section 9(2B) of the PSA. On and from that date, to the extent required by the Contracting-out Laws, the Scheme shall continue to provide benefits attributable to such contracted-out employment and the University and the Trustees shall ensure that the benefits provided under the Scheme in respect of such contracted-out employment satisfy the Reference Scheme Test. The Rules (including the definition of Dependant and the pensions payable to a Dependant) shall be treated as modified if and to the extent necessary for the purpose of satisfying such statutory standard and so as to comply in all other applicable respects with the Contracting-out Laws; and no discretion under the Rules shall be capable of being exercised to the extent that such exercise would prevent the Member's widow or widower from receiving his Statutory Pension in respect of his contracted-out employment prior to 6 April 2016. The Contracting-out Laws shall

override any inconsistent provisions in the Trust Deed and Rules, except provisions which are necessary for the Scheme's status as a Registered Scheme.

- 27.2 Subject to the Contracting-out Laws, Rules 27.3 to 27.10 relating to GMPs apply to the Scheme in relation to:
- (a) a Member whose employment before 6 April 1997 was contracted-out by reference to the Scheme;
  - (b) benefits accrued by his Pensionable Service during such period of contracted-out employment up to and including 5 April 1997; and
  - (c) any liability for GMPs assumed by the Scheme on a transfer to the Scheme under Rule 3 of the General Rules (Receiving Transfers).
- 27.3 If a Member has a guaranteed minimum under section 14 of the PSA (earner's guaranteed minimum) in relation to a pension provided by the Scheme:
- (a) the weekly rate of the Member's pension under the Scheme at age 65 (if male) or 60 (if female) in respect of the Member's Pensionable Service before 6 April 1997 shall not be less than that guaranteed minimum;
  - (b) the weekly rate of pension payable to any widow of the Member under the Scheme in respect of the Member's Pensionable Service before 6 April 1997 shall not be less than half the Member's guaranteed minimum;
  - (c) the weekly rate of pension payable to any widower of the Member under the Scheme in respect of the Member's Pensionable Service before 6 April 1997 shall not be less than half the part of the Member's guaranteed minimum which is attributable to earnings factors for the 1988 – 1989 tax year and subsequent tax years up to and including the 1996 – 1997 tax year.
- 27.4 A Member's GMP shall be payable for life, and the GMP of a Member's widow or widower shall also be payable for life.
- 27.5 A Member's GMP shall, insofar as it is attributable to earnings in the tax years from (and including) 1988 – 1989, be increased in accordance with sections 109 and 110 of the PSA.
- 27.6 If payment of a Member's pension under the Scheme is postponed pursuant to Rule 17 (Benefits Payable on Retirement After Normal Pension Date) the consent of the Member shall be required to the postponement of his GMP beyond age 65 (if male) or age 60 (if female) if:
- (a) such postponement is by virtue of employment to which the Scheme does not relate; and/or
  - (b) such postponement is to continue after age 70 (if male) or age 65 (if female).
- 27.7 If payment of a GMP is postponed, a GMP shall be increased in accordance with section 15 of the PSA.
- 27.8 A GMP may be discharged as a lump sum to the extent permitted by the Contracting-out Laws.
- 27.9 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 then at the discretion of the Trustees either be paid to or applied for the maintenance of the recipient or his Dependants, or paid to the recipient when he is again able to act, or paid to his estate after his death.

- 27.10 Any instalment of a GMP may be forfeited if it is not paid within eight years of the date on which that instalment became due and no claim has been made for its payment.

## **28 PUBLIC SECTOR TRANSFER CLUB**

- 28.1 The Trustees may decide to participate in the Public Sector Transfer Club. If they do so:

- (a) transfers to another Public Sector Transfer Club scheme in respect of benefits subject to Public Sector Transfer Club rules shall be calculated; and
- (b) transfers from another Public Sector Transfer Club scheme in respect of benefits subject to Public Sector Transfer Club rules shall be applied to provide transfer credits

in accordance with the arrangements of the Public Sector Transfer Club and for this purpose FS Pensionable Service may be treated as credited prior to the Amendment Date. Any benefits transferred in respect of a Member which are not subject to Public Sector Transfer Club rules shall be treated in accordance with Rules 1, 2 and 3 of the General Rules.

## **29 EMPLOYEES PENSION FUNDS**

- 29.1 A Member who was formerly a member of the Employees Pension Fund or the Old Employees Pension Fund and joined the Scheme between 6th April 1978 and 5th April 1980 (inclusive) shall be entitled to such benefits from the Scheme in substitution for his benefits under such Funds as were provided for in the 1997 Rules.

**Appendix 2**DC RulesRULES OF THE DEFINED CONTRIBUTION SECTION ("DC RULES")

These Rules apply to Members of the DC Section and any references to Active Member, Postponed Pensioner, Deferred Pensioner, Ex-Spouse Member and Pensioner Salary Sacrifice Member shall be construed accordingly. Unless the context requires otherwise, references in this Appendix to a Rule without reference to a particular appendix or category of rules are to this Appendix 2. If a Member of the Scheme is entitled to benefits under both the DB Section and the DC Section, this Appendix 2 applies with regard solely to his Membership of the DC Section.

## MEMBERSHIP

### **1 ELIGIBILITY AND ADMISSION**

- 1.1 This Rule takes effect on and from 1 October 2017 and is subject to Rule 2 (Automatic Enrolment). Rules 1.2 to 1.4 apply to Employees other than Irregular Employees. Rules 1.5 to 1.7 apply only to Irregular Employees.
- 1.2 An Employee shall be eligible to join the DC Section as an Active Member at any time before his 75<sup>th</sup> birthday provided he is not an Active Member of the DB Section (except so far as permitted under Rule 1.10). An eligible Employee shall be included as an Active Member in the Scheme automatically with effect from the date he became an Employee, subject to any requirement imposed by the Trustees for him to provide information under Rule 9 of the General Rules (Member Information) and to Rule 1.3. However, if Rule 2 applies to the Employee, the date of his admission to Active Membership (including on automatic re-enrolment) shall be determined under Rule 2.3; he shall not be required to provide information under Rule 9 of the General Rules as a condition of admission; and he may not be required to enter into a Pension Salary Sacrifice Arrangement as a condition of admission. Where Rule 2 applies so that the Scheme is an Automatic Enrolment Scheme in relation to a Non-eligible Jobholder or is available to an Entitled Worker, the Non-eligible Jobholder or Entitled Worker may complete an Opt in Notice and join the Scheme in accordance with arrangements made under the Automatic Enrolment Laws.
- 1.3 If an Employee does not wish to join the DC Section in accordance with this Rule 1 as an Active Member, he may give notice accordingly to the Trustees or the Employer within such period and in accordance with such arrangements as the Trustees shall make from time to time in respect of Employees declining Membership of the DC Section. In any case where special conditions are to be imposed on an Employee's admission, the period for giving such notice is extended to commence from the date he is notified of the special conditions if later. If the Employee is enrolled in the DC Section under arrangements made for the purposes of Section 3(2) of the Pensions Act 2008 or re-enrolled under arrangements made for the purposes of Section 5(2) of the Pensions Act 2008, this Rule shall not apply but the Member may opt out under Rule 3.2. Where an Employee declines Membership of the DC Section in accordance with this Rule 1.3, he shall be treated as having been a Member of the DC Section on the day which is the Automatic Enrolment Date for the purposes of section 3(3) of the Pensions Act 2008 but otherwise shall be treated as never having been a Member of the DC Section.
- 1.4 An Employee who chooses not to join the DC Section in accordance with this Rule 1 when he first becomes eligible, or chooses to withdraw from Active Membership, may not join or rejoin the DC Section at a later date, unless the Employer decides otherwise and then only on such special conditions as the University and Trustees may agree. However, if Rule 2 applies in respect of the Employee, he may be automatically enrolled or re-enrolled as an Active Member or, if applicable, complete an Opt in Notice and join or rejoin the DC Section, in accordance with the Automatic Enrolment Laws and any arrangements made under those laws.
- 1.5 An Irregular Employee shall be eligible to join the DC Section as an Active Member at the invitation of his Employer and subject to such terms as to his Membership as his Employer may agree with the Trustees (such terms to be specified in the invitation from his Employer). An eligible Irregular Employee shall be included as an Active Member in the Scheme automatically with effect from the date specified in the invitation (not being earlier than the date of the invitation), subject to any requirement imposed by the Trustees for him to provide information under Rule 9 of the General Rules (Member Information) and to Rule 1.6. However, if Rule 2 applies to the Irregular Employee, the date of his admission to Active Membership (including on automatic re-enrolment) shall be determined under Rule 2.3 he shall not be required to provide information under Rule 9 of the General Rules as a condition of admission; and he may not be required to enter into a Pension Salary Sacrifice Arrangement as a condition of admission. Where Rule 2 applies so that the Scheme is an Automatic Enrolment Scheme in relation to a



Non-eligible Jobholder who is an Irregular Employee, the Non-eligible Jobholder may complete an Opt in Notice and join the Scheme in accordance with arrangements made under the Automatic Enrolment Laws.

- 1.6 If an Irregular Employee does not wish to join the DC Section as an Active Member in accordance with this Rule 1, he may give notice to the Trustees or the Employer to that effect within such period and in accordance with such arrangements as the Trustees shall make from time to time in respect of Irregular Employees declining Membership of the DC Section. If the Irregular Employee is enrolled in the Scheme under arrangements made for the purposes of Section 3(2) of the Pensions Act 2008 or re-enrolled under arrangements made for the purposes of Section 5(2) of the Pensions Act 2008, this Rule shall not apply but the Member may opt out under Rule 3.2. Where an Irregular Employee declines Membership of the DC Section in accordance with this Rule 1.6, he shall be treated as having been a Member of the DC Section on the day which is the Automatic Enrolment Date for the purposes of section 3(3) of the Pensions Act 2008 but otherwise shall be treated as never having been a Member of the DC Section.
- 1.7 An Irregular Employee who chooses not to join the DC Section in accordance with this Rule 1 when he first becomes eligible, or chooses to withdraw from Active Membership, may not join or rejoin the DC Section at a later date, unless the Employer decides otherwise and then only on such special conditions as the University and Trustees may agree. However, if Rule 2 applies in respect of the Irregular Employee, he may be automatically re-enrolled as an Active Member or, if applicable, complete an Opt in Notice and join or rejoin the DC Section, in accordance with the Automatic Enrolment Laws and any arrangements made under those laws.
- 1.8 If an Employee ceases to be an Active Member in consequence of becoming an Irregular Employee under Rule 3.1, he may continue as an Active Member or be re-admitted as such at the invitation of his Employer and subject to such terms as to his Membership as his Employer may agree with the Trustees (such terms to be specified in the invitation from his Employer) with effect from the date specified in the invitation (not being earlier than the date of the invitation). However, where Rule 2 applies, this Rule is subject to compliance with the Automatic Enrolment Laws.
- 1.9 An Employee who is a qualifying person for the purposes of the Occupational Pension Schemes (Cross Border Activities) Regulations 2005 shall not be eligible to join the Scheme.
- 1.10 At the Trustees' discretion an Active Member of the DB Section may also be admitted to limited Membership of the DC Section for the purpose of making voluntary contributions (whether through a Salary Sacrifice Arrangement or otherwise) or to receive a transfer-in payment. Such Membership shall be on such terms as the Trustees may specify from time to time provided that no Employer contributions shall be payable under the DC Section in respect of such Membership except, with the consent of the University, Employer and Trustees, through a Salary Sacrifice Arrangement.

## **2 AUTOMATIC ENROLMENT**

- 2.1 Subject to Rule 2.2, this Rule 2.2 shall apply to an Employer with effect from its Employer's Staging Date, such that the Scheme shall be an Automatic Enrolment Scheme for the purposes of the Pensions Act 2008 in relation to that Employer's Employees. An Employer may at any time give written notice to the Trustees that the Scheme shall be available to its Entitled Workers or any group or category of them from a date specified in the notice (but such notice may not have retrospective effect).
- 2.2 An Employer may at any time give notice in writing to the Trustees that this Rule 2 shall not apply or shall cease to apply to it such that the Scheme shall not be an Automatic Enrolment Scheme for the purposes of the Pensions Act 2008 in relation to its Employees (or, where notice has been given under Rule 2.1 in relation to Entitled Workers, to its Entitled Workers) or any category or group of them. An Employer who

gives notice under this Rule may subsequently give notice in writing to the Trustees at any time that this Rule 2 shall apply in relation to its Employees or Entitled Workers or any category or group of them. The effective date of any notice under this Rule 2.2 shall not be retrospective.

- 2.3 If an Employer is required under the Automatic Enrolment Laws to admit (or re-admit as the case may be) any Employee into Active Membership of the Scheme, the Employee shall become an Active Member in accordance with the Automatic Enrolment Laws on whichever of the Automatic Enrolment Date, Automatic Re-enrolment Date or Deferral Date is applicable at the time.
- 2.4 The Trustees and the Employers shall at all times ensure that the Scheme is administered in accordance with the requirements of the Automatic Enrolment Laws and in a way which allows an Employer to discharge its obligations under the Automatic Enrolment Laws. If an Employer has notified the Trustees that it intends to rely on Sections 3(3) and 5(3) of the Pensions Act 2008 in relation to any group or category of Jobholders, this obligation extends to ensuring that the Scheme is administered in a way consistent with its being a Qualifying Scheme for the purposes of Sections 3(3) and 5(3) of that Act.
- 2.5 In particular, to the extent that the Scheme is or is intended by an Employer to be an Automatic Enrolment Scheme or a Qualifying Scheme, this Rule 2 shall override any inconsistent provisions in Rule 1, Rule 3 of the DC Rules and Rule 9 of the General Rules and these Rules shall be treated as modified as necessary to satisfy the requirements of the Automatic Enrolment Laws for an Automatic Enrolment Scheme.
- 2.6 The University may by written notice to the Trustees disapply this Rule 2 at any time so that it ceases to have effect on the date specified in that notice such that the Scheme shall not be an Automatic Enrolment Scheme or Qualifying Scheme for the purposes of the Pensions Act 2008. The effective date of any notice under this Rule 2.6 shall not be retrospective.

### **3 TERMINATION OF MEMBERSHIP**

- 3.1 Subject to Rule 2 (Automatic Enrolment) (if applicable), an Active Member who:
- (a) elects to cease paying contributions to the Scheme (or, in the case of a Member who is a Pension Salary Sacrifice Member, in respect of whom Pension Salary Sacrifice Contributions cease to be payable by his Employer at his election) at Normal Pension Date under Rule 4.6;
  - (b) retires from Service;
  - (c) reaches age 75;
  - (d) dies;
  - (e) ceases to be an Employee (or an Entitled Worker where relevant);
  - (f) not being an Irregular Employee, becomes one;
  - (g) becomes a qualifying person for the purposes of the Occupational Pension Schemes (Cross-border Activities) Regulations 2005;
  - (h) ceases to be allowed to remain as an Active Member under Rule 9;
  - (i) ceases to be an Active Member under Rule 11; or
  - (j) withdraws from the Scheme having given notice under Rule 3.2,
- shall cease to be an Active Member.

- 3.2 An Active Member may withdraw from Active Membership by giving the Trustees at least 28 days' notice in writing (subject to the Trustees' discretion to waive this notice period or accept a shorter period of notice). The cessation of Active Membership shall take effect from the last day of the month in which the notice expires (or such other date as the Trustees decide is appropriate). Without prejudice to the generality of the foregoing, if an Employee or Irregular Employee has been enrolled in the Scheme under arrangements made for the purposes of Section 3(2) of the Pensions Act 2008 or re-enrolled under arrangements made for the purposes of Section 5(2) of the Pensions Act 2008, he may withdraw from Active Membership if he provides a valid Opt out Notice to his Employer in accordance with the Automatic Enrolment Laws and any arrangements made under them, which shall include arrangements for refunding contributions.
- 3.3 If a former Active Member of the DB or the DC Section begins a new period of Active Membership of the DC Section, subject as follows he shall retain any benefits to which he is entitled under the Scheme as a Deferred Pensioner or Pensioner and accrue benefits in respect of his new period of Active Membership as if he had not previously been an Active Member (and may draw benefits in respect of the earlier period separately). At the Trustees' discretion, any benefits attributable to an Active Member's former period of Active Membership under the DC Section may be merged with any benefits accrued in respect of his new period of Active Membership and treated as if the benefits had been accrued under one continuous period of Active Membership.

#### **4 MEMBER CONTRIBUTIONS**

- 4.1 Save for any Active Member who is a Pension Salary Sacrifice Member, each Active Member shall pay contributions to the Scheme. He may elect to contribute at an annual rate of 4% (four per cent), 6% (six per cent), 8% (eight per cent) or any whole digit percentage up to 100% (one hundred per cent) of his Pensionable Salary from month to month by giving written notice to the Trustees.
- 4.2 Unless or until he elects to contribute at a different rate, an Active Member shall contribute at an annual rate of 4% of his Pensionable Salary from month to month.
- 4.3 Members who are Pension Salary Sacrifice Members shall not contribute to the Scheme under this Rule 4 for so long as they are participating in the Pension Salary Sacrifice Arrangement.
- 4.4 Contributions will continue to be payable by a Member or, in the case of a Member who is a Pension Salary Sacrifice Member, Pension Salary Sacrifice Contributions will continue to be payable by his Employer, on and after his Normal Pension Date unless he elects otherwise under Rule 4.6, for so long as he remains an Active Member.
- 4.5 Contributions under Rule 4 shall be deducted from a Member's pay by his Employer each month.
- 4.6 A Member who remains in Service after Normal Pension Date may elect by giving the Trustees and Employer at least 28 days' (or such lesser period as the Trustees and Employer may accept) notice in writing before his Normal Pension Date:
- (a) in the case of a Member who is not a Pension Salary Sacrifice Member, to cease paying contributions under this Rule 4 and so to cease Active Membership from his Normal Pension Date; and
  - (b) in the case of a Member who is a Pension Salary Sacrifice Member, to cease participation as a Pension Salary Sacrifice Member and so to cease Active Membership, in which case his Employer will cease to pay Pension Salary Sacrifice Contributions under Clause 26 of the Trust Deed (Employers' Contributions) from his Normal Pension Date.

An Active Member who does not make an election to cease Active Membership at Normal Pension Date under this Rule 4.6 may withdraw from Active Membership under

Rule 3.2 at any time after Normal Pension Date. A Member who makes an election under this Rule 4.6 or who withdraws from Active Membership after Normal Pension Date shall from the date of ceasing to be an Active Member be a Postponed Pensioner whilst he remains in Service. However, a Postponed Pensioner may subsequently resume Active Membership in accordance with Rule 1.4 or, where applicable, Rule 2 (Automatic Enrolment). However, any Postponed Pensioner who resumes Active Membership may not become a Pension Salary Sacrifice Member.

- 4.7 An Active Member may elect to change the rate of any contributions he is making by giving the Trustees and his Employer at least one month's written notice within the first three months of joining the Scheme and then annually at the beginning of each Scheme Year. The arrangements for the selection of contribution rate by Active Members (including the method for giving notice) shall be determined from time to time by the Trustees.
- 4.8 With the agreement of the Trustees, an Active Member may make an additional lump sum contribution at any time provided that the value of the additional lump sum contribution together with the Member's regular contributions does not exceed the Member's annual Pensionable Salary earned in that Scheme Year.
- 4.9 The Trustees shall not be obliged to monitor whether an Active Member is entitled to tax relief on contributions he makes. If they become aware that an Active Member has paid contributions on which he is not entitled to tax relief, they may at the request of the Member refund the excess to the extent that the refund is a refund of excess contributions lump sum (as defined for the FA 2004). The Trustees may (but need not) pay interest on any such refund at such rate as they decide or may adjust the refund to take account of investment returns (calculated in a manner they decide), but only to the extent that the interest or adjustment constitutes a Scheme Administration Member Payment. Before making a payment under this Rule, the Trustees may deduct the amount of any tax for which they may be liable on it.
- 4.10 With the consent of his Employer, the Trustees may vary the above notice requirements for an Active Member to change his contribution rate and may allow changes to take effect on dates other than those specified.

## 5 EMPLOYERS' CONTRIBUTIONS

- 5.1 Without prejudice to Clause 26 of the Trust Deed (Employers' Contributions), each Employer shall contribute to the DC Fund in respect of each of its Employees who is an Active Member at the following percentages of his Pensionable Salary from month to month:

	<b>Member's rate</b>	<b>Employer's rate</b>
Tier 1	4%	6%
Tier 2	6%	8%
Tier 3	8% or more	10%

- 5.2 If an Active Member is a Salary Sacrifice Member or a Pension Salary Sacrifice Member, his Employer shall also pay contributions (of up to 8%) equal to the amount by which the Member's contributions are thereby reduced. Subject to the agreement of the Trustees, the University and his Employer, if an Active Member participating in a Pension Salary Sacrifice Arrangement wishes to make additional contributions in excess of the level that attracts a matching Employer's contribution, he may request his Employer to pay Pension Salary Sacrifice Contributions on his behalf equal to the additional contributions he would have paid if he had not entered into the Pension Salary Sacrifice Arrangement.

- 5.3 When an Active Member changes his contribution rate (see Rule 4 (Member Contributions)), his Employer's contributions shall be altered from the date the Member's new rate takes effect.

## **6 SALARY SACRIFICE ARRANGEMENTS**

- 6.1 The Employer of a Member shall notify the Trustees immediately in writing:
- (a) if any Member becomes, or ceases to be, a Salary Sacrifice Member; or
  - (b) if any Member becomes, or ceases to be, a Pension Salary Sacrifice Member; or
  - (c) if the terms or conditions of any Member's participation in a Salary Sacrifice Arrangement are altered in any other way which might affect his benefits or contributions under the DC Section.
- 6.2 Subject to Rule 6.3, the Employer of a Salary Sacrifice Member shall determine the amount of the earnings that would have been included in the Salary Sacrifice Member's basic salary or wages if he had not entered into the Salary Sacrifice Arrangement for the purpose of the definition of Pensionable Salary and the Trustees shall be entitled to rely on the accuracy of any amount notified to it by the Employer without making further enquiry.
- 6.3 The Employer of a Salary Sacrifice Member may determine that any reduction in earnings pursuant to a Salary Sacrifice Arrangement (other than a Pension Salary Sacrifice Arrangement) shall be wholly or partially disregarded for the purposes of Rule 6.2 such that any earnings foregone shall not be included for the purpose of calculating the Member's Pensionable Salary.

## **7 INVESTMENT BUILDER ACCOUNTS**

- 7.1 The Trustees shall maintain an Investment Builder Account in respect of each Member of the DC Section that records:
- (a) contributions paid by the Member and by the Employer in respect of him;
  - (b) transfer payments received in respect of him on terms that they will provide money purchase benefits;
  - (c) other amounts credited in respect him as a result of the exercise of any power or discretion under the Rules;
  - (d) where, and to the extent that, Scheme expenses are, in accordance with Clause 27 of the Trust Deed, to be paid out of the Fund, a fair share of those expenses as determined by the Trustees;
  - (e) the accumulated value of such sums as determined by the Trustees under Rule 7.10; and
  - (f) any additional sum to be credited under Rule 16.2.
- 7.2 A Member's Investment Builder Account shall be solely for the purpose of calculating benefits and shall not confer on a Member any interest in any specific Scheme assets.
- 7.3 The Trustees shall select one or more Investment Fund(s) in respect of the DC Section from time to time and make available the same for selection by Members of the DC Section in accordance with the remainder of this Rule 7.
- 7.4 The Trustees shall invite each new Active Member to direct them in which Investment Fund(s) contributions for him are to be treated as notionally invested. If a Member does not give a direction, the Trustees shall decide in which Investment Fund(s) his contributions will be treated as being invested.

- 7.5 Subject to Rule 7.7, an Active Member may change his direction to the Trustees in relation to the notional investment of future contributions. An Active Member may also give the Trustees a direction to switch the Investment Fund(s) in which some or all of the amount standing to the credit of his Investment Builder Account is to be treated as invested from among the Investment Fund(s) made available by the Trustees from time to time. In either case, subject to the terms and conditions of the Investment Fund(s), the Trustees shall give effect to any such direction within a reasonable time.
- 7.6 In relation to any part of an Active Member's Investment Builder Account that is treated as invested in a Lifestyling Investment Fund, the Member's target retirement date shall be such default date as the Trustees select or such other date as the Member directs the Trustees.
- 7.7 When giving any direction to the Trustees under this Rule 7, an Active Member must do so in writing and otherwise in accordance with any procedures stipulated by the Trustees from time to time. These procedures may impose time limits.
- 7.8 The Trustees may allow a Member who is not an Active Member to give any of the directions that an Active Member can give. Any such directions must be in accordance with Rule 7.
- 7.9 The Trustees may at any time deselect Investment Fund(s) and substitute new ones. Where they deselect a fund, they may, without the Member's direction or consent, switch the notional investment of his Investment Builder Account to such other or substitute Investment Fund(s) as they may select.
- 7.10 The Trustees shall determine the value of a Member's Investment Builder Account from time to time, taking into consideration the performance of the Investment Fund(s) in which the Investment Builder Account is notionally invested.
- 7.11 To the complete exoneration of the Trustees, the Member shall be exclusively responsible for any direction he gives the Trustees under this Rule, and for his failure to give any direction and the consequent application of any default provision. This protection for the Trustees is in addition to any other protection available to them under the Trust Deed, these Rules or otherwise.
- 7.12 For the purposes of this Rule 7, the Trustees shall be entitled to assume that a Member might draw his benefits:
- (a) if applicable, at any time from the last target retirement age he has notified in such form as the Trustees may require in relation to his Investment Builder Account; or
  - (b) otherwise, from his Normal Pension Date or alternative agreed date between the Trustees and the Member.

## **8 PENSION ADVICE ALLOWANCE**

- 8.1 At the Member's request and subject to the conditions of regulation 21 of the Registered Pension Schemes (Authorised Payments) Regulations 2009 being met, the Trustees may at their absolute discretion pay a sum in respect of retirement financial advice for the Member (as defined in that regulation) to an adviser and deduct the amount from the Member's Investment Builder Account.

## **9 SERVICE AS AN ACTIVE MEMBER DURING ABSENCE**

- 9.1 Subject to Rule 2 (Automatic Enrolment), an Active Member who is absent from work, other than on leave falling within Rule 11 (Family Leave), may at the discretion of the Trustees remain an Active Member:

- (a) for the period of absence where it is due to injury or illness or any period of service with the armed forces or other work of national importance for the United Kingdom;
  - (b) otherwise for all or such part of the period of absence before Normal Pension Date as the Trustees decide.
- 9.2 Subject to Rule 2, Active Membership under this Rule may be terminated at any time by the Trustees.

## **10 BENEFITS AND CONTRIBUTIONS DURING ABSENCE**

- 10.1 Subject to Rule 10.3, contributions shall continue to be payable to the DC Section by a Member who is absent from work but treated as remaining an Active Member in accordance with Rule 9.1 and by his Employer in respect of him as if his Pensionable Salary had been at the level that he would, in the Trustees' opinion, have received but for his absence.
- 10.2 Benefits payable under the DC Section on the death of a Member who is absent from work but treated as remaining an Active Member in accordance with Rule 9.1 shall be calculated as if his Pensionable Salary had been at the level that he would have received, in the Trustees' opinion, but for absence.
- 10.3 This Rule 10.3 is subject to Rule 2. If in the Trustees' opinion the total income of a Member who is absent from work and is treated as remaining an Active Member in accordance with Rule 9.1 is significantly less than it would have been but for his absence, the Trustees may suspend or reduce his rate of contributions to the DC Section (and those of the Employer in respect of him), though he will not be treated as if his Active Membership had ceased. Subject to Rule 10.4, the contributions that would have been paid had the Member been working normally may be made good, subject to the agreement of the Trustees and the Employer, if:
- (a) the Member agrees to make good the omission or reduction in his contributions (calculated on the basis of the contribution rate on which he returns) on such terms as the Trustees decide or they are paid by the Employer on his behalf; and
  - (b) the Member (if he so decides) makes good the omission or reduction in contributions payable by the Employer in respect of him (calculated on the basis of the contribution rate on which he returns) on such terms as the Trustees decide or they are paid by the Employer or they remain unpaid; and
  - (c) the Employer agrees to pay such further contributions as the Trustees decide on the advice of the Actuary.
- 10.4 Subject to Rule 2 (Automatic Enrolment), if a Member who is absent from work and is treated as remaining an Active Member in accordance with Rule 9.1 is not receiving any pay, he may not make any contributions under Rule 10.3 unless he returns to work.
- 10.5 On returning to work after a period of absence, an Active Member shall continue to contribute to the DC Section at the same rate as applicable at the start of his period of absence, unless either the Member during his absence selects a different rate of contributions to take effect at the beginning of a Scheme Year in accordance with Rule 4 (Member Contributions) or the Trustees and his Employer agree otherwise. After returning to work the Member may select a different rate of contributions to take effect at the beginning of the next Scheme Year in accordance with Rule 4.
- 10.6 If a Member is absent from work, other than on leave falling within Rule 11 (Family Leave), but does not continue in Active Membership under Rule 9.1 he shall continue to be entitled to lump sum benefits under Rule 21 (Death in Service) on his death as if he were an Active Member calculated as if his Pensionable Salary had been at the level that he would have received, in the Trustees' opinion, but for his absence from work.

**11 FAMILY LEAVE**

- 11.1 A Member shall be deemed to be an Active Member while he or she is absent from work:
- (a) on ordinary maternity leave;
  - (b) on ordinary adoption leave;
  - (c) on paternity leave and is receiving statutory paternity pay or contractual pay;
  - (d) on additional maternity leave and is receiving statutory or contractual pay;
  - (e) on additional adoption leave and is receiving statutory or contractual pay;
  - (f) on shared parental leave and is receiving statutory or contractual pay; or
  - (g) on parental leave and is receiving contractual pay.
- 11.2 Benefits for the period of leave within Rule 11.1 shall be based on the pay that the Member would have received if he had been working normally. The Member's contributions under Rule 4 (Member Contributions) shall be based on the pay (if any) he actually receives, but the Employer's contributions shall be based on the pay that the Member would have been receiving if he had been at work. The Employer shall pay the additional contributions required in order to make up the difference between the contributions paid by the Member and those that would have been payable by him under Rule 4 (Member Contributions) if he had been working normally and receiving normal remuneration for doing so, together with its normal contributions.
- 11.3 Subject to Rules 2 (Automatic Enrolment), 11.4 and 11.5 if a Member comes to the end of one of the forms of family leave listed in Rule 11.1 without either returning to work under a legal right to do so or immediately beginning another form of leave on the list, he shall be treated as having left Service at the end of the family leave.
- 11.4 This Rule 11.4 is subject to Rule 2. If a Member begins additional maternity leave or additional adoption leave that is unpaid and would otherwise have been treated as having left Service, but returns to work after such a period of leave under a legal right to do so, his period of employment before his leave will be treated as continuous with his period of employment after his return to work and his Pensionable Service shall also be treated as continuous, but excluding the period of unpaid leave. However, with the agreement of the Trustees and the Employer, the Member may pay additional contributions in order to make good the omission or reduction in his contributions (calculated on the basis of the contribution rate on which he returns) on such terms as the Trustees decide (or they are paid by the Employer on his behalf). In that event the Employer must also make good the omission or reduction in contributions payable by the Employer (calculated on the basis of the contribution rate on which he returns) in respect of the Member on such terms as the Trustees decide.
- 11.5 This Rule 11.5 is subject to Rule 2. If a Member begins additional paternity, parental, shared parental or any other kind of family leave that is unpaid and would otherwise have been treated as having left Service, but returns to work after such a period of leave, his period of employment before his leave may at the agreement of the Trustees and his Employer be treated as continuous with his period of employment after his return to work and his Pensionable Service shall also be treated as continuous, but excluding the period of unpaid leave. However, subject to the agreement of the Trustees and the Employer, the Member may pay additional contributions in order to make good the omission or reduction in his contributions on such terms as the Trustees decide (or they are paid by the Employer on his behalf). In that event the Employer must also make good the omission or reduction in contributions payable by the Employer in respect of the Member on such terms as the Trustees decide.



- 11.6 During any period throughout which an Active Member is absent from work for family reasons, but not on leave falling within Rule 11.1 and is paid contractual remuneration by his Employer, benefits will be provided for and in respect of the Member as if he were working normally during that period but based on the remuneration actually paid to him. Member contributions shall be based on his actual remuneration paid.
- 11.7 On returning to work after a period of absence, an Active Member shall continue to contribute to the DC Section at the same rate as applicable at the start of his period of absence, unless either during his absence he selects a different rate of contributions to take effect at the beginning of a Scheme Year in accordance with Rule 4 or the Trustees and his Employer agree otherwise. After returning to work the Member may select a different rate of contributions to take effect at the beginning of the next Scheme Year in accordance with Rule 4.
- 11.8 "Ordinary maternity leave", "additional maternity leave", "ordinary adoption leave", "additional adoption leave" and "shared paternal leave" are defined in the Employment Rights Act 1996. "Paternity leave" and "parental leave" are defined in regulations made under that Act.

EARLY LEAVERS**12 DEFERRED BENEFITS**

- 12.1 A Member who ceases to be an Active Member under Rule 3 (Termination of Membership) before his Normal Pension Date shall be entitled to retain his Investment Builder Account if he has completed at least 30 days' Qualifying Service (or is otherwise entitled to short service benefits under the PSA) or the Trustees have received a transfer payment for him from a personal pension scheme.

**13 REFUND OF CONTRIBUTIONS**

- 13.1 Subject to the remainder of this Rule 13.1, a Member who ceases to be an Active Member without becoming entitled to retain his Investment Builder Account under Rule 12 (Deferred Benefits) will be entitled to a refund of his contributions to the DC Section and any amount to be treated as Member's contributions under Rule 3 of the General Rules (Receiving Transfers), adjusted under Rule 13.2. Where an Employee or Irregular Employee is enrolled in the DC Section under arrangements made for the purposes of Section 3(2) of the Pensions Act 2008, if he ceases to be an Active Member on the provision of a valid Opt out Notice to his Employer, contributions shall be refunded in accordance with the Automatic Enrolment Laws and any arrangements made under them.
- 13.2 A refund under Rule 13.1 will be reduced by the amount of any tax for which the Trustees are liable in respect of the refund.
- 13.3 If the Trustees make a refund of contributions or pay a transfer under this Rule they shall be discharged from any obligation to pay any other benefits in respect of the Member.

## RETIREMENT BENEFITS

### **14 BENEFITS PAYABLE ON RETIREMENT AT NORMAL PENSION DATE**

- 14.1 An Active Member or Deferred Pensioner shall take all of his retirement benefits in accordance with Rule 19 at his Normal Pension Date unless a different time applies under Rule 15, 16, 17, 18 or 20.

### **15 BENEFITS PAYABLE ON RETIREMENT BEFORE NORMAL PENSION DATE NOT ON GROUNDS OF INCAPACITY**

- 15.1 Subject to any terms and conditions the Trustees may specify from time to time, an Active Member on retirement from Service or any Deferred Pensioner may with the consent of the Trustees take all of his retirement benefits in accordance with Rule 19 at any time between his Minimum Pension Age and his Normal Pension Date.

### **16 BENEFITS PAYABLE ON RETIREMENT ON GROUNDS OF INCAPACITY**

- 16.1 An Active Member or Deferred Pensioner may with the consent of the Trustees take his retirement benefits in accordance with Rule 19 on retirement at any time on the grounds of Incapacity.
- 16.2 In the case of an Active Member, in addition to the retirement benefits payable in accordance with Rule 16.1 the Trustees shall credit to the Member's Investment Builder Account a lump sum equal to 6%, 8% or 10% of the annual rate of his Pensionable Salary at the date of retirement on the grounds of Incapacity (depending on which rate of contributions he was paying to the DC Section at that date) for each year of his Prospective Pensionable Service. For this purpose a Member's Pensionable Salary shall be taken to be the Pensionable Salary he would have received in the Trustees' opinion, but for any absence in the period leading up to his retirement on the grounds of Incapacity.
- 16.3 If the Member's Incapacity is such that, in the opinion of the Trustees, he is unable to make an election for benefits under this Rule, the Trustees may deem him to have done so.

### **17 BENEFITS PAYABLE AFTER NORMAL PENSION DATE**

- 17.1 Subject to Rule 18 (Flexible Retirement), if an Active Member or Postponed Pensioner remains in Service after Normal Pension Date the payment of his retirement benefits will be postponed until the date of his actual retirement from Service or his 75th birthday if earlier.
- 17.2 Subject to Rule 18 (Flexible Retirement), a Deferred Pensioner may with the consent of the Trustees before his Normal Pension Date elect to postpone taking his retirement benefits until any time between his Normal Pension Date and his 75th birthday.
- 17.3 If a Member fails for any reason to direct the Trustees how to apply his Investment Builder Account within a reasonable period before he is due to take his benefits under Rule 15, 16, 17, or 18, the Trustees may at their discretion select his benefits or continue to invest his Investment Builder Account, without any obligation to consider the Member's circumstances or those of any Spouse or Dependants of the Member, in such manner as they consider convenient and with no liability as to the exercise of such selection or not making a selection. Following the selection of benefits under this Rule, Rule 11 of the General Rules (Unclaimed Monies) applies after six years so far as relevant.

### **18 FLEXIBLE RETIREMENT**

- 18.1 Unless he is an Irregular Employee, an Active Member or Postponed Pensioner may at any time from Minimum Pension Age, with the consent of his Employer, receive a percentage of his retirement benefits before leaving Service provided he gives at least

three months' written notice to the Trustees (or such lesser notice period as they may accept). The terms and conditions shall be agreed between the Member and the Employer but the Trustees may impose such conditions as appear to them to be appropriate from time to time generally or in any particular case. The Member may continue or resume Active Membership, subject to any terms and conditions agreed or imposed under this Rule, but need not do so. On leaving Service (or reaching age 75, if earlier), the Member must draw the remainder of his retirement benefits.

- 18.2 Unless otherwise agreed by the Employer, Trustees and Member, the benefits drawn shall be the agreed percentage of benefits calculated under whichever of Rules 14, 15 or 17 would apply if the Member was drawing his benefits in full on retirement from Service.
- 18.3 A notice given under Rule 18.1 shall specify whether it is intended that the Member will receive a further percentage of his retirement benefits under Rule 18.1 before leaving Service and, if so, on what date. The notice shall also include the anticipated date of the Member's retirement. Failure to comply with this Rule 18.3 shall not invalidate a notice.
- 18.4 A Member who dies after he has drawn part but not all of his retirement benefits under Rule 18.1 shall be treated as an Active Member, Deferred Pensioner or Postponed Pensioner as appropriate to the extent of his undrawn retirement benefits and, if he was an Active Member at death, his Prospective Pensionable Service shall continue to count for the purposes of calculating benefits under Rule 20 (Serious Ill-Health) as appropriate.
- 18.5 In addition to any other options available to him under the Scheme, a Member with Deferred Benefits attributable to a previous period of discontinued Service not forming part of the continuum of his last period of Service (or treated as such under Rule 3.3) may draw those Deferred Benefits under the remainder and subject to the conditions of these Rules as if he were not still in Service.
- 18.6 A Deferred Pensioner who has remained in continuous Service since ceasing Pensionable Service and who is permitted to draw retirement benefits from the Universities Superannuation Scheme whilst remaining in Service may at any time from Minimum Pension Age, with the consent of his Employer, draw his Deferred Benefits in full. The Member must give at least three months' written notice to the Trustees (or such lesser notice period as they may accept). The remainder of the terms and conditions shall be agreed between the Member and the Employer but the Trustees may impose such conditions as appear to them to be appropriate from time to time or in any particular case. A Member who draws his retirement benefits under this Rule shall be treated as a Pensioner for all purposes of the Rules.

## **19 FORM OF RETIREMENT BENEFITS**

- 19.1 A Member taking his retirement benefits may select from such options to be made available from time to time by the Trustees at their discretion and which may include:
- (a) a pension for himself with such increases and guarantees as he chooses or are required by law;
  - (b) a lump sum;
  - (c) one or more Dependant's pensions; and/or
  - (d) any other benefits,

provided that provision of such benefits will be an Authorised Payment.

The Trustees may change these options without notice at any time and shall not be obliged to provide more than one option.

- 19.2 If a Member has not selected his benefits by the time his Investment Builder Account is due to be used to provide them, the Trustees may (but are not obliged to) decide the benefits without liability as to their selection.
- 19.3 When a Member's retirement benefits become payable the Trustees shall use his Investment Builder Account to provide them in one or more of the following ways at a cost that does not exceed the value of the account:
- (a) by paying the Member a lump sum that is an Authorised Payment;
  - (b) by purchasing an Insurance Policy (Rule 4 of the General Rules (Buying Out Benefits)); and
  - (c) by making a transfer to another Scheme (Rule 2 of the General Rules (Making Transfers))

They shall do so in ways that comply with all statutory requirements and are consistent with the Scheme's status as a Registered Scheme.

- 19.4 If the Member's Investment Builder Account is notionally invested (in whole or part) in one or more Investment Funds in respect of which the realisation of units has been suspended or delayed by its provider, the Trustees may defer the provision of retirement benefits under Rule 14 to Rule 17 until units can be realised. If the Trustees do this, they shall inform the Member as soon as reasonably possible. Without prejudice to the generality of Clauses 9 (Limit of Trustees' Liability), 10 (Trustees' Indemnities) and 11 (Trustees' Insurance) of the Trust Deed the Trustees shall not be liable in any way in relation to the ensuing delay in providing benefits in respect of the Member (including in connection with any reduction in the value of the Member's Investment Builder Account).
- 19.5 If a Member of the DC Section also has benefits under the DB Section, the University and Trustees may at their discretion permit the Member to provide out of his Investment Builder Account a lump sum qualifying as a Pension Commencement Lump Sum calculated based on all his benefits under the Scheme. Unless such discretion is exercised, the amount of lump sum treated as qualifying as a Pension Commencement Lump Sum may be determined solely by reference to the Member's Investment Builder Account.

## **20 SERIOUS ILL-HEALTH**

- 20.1 If a Member who has not started to receive benefits from the DC Section suffers from Serious Ill Health, the Trustees may pay all his retirement benefits as a lump sum. The lump sum must qualify as a Serious Ill Health Lump Sum for the purpose of the FA 2004.

## DEATH BENEFITS

### **21 DEATH IN SERVICE**

21.1 On the death in Service of an Active Member, the Trustees shall pay a lump sum in accordance with Rule 23 (Death Benefit Trusts) equal to:

- (a) three times the Member's annual rate of Pensionable Salary as at the date of his death;
- (b) 6%, 8% or 10% of the annual rate of his Pensionable Salary at the date of death (depending on which rate of contributions he was paying to the DC Section at that date) for each year of his Prospective Pensionable Service; and
- (c) an amount equal to the credit standing to the Member's Investment Builder Account in accordance with (but not in addition to) Rule 22 (Treatment of Investment Builder Account on Member's Death).

For the purposes of Rules 21.1 (a) and 21.1 (b) a Member's Pensionable Salary shall be taken to be the Pensionable Salary he would have received in the Trustees' opinion, but for any absence in the period leading up to his death.

21.2 On the death in Service of an Active Member who leaves a Dependant, the Member's Dependant shall receive a pension for three months which will be payable at the same yearly rate as the Member's yearly rate of Pensionable Salary taken for the purpose of calculating the Member's contributions at the date of death (or the rate which would in the Trustees' opinion normally apply).

### **22 TREATMENT OF INVESTMENT BUILDER ACCOUNT ON MEMBER'S DEATH**

22.1 If a Member dies before the whole of his Investment Builder Account has been applied to provide retirement benefits, the Trustees shall deal with his Investment Builder Account (or the balance still remaining) by applying it to provide a lump sum in accordance with Rule 23 (Death Benefit Trusts).

### **23 DEATH BENEFIT TRUSTS**

23.1 Any lump sum benefit payable under the DC Section in respect of the death of a Member shall be held by the Trustees on trust with power to pay it (whether in one payment or in a series of two or more payments) within two years from the earlier of the day on which the Trustees first knew of the Member's death and the day on which the Trustees could first reasonably be expected to have known of it (other than where the death occurred before 6 April 2006, in which case the two years shall run from the date of actual death) to or for the benefit of such one or more of:

- (a) any person who has paid the funeral expenses of the deceased, to the extent of the expenses so paid;
- (b) the Spouse or any former Spouse of the Member;
- (c) any parent or other ancestor of the Member or the widow or widower of such person;
- (d) any Dependant of the Member;
- (e) any Child or other descendant of the Member or the spouse or widow or widower of such person ("Child" includes a person to whom the Member in the Trustees' opinion stood in loco parentis);
- (f) any brother or sister or uncle or aunt of the Member (whether of the whole blood or the half blood) and the spouse or widow or widower of such person;

- (g) any person or unincorporated body notified by the Member in writing to the Trustees for the purpose of this Rule 23;
  - (h) any person or unincorporated body beneficially interested under the intestacy or any testamentary disposition of the Member; and
  - (i) the personal representatives of the Member (other than where the residue of the Member's estate passes as bona vacantia)
  - (j) and in such shares (if more than one) and subject to such trusts (including discretionary trusts) and with such powers and provisions as the Trustees decide.
- 23.2 The relationships described in Rule 23.1 shall include adoptive and step-relationships and relationships of half-blood. People yet to be born at the Member's death shall also be included for the purposes of Rule 23.1.
- 23.3 Any balance of such lump sum benefit not paid under Rule 23.1 within such period of two years shall be retained by the Trustees for the general purposes of the Scheme.
- 23.4 In exercising their power under Rule 23.1, the Trustees may (but shall not be bound to) have regard to any wishes that the Member may have expressed in writing to the Trustees.
- 23.5 Any expenses or costs incurred in connection with any payment under Rule 23.1 including the establishment of a separate trust, may if the Trustees decide, be deducted from the lump sum payable.

### Appendix 3

#### General Rules

These Rules apply to Members of the DB Section and the DC Section. Unless the context requires otherwise, references in this Appendix to a Rule without reference to a particular appendix or category of rules are to this Appendix 3.

#### TRANSFERS AND BUY-OUTS

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

- 1.1 If a Member entitled to Deferred Benefits under Rule 11 of the DB Rules and Rule 12 of the DC Rules (Deferred Benefits) has a right to a Cash Equivalent under section 94 of the PSA, 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.
- 1.2 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 of their responsibilities.
- 1.3 Under the Transfer Value Laws the Member may apply to the Trustees in writing for a statement of the amount of his Cash Equivalent.
- 1.4 The Trustees shall calculate the Cash Equivalent on the advice of the Actuary and on a basis that he or she confirms complies with the Transfer Value Laws.
- 1.5 The Member must normally exercise the right to transfer in respect of the whole of his Cash Equivalent. The 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 (i.e. is unable to hold Contracted-out Benefits). The Trustees shall give the Member details of this exception on request;
  - (b) the Trustees may agree to transfer out part of the Member's benefits if this is required as a condition of their membership of the Public Sector Transfer Club; and
  - (c) the Member may transfer his AVC Fund in accordance with Rule 7.11 of the DB Rules.
- 1.6 If a Member who is not entitled to Deferred Benefits:
- (a) has a right to a Cash Transfer Sum;
  - (b) has exercised that right in accordance with the PSA; 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 PSA



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

- 1.7 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 to which the Cash Equivalent or Cash Transfer Sum related or to pay any refund of contributions.
- 1.8 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.

## **2 MAKING TRANSFERS**

- 2.1 Subject to the independent advice requirements under Part 4, Chapter 2 of the Pension Schemes Act 2015, instead of providing benefits under the Scheme for or in respect of any one or more Beneficiaries, the Trustees may transfer assets to another Registered Scheme or Qualifying Recognised Overseas Pension Scheme so that that scheme rather than the Scheme provides benefits for or in respect of such Beneficiary or Beneficiaries. The amount of the transfer will represent the value of the Member's interest under the Scheme as decided by the Trustees at their discretion acting on the advice of the Actuary, but shall be not less than the Cash Equivalent of the benefits. The transfer shall not include the value of any GMPs if the Member's accrued rights to GMPs are not transferred.
- 2.2 The transfer must satisfy the Preservation Laws and the Contracting-out Laws. If the conditions under those laws for a transfer without the Member's consent are satisfied, his consent to a transfer under this Rule shall not be required.
- 2.3 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.

## **3 RECEIVING TRANSFERS**

- 3.1 Subject to such conditions (which may include charges) as the Trustees consider to be appropriate, the Trustees may accept a transfer payment in respect of any employee or officer, or former employee or officer (including the survivors of any of them) of an Employer 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 Trustees shall provide such benefits 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. Unless the transfer payment is used to credit the Member with Pensionable Service or an amount of annual pension for that CARE Scheme Year, the benefits provided in respect of the transfer payment shall be additional to all other benefits payable under the Rules and provided on a money purchase basis. A transfer may include a transfer of surplus, on the basis that all or some of the surplus is allocated to provide benefits in respect of the transferring Beneficiaries. The Trustees may at their discretion apply any transfer payment in respect of a Member as a credit to his Member's Account.
- 3.2 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.
- 3.3 The Trustees may accept a transfer payment (and any subsequent payment(s) topping-up an original transfer payment) from another pension scheme relating in whole or part to a Pension Credit or Pension Credit Rights of a Member or an Ex-Spouse Member on terms that they shall be entitled to such benefits under the Scheme in respect of the transfer payment as the Trustees agree on the advice of the Actuary.

**4 BUYING OUT BENEFITS**

- 4.1 The Trustees may buy an Insurance Policy in the name of a Member or other Beneficiary instead of providing benefits for that person under the Scheme. They may also assign a policy that they already hold to a Member or other Beneficiary. In either case, the policy must satisfy the Preservation Laws and the Contracting-out Laws and any purchase of an Insurance Policy in the name of the Member must qualify as a Recognised Transfer. Within those constraints, the benefits the policy provides may be different from, and payable to different persons than, those that the Trustees would have provided under the Scheme if the Member or other Beneficiary agrees.
- 4.2 The Trustees need not obtain the consent of the Member 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.
- 4.3 The amount the Trustees pay an Insurance Company for a policy shall be no more than the value of the benefits that they would otherwise have provided in respect of the Member or other Beneficiary under the Scheme. Before deciding the amount the Trustees shall consider advice from the Actuary.
- 4.4 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 policy relates.

## GENERAL RULES ABOUT BENEFITS

### **5 PAYMENT OF BENEFITS**

- 5.1 Pensions (including Child's Allowances) will be paid monthly in arrears on the penultimate working day of each calendar month unless the Trustees notify the recipient in advance of some other arrangement or timing for payment.
- 5.2 The first payment of pension to a Pensioner, a Spouse, Dependant or Child will include a proportionate payment for the month in which the entitlement to pension arose.
- 5.3 The last payment will be that which is payable at the end of the month in which the person in receipt of pension dies (or in the case of a pension provided under Rules 6 (Member Accounts), 7 (Additional Voluntary Contributions) and 23 (Pensions for Dependants) of the DB Rules, or Rule 22 of the DC Rules, or a Child's Allowance, in which earlier termination occurs). The last payment will be time apportioned if, and only if, there is no pension payable to a surviving Spouse, Dependant or Child on the death of that person. If it is necessary in order that the last payment following the death of a Pensioner is an Authorised Payment, that payment shall at the discretion of the Trustees either be added to the first instalment of pension payable to any surviving Spouse, Dependant or Child (as determined by the Trustees) or shall be payable as a defined benefits Lump Sum Death Benefit (within the meaning given by paragraph 13 of schedule 29 to the FA2004) to the estate of the Pensioner.
- 5.4 Any payment due to a Beneficiary after his death shall be paid by the Trustees to his personal representatives or surviving Spouse or other Dependant of the Beneficiary as they think fit and whether or not representation to the estate has yet been granted.
- 5.5 Pensions and lump sum benefits will be payable by cheque or direct credit to a bank or building society account nominated by and in the name of the Beneficiary, unless the Trustees in their discretion agree with the Member to an alternative method of payment, including indirect payment for the benefit of the Member.

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

- 6.1 Subject to section 92 of the PA1995 (forfeiture etc) if, in the opinion of the Trustees, a Beneficiary is incapable of acting by reason of illness, mental disorder, minority or otherwise the Trustees may retain any money due to the Beneficiary for any period and then apply or pay it for the benefit of the Beneficiary or his estate or may pay it to some other person or institution who is or appears to the Trustees to be responsible for his care, supervision or maintenance.
- 6.2 A Child's Allowance or a lump sum payable under the Rules may be paid direct to an Eligible Child if he is aged 16 or over.
- 6.3 The receipt of the person to whom the Trustees pay the money under Rule 6.1 or of the Eligible Child paid a Child's Allowance or lump sum under Rule 6.2 will be a discharge to the Trustees for the sums paid.
- 6.4 The Trustees will not be responsible for or obliged to supervise the way in which money paid under Rules 6.1 and 6.2 is used and the Trustees may make for the Beneficiary any choice which he has under the Scheme in respect of the money.
- 6.5 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 either be paid or applied for the maintenance of the recipient or his Dependants, or paid to the recipient when that recipient is again able to act, or paid to the recipient's estate after that recipient's death.

**7 TAX**

- 7.1 The Trustees may deduct from any payment under the Scheme any tax for which they may be liable in respect of such payment and shall otherwise be entitled to meet any liability for tax, levy, fee or duty from the Fund.
- 7.2 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 for those purposes.
- 7.3 If the Trustees are liable to pay any Lifetime Allowance Charge in respect of a Member, they shall be entitled acting on the advice of the Actuary to recover an amount reflecting such liability from present or future benefits or entitlement under the Scheme 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).
- 7.4 If a Member has failed on the request of the Trustees to declare to them his available Lifetime Allowance prior to payment of benefits under the Scheme, the Trustees shall be entitled to assume that he has fully utilised his Lifetime Allowance and so treat all his benefits as subject to the Lifetime Allowance Charge until such time as he provides a declaration.
- 7.5 If the Trustees pay a Short Service Refund Lump Sum, they may deduct from that payment an amount equal to the Short Service Refund Lump Sum Charge.

**8 ANNUAL ALLOWANCE**

- 8.1 Neither the Member's Employer, nor the University, nor the Trustees shall have any obligation to monitor whether a Member might or will incur an Annual Allowance Charge. None of them shall have any liability of any kind to anyone if a Member incurs a charge.
- 8.2 If the Trustees satisfy a liability under s.237B of the FA 2004 in relation to an Annual Allowance Charge in respect of a Member, they shall make consequential adjustments to his Investment Builder Account or, as the case may be, his benefits on a basis that is consistent with the FA 2004 in order to satisfy that liability.
- 8.3 If a Member asks them in writing, the Trustees may (but need not) agree to satisfy all or part of his liability to an Annual Allowance Charge. If they agree to do so, they shall make consequential adjustments to his Investment Builder Account or, as the case may be, his benefits on a basis that is consistent with the FA 2004 in order to satisfy that liability.

**9 MEMBER INFORMATION**

- 9.1 This Rule is subject to Rule 2 of the DB Rules and Rule 2 of the DC Rules (Automatic Enrolment).
- 9.2 An Employee, Member or other Beneficiary shall on request by the Trustees provide:
- (a) evidence as to his age, health and marital status;
  - (b) such other information as the Trustees request for the purpose of managing and administering the Scheme.
- 9.3 The Trustees may require:
- (a) any Employee joining or rejoining the Scheme;
  - (b) any Member applying to commence or increase payment of AVCs;
  - (c) any Member purporting to be leaving Service on grounds of Incapacity; or

- (d) any Pensioner in receipt of a pension under Rule 16 of the DB Rules (Benefits payable on Retirement on Grounds of Incapacity Before Normal Pension Date);

to undergo a medical examination or provide medical information, including the completion of a medical questionnaire.

- 9.4 If the Trustees are not satisfied with the results or the information provided, or if the individual refuses or fails to undergo the medical examination or to allow the results to be disclosed to the Trustees, the Trustees may, subject to Rule 2 of the DB Rules and Rule 2 of the DC Rules:

- (a) refuse to admit or readmit the Employee as an Active Member;
- (b) refuse to pay benefits under Rule 16.1 of the DB Rules and 16.1 of the DC Rules;
- (c) vary, suspend or terminate a pension in payment under Rule 16.1 of the DB Rules;
- (d) refuse to allow payment of AVCs other than on a money purchase basis;
- (e) and shall notify the Employee or Member accordingly.

- 9.5 If any Employee, Member or Beneficiary provides any false information, the Trustees may make such arrangements as they consider reasonable to adjust any benefits payable under the Scheme for or in respect of that individual.

- 9.6 The Employer of an Employee or Eligible Jobholder must provide the Trustees with the information required to be provided under the Automatic Enrolment Laws within the timescales specified in those Laws, unless Rule 2 of the DB Rules and Rule 2 of the DC Rules does not apply to that Employer.

- 9.7 The Trustees may rely on:

- (a) any information supplied by or on behalf of an Employee, Member, or other Beneficiary to any of the Employers; or
- (b) the results of a medical examination undergone by an Employee, Member, or other Beneficiary for any of the Employers or for any Insurance Company.

- 9.8 A Member must inform the Trustees of any change in his circumstances that may be relevant to the benefits payable to or in respect of him under the Scheme (including, in particular, Incapacity Benefits).

## **10 MEMBER'S CONSENT**

- 10.1 The written consent of a Member shall for any purpose of the Scheme be deemed to represent the consent of and to be binding upon any contingent Beneficiary who may have any claim to any benefit under the Scheme in respect of that Member.

## **11 UNCLAIMED MONIES**

- 11.1 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 the amount of that sum shall be retained in the Scheme for such purposes as the Trustees may decide. 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 may be forfeited at the discretion of the Trustees. The Trustees shall not be obliged to locate a Member or other Beneficiary who has not kept them informed of a change of address.

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

**12 OVERPAYMENTS**

- 12.1 If any amount paid to a Beneficiary exceeds that to which the Beneficiary is entitled then the overpayment shall, if the Trustees so direct, be deducted from any subsequent payments due to that Beneficiary (or any other Beneficiary who derives his entitlement to benefits under the Scheme from the first Beneficiary) but not so as to reduce the amount of any GMP payable.
- 12.2 The Trustees shall not be required to seek recovery of any payment made in error intended to represent a payment of benefit under the Rules, any payment continued to be paid in error after the death of the intended recipient or any other payment made in error, provided the payment is within Part 3 of the Registered Pension Schemes (Authorised Payments) Regulations 2009 and consequently deemed to be an Authorised Payment. Even though this may result in the Scheme being treated as having made an Unauthorised Payment, they may also at their discretion decide not to seek recovery of any other amounts overpaid or wrongly paid if they believe that it would not be reasonably practicable to do so or the amount likely to be recovered after deducting the costs of recovery would not in their opinion warrant it.

**13 ASSIGNING OR CHARGING BENEFITS TO SOMEONE ELSE**

- 13.1 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, his benefits shall be forfeited (other than his right to a GMP). The Trustees may pay the benefits that have been forfeited to or for the benefit of the person concerned and/or any of his Dependants in such a way and in such shares as the Trustees decide. However, the Trustees shall not pay any part of the benefit to anyone in whose favour the person concerned tried to assign or charge the original benefits.

**14 PAYMENTS TO PERSONS OTHER THAN PERSONAL REPRESENTATIVES**

- 14.1 Where any monies not exceeding an aggregate sum of £1500 (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 at their absolute discretion pay the monies to the deceased person's Spouse, Dependant, other relative or any person entitled to any benefit from the deceased's estate. The Trustees will be discharged from liability for those monies otherwise due to the legal personal representatives if they obtain a receipt from the other person or persons to whom they are paid under this Rule 14.1.

**15 LIFE ASSURANCE POLICIES**

- 15.1 The Trustees may insure any benefits under the Scheme, including those payable on death or ill-health. If any benefits are insured, they shall be subject to any restrictions that the insurer imposes and limited to the amount (if any) received under the relevant policy.

**16 CRIME, FRAUD AND NEGLIGENCE**

- 16.1 If any Member or Ex-Spouse owes an Employer money because of his criminal, fraudulent or negligent act or omission, the Employer may require his benefits to stand charged with the payment of such debt. However, no GMPs may stand so charged. Nor may benefits attributable to a transfer payment unless they are prescribed under section 91(4) 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.
- 16.2 Whether a person owes money to an Employer, the Trustees shall give him 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.

- 16.3 If a Member owes money to an Employer, the Employer may require that the Member's benefits are charged with payment of the debt (other than GMPs). If the amount is disputed there will need to be a court order before the Trustees can deduct the debt from benefits.

SPECIAL RULES ABOUT BENEFITS

**17 DISCRETIONARY AND SPECIAL BENEFITS**

17.1 The Trustees may either with the consent of the University or at the request of the Employers, either generally or in any particular case:

- (a) augment benefits payable under the Scheme (including increasing pensions in payment);
- (b) provide new or additional benefits which are Authorised Payments for any Employee or former Employee or any Spouse, Child or Dependant of any Employee or former Employee;
- (c) bring forward the date of payment of any benefit; or
- (d) grant a credit to a Member's Account

provided that the Employers pay such additional contributions as the Trustees on the advice of the Actuary shall decide.

17.2 The Trustees shall not exercise their power under this Rule 17.2 to provide an extra benefit which would constitute an Unauthorised Payment to or in respect of a Member, Employee or former Employee unless:

- (a) the Employer of the Member, Employee or former Employee in question undertakes to the Trustees to pay the scheme sanction charge under section 239 of the FA2004; and
- (b) the status of the Scheme as a Registered Scheme is not prejudiced by providing the benefit.

17.3 With the consent of the University, The Trustees may in exceptional circumstances on or after 1 October 2017 grant Membership to (or allow a Member to re-join) the DB Section instead of the DC Section.

17.4 With the consent of the University, the Trustees and Employer may agree to alter the terms of Membership of the DC Section in relation to a particular Member.

**18 PENSION SHARING**

18.1 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, unless the Trustees decide with the consent of the University to discharge the Pension Credit by offering Membership of the Scheme. Any benefits consequently provided under the Scheme shall be treated as provided separately from any benefits provided under the Scheme for the same individual as an Employee or as a Spouse or Dependant of an Employee. The Ex-Spouse shall be regarded as a Member for the purposes of the Rules to the extent considered appropriate by the Trustees.
- (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. If a Pension Credit Benefit has come into payment to an Ex-Spouse, it shall be treated in the same way on the winding-up of the Scheme as the rights of a Pensioner.

- 18.2 If the Ex-Spouse of a Member dies before the Trustees have implemented a Pension Sharing Order in respect of them, then subject to the provisions of this Rule 18.2 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 22 of the DB Rules and Rule 23 of the DC Rules (Death Benefit Trusts) 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 22 of the DB Rules and Rule 23 of the DC Rules and the definition of "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 "Child" as defined in Appendix 4. The consent of the University is needed for any pension to be payable from the Scheme.
- 18.3 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.
- 18.4 Subject to Rule 18.3, 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.
- 18.5 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 Pension Sharing Order.
- 18.6 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.
- 18.7 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 WSPA1999.

## **19 PART YEARS OF PENSIONABLE SERVICE**

- 19.1 Where benefits are expressed to be calculable with reference either to years of FS Pensionable Service or to Prospective Pensionable Service, part years (counted in days) will also be taken into account on a proportionate basis.

## **20 PART-TIME AND TERM-TIME EMPLOYMENT**

- 20.1 If in the determination of the Employer, the Member is a Term-time Worker or his Pensionable Service includes a period when he was employed for less than the standard full-time contractual hours applicable to his position with the Employer, his benefits will be calculated in such way as the Trustees consider appropriate and notify to the Member.
- 20.2 For the purposes of calculating benefits using Prospective Pensionable Service it will be assumed that the Member continued being paid for the proportion of the relevant period (for the purposes of the definition of Term-time Worker) or working the number of hours (as the case may be) applicable when he ceased to be an Active Member unless the Trustees decide otherwise.

## **Appendix 4**

### **Definitions**

"**1997 Rules**" means the rules of the Scheme dated 19 May 1997.

"**2 years' Qualifying Service**" has the meaning in section 71(7) of the PSA.

"**Acting Chairman**" means the person appointed as acting Chairman under Clause 13.2 of the Trust Deed.

"**Active Member**" means an Employee who has been admitted to participate in the Scheme, unless he has ceased to be an Active Member under Rule 3 of the DB Rules or Rule 3 of the DC Rules.

"**Active Membership**" means the status of being an Active Member.

"**Actuary**" means the actuary of the Scheme appointed in accordance with section 47 of the PA1995.

"**Amendment Date**" means 1 January 2013.

"**Annual Allowance Charge**" has the meaning given by section 227 of the FA2004.

"**Annual Index Increase**" means the increase in the cost of living as measured by the Index over a period of 12 months ending with the September (or such other month as the Trustees may decide from time to time), immediately preceding the relevant Review Date.

"**Appendix**" means an appendix to this Trust Deed.

"**Auditor**" means the auditor of the Scheme appointed in accordance with section 47 of the PA1995.

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

"**Automatic Enrolment Date**" has the meaning given by Section 3(7) of the Pensions Act 2008.

"**Automatic Enrolment Laws**" means Part 1 of the Pensions Act 2008 and the Regulations made under it.

"**Automatic Enrolment Regulations**" means the Occupational and Personal Pension Schemes (Automatic Enrolment) Regulations 2010.

"**Automatic Enrolment Scheme**" has the meaning given by Section 17 of the Pensions Act 2008.

"**Automatic Re-enrolment Date**" has the meaning given by Regulation 12 of the Automatic Enrolment Regulations.

"**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.

"**AVCs**" means contributions of a Member in addition to his Member contributions, which fall within the expression "voluntary contributions" as used in section 111 of the PSA.

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

"**CARE Pension**" means, in respect of a Member, the total aggregate pension accrued by him in respect of each CARE Scheme Year during part or the whole of which he has been in Pensionable Service on or after the Amendment Date, calculated as described in Rule 14.7 of

the DB Rules together with any amount of annual pension credited in that CARE Scheme Year in respect of AVCs, an augmentation under Rule 17 of the General Rules and/or a transfer into the Scheme, each annual component of the total aggregate pension being revalued in accordance with Rule 14.8 of the DB Rules.

**"CARE Pensionable Service"** means in relation to a Member, Pensionable Service accrued or credited (or treated as credited) on or after the Amendment Date.

**"CARE Scheme Year"** means 1 April to 31 March each year, except that the first CARE Scheme Year shall be 1 January 2013 to 31 March 2013.

**"Cash Equivalent"** has the meaning in section 94 of the PSA.

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

**"Chairman"** means the chairman of the Trustees appointed under Clause 5.5(c) of the Trust Deed.

**"Child"** in relation to a deceased person includes his step-child, a child whom he has legally adopted, a child conceived but not yet born and any other person whom in the opinion of the Trustees the deceased treated as a child of his family PROVIDED THAT a step-child or person treated by the deceased as a child of the family shall only be included in this definition after 5 April 2006 if he is also a dependant of the Member within the meaning of "dependant" set out in paragraph 15 of Schedule 28 to FA 2004;

**"Child's Allowance"** means a pension payable to an Eligible Child under Rule 25 of the DB Rules.

**"Civil Partnership"** means a civil partnership as defined in the Civil Partnerships Act 2004.

**"Closure Date"** means the date on which the Scheme is closed in accordance with Clause 34 of the Trust Deed.

**"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).

**"Contracting-out Laws"** means the provisions of and under the PSA relating to Contracted-out Benefits, including (without limitation) the provisions of the Occupational Pension Schemes (Schemes that were Contracted-out) (No.2) Regulations, and the provisions of the Pensions Act 2014 (Savings) Order 2015.

**"Contributions Equivalent Premium"** has the meaning in section 55 of the PSA.

**"Cost Plan"** means any of the Lower Cost Plan, the Standard Cost Plan or the Higher Cost Plan, being an arrangement of the Scheme under which the accrual of benefits and payment of contributions is governed by Rules 14.7, 4.1 and 4.2 of the DB Rules respectively.

**"DB Rules"** means the rules at Appendix 1. References to a DB Rule shall have a corresponding meaning.

**"DB Section"** means the arrangements under the Scheme prior to the establishment of the DC Section. The DB Section includes arrangements relating to its Members' money purchase AVCs and Member Accounts. Membership of the DB Section shall have a corresponding meaning.

**"DC Fund"** means the part of the Fund representing money purchase benefits payable under the DC Section including assets received as part of a transfer to the DC Section.

**"DC Section"** means the arrangements under the Scheme established with effect on and from 1 October 2017. Membership of the DC Section shall have a corresponding meaning.

"**DC Rules**" means the rules at Appendix 2. References to a DC Rule shall have a corresponding meaning.

"**Death Benefit Salary**" means in relation to an Irregular Employee, the annual average of his Pensionable Salary since he became an Irregular Employee or over the last five years if this is a shorter period.

"**Death Benefit Trusts**" means the discretionary trusts contained in Rule 22 of the DB Rules and Rule 23 of the DC Rules.

"**Deferral Date**" has the relevant meaning given by Section 4 of the Pensions Act 2008.

"**Deferred Benefits**" means in relation to a Member who has ceased to be an Active Member without becoming entitled to immediate benefits under the Scheme, so far as applicable:

- (a) a pension and lump sum retirement benefit payable from Normal Pension Date under Rule 11.1 of the DB Rules; or
- (b) such retirement benefits under Rule 12 of the DC Rules as are payable in accordance with the DC Rules.

Such benefits shall cease to be Deferred Benefits once they have come into payment.

"**Deferred Pensioner**" means a Member who:

- (a) ceased Active Membership before his Normal Pension Date;
- (b) is not in receipt of a pension under the Scheme; and
- (c) is entitled to Deferred Benefits under the Scheme payable at Normal Pension Date (or who is treated as such a Member by reason of a transfer payment received under Rule 3 of the General Rules (Receiving Transfers)).

"**Dependant**", in relation to a Member, means:

- (a) any person who was the Member's Spouse at the date of the Member's death;
- (b) at the Trustees' discretion, any person (whether or not of the opposite sex) who as at the date of the Member's death living with the Member in a relationship closely resembling marriage or Civil Partnership; or
- (c) any person, other than a Child of the Member, who in the opinion of the Trustees is or was at the date of the Member's death financially dependent on the Member or had a financial relationship with the Member of mutual dependence

PROVIDED THAT:

- (i) any person within paragraphs (b) or (c) must also be within the meaning of "dependant" set out in paragraph 15 of Schedule 28 to FA 2004; and
- (ii) if there are two or more persons within this definition, the Trustees shall decide which of them shall be recognised as a Dependant. If the Trustees decide to recognise two or more as Dependants, they may divide the benefits payable under the Scheme to a Dependant between them in such shares as they may decide (and may exclude any of them from the benefits) subject to Rule 24.4 of the DB Rules. The Trustees shall have regard to but need not follow any nomination made by the Member as a person whom he wishes the Trustees to treat as his Dependant for the purposes of the Scheme.

**"Disability Non-Discrimination Requirements"** means the requirements not to discriminate on the grounds of disability as contained in the Disability Discrimination Act 1995.

**"Early Retirement Factors"** means in relation to a Member:

- (a) in respect of benefits accrued by reference to his Pensionable Service before 1 December 2006, the relevant factor set out in Appendix B in the 1997 Rules (as replicated in Appendix 5 to these Rules); and
- (b) in respect of benefits accrued by reference to his Pensionable Service on or after 1 December 2006:
  - (i) the relevant factor set out in Appendix in the 1997 Rules (as replicated in the Appendix 5 to these Rules) if in the particular case the application of that factor would be an actuarial reduction that is acceptable for the purposes of the law against discrimination on grounds of age;
  - (ii) but if that would not be acceptable for those purposes, such factor as the Actuary shall decide on actuarial principles to take account of early payment and as results in an actuarial reduction that complies with the law against discrimination on grounds of age.

For the purposes of this definition, only the factors in the first column of Appendix 5 shall apply in the case of Rule 15.4 of the DB Rules; and only the factors in the second column of Appendix 5 shall apply in the case of Rule 15.5 of the DB Rules.

**"Eligible Child"** means a Child of a Member who was at the time of the Member's death:

- (a) below age 18;
- (b) undergoing full-time education or vocational training and also below age 23 (unless the Trustees in their discretion decide to disregard the age limit and provided any payment to a Child over age 23 remains an Authorised Payment); or
- (c) suffering from some mental or physical disability rendering him unable to support himself financially (irrespective of age)

and **"Eligible Children"** shall be construed accordingly.

**"Eligible Jobholder"** means a Jobholder who meets the conditions set out in Section 3(1) of the Pensions Act 2008 and accordingly whose Employer may be subject to a duty of automatic enrolment.

**"Employee"** means a person:

- (a) in employment with an Employer and who is not of academic or academic-related status;
- (b) if an Employer so determines, who is a Jobholder working for the Employer who does not fall within (a) above (or who is within a category or group of such Jobholders determined by the Employer); or
- (c) whom at the request of the Employer, the Trustees have agreed to treat (or continue to treat) as an Employee.

**"Employees Pension Fund"** means the Employees New Pension Fund established in accordance with the Statutes of the University of Oxford Chapter VIII, Section V, Paragraph 2.

**"Employer"** means an employer participating in the Scheme (including the University unless the context shows that this is not intended), and in relation to any particular Employee or former Employee or Beneficiary claiming through him, means the employer participating in the Scheme

by which, at the relevant time, he is or was last employed. Where an Employer has ceased to participate in the Scheme or to exist, a reference to that Employer shall be treated as a reference to the University. Where relevant, Entitled Workers and Jobholders shall be treated for the purpose of this definition as employed by the person or institution for whom they work or last worked.

**"Employer Deficit"** means the amount estimated under Clause 21.3 of the Trust Deed.

**"Entitled Worker"** means a person to whom Section 9 of the Pensions Act 2008 (workers without qualifying earnings) applies by reason of satisfying the conditions set out in Section 9(1).

**"Exempt Former Employer"** means a Former Employer:

- (a) in respect of which there was a nil Employer Deficit under Clause 21.3 of the Trust Deed when it ceased to participate in the Scheme; or
- (b) which has paid any amount falling due from it under Clause 21.2 of the Trust Deed or has paid any instalments that have fallen due for payment in accordance with an agreement made with the Trustees under Clause 21.2 of the Trust Deed (as the case may be); or
- (c) which has failed to pay an amount due under Clause 21.2 of the Trust Deed solely because it was not notified of its liability or was not notified of its liability sufficiently in advance of the Winding-up Date for it to have been paid.

**"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 Pensionable Salary"** means in relation to a Member, the greater of:

- (a) Pensionable Salary received in the 12 months immediately before the earlier of cessation of Active Membership and 31 March 2018; or
- (b) his Pensionable Salary for any period of 12 consecutive months during the period of five years immediately before the earlier of the date on which his Active Membership ceases and 31 March 2018.

The Trustees may decide to exclude such part of any increase in the Member's remuneration that appears to them to have been granted with the enhancement of the Member's benefits under the Scheme as its main, or one of its main objects, unless the Employer pays such additional contributions to the Scheme as the Trustees on the advice of the Actuary consider appropriate.

But in the case of an Irregular Employee, **"Final Pensionable Salary"** for the purposes of Rule 16.2 and 16.3 (Early Payment of Benefits for Incapacity) or Rule 23.1(a), 23.2(a), 25.5(a) and 25.6 (Pensions for Dependents) of the DB Rules shall be the annual average of his Pensionable Salary since he became an Irregular Employee or over the last five years if this is a shorter period, calculated by reference to the earlier of cessation of Active Membership and 31 March 2018 as described above.

**"Former Employer"** means an Employer whose participation in the Scheme has ceased under Clause 20 of the Trust Deed.

**"Former Employer Benefits"** means in relation to a Former Employer the entitlements or accrued rights to benefits under the Scheme attributable to employment with that Employer.

**"Fund"** means the assets for the time being held by or on behalf of the Trustees on the trusts of the Scheme.

**"Fund Manager"** has the meaning given by the PA1995.

**"FS Pensionable Service"** means Final Salary Pensionable Service which means in relation to a Member, Pensionable Service accrued or credited (or treated as credited) before the Amendment Date.

**"General Rules"** means the rules at Appendix 3. References to a General Rule shall have a corresponding meaning.

**"GMP"** means Guaranteed Minimum Pension and, as such, has the meaning in section 8 of the PSA.

**"Higher Cost Plan"** means the rate of accrual and the associated rate of Active Member contributions provided for under Rules 14.7(a) and 4.1(a) of the DB Rules.

**"Incapacity"** in relation to a Member, means ill-health or infirmity such that:-

- (a) in the opinion of the Employer and the Trustees he is likely to be permanently incapable of continuing in his present employment or taking up remunerative employment or gainful occupation (including self employment) that is comparable in financial terms;
- (b) the Trustees have received evidence from a registered medical practitioner whom they consider to be suitably qualified that the Member is (and will continue to be) incapable of carrying on his occupation because of physical or mental impairment; and
- (c) the Member has in fact ceased to carry on his occupation.

**"Index"** means the Index of Retail Prices published by the Office for National Statistics or any other suitable cost-of-living index selected by the Trustees. Subject to any restrictions in the relevant Rule, the Trustees may from time to time select and apply one or more cost-of-living indices or a combination of cost-of-living indices as the Index for the purposes of the Scheme. The Trustees shall determine the way in which any indices selected are combined and how the combination is applied (including without limitation for the administration of the Annual Index Increase and the Limited Annual Index Increase) where a combination of indices is used. In particular, without limitation, the Trustees may apply a different index or combination of indices:

- (a) for the purposes of different Rules or sub-rules;
- (b) to benefits accrued either before or after a particular date or dates or between particular dates;
- (c) to benefits accrued by or in respect of different categories of Member or Beneficiary;
- (d) to the benefits in respect of Members who joined the Scheme either before or after a particular date or dates; and / or
- (e) to different categories of benefit,
- (f) in any way they determine from time to time, provided that the Trustees' discretion or power in relation to the Index shall be exercised subject to:

- (g) the requirements relating to indexation contained in and under sections 51 to 55 of the PA1995;
- (h) the requirements relating to revaluation contained in and under Chapter 2 of Part 4 of the PSA;
- (i) so far as applicable, the provisions required to be included in the Rules under the Preservation Laws; and
- (j) any other or subsequent overriding statutory requirements that may apply from time to time.

**"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.

**"Investment Builder Account"** means the account the Trustees maintain in respect of a Member under Rule 7 of the DC Rules.

**"Investment Fund"** means any unitised collective investment scheme, fund, or policy or deposit fund selected by the Trustees for the notional investment of Members' Investment Builder Accounts.

**"Irregular Employee"** means an Employee who works irregular hours that vary from time to time depending upon the needs of the Employer.

**"Jobholder"** has the meaning defined by Section 1 of the Pensions Act 2008.

**"Last Employers"** means the Employers immediately prior to Closure Date together with Former Employers that are not Exempt Former Employers.

**"Lifestyling"** is a process whereby a Fund Manager adopts an investment strategy aimed at progressively reducing the potential for significant variation in the value of a Member's Investment Builder Account as he approaches his target retirement date caused by changing market conditions.

**"Lifestyling Investment Fund"** means the Investment Fund selected by the Trustees for the purpose, so far as reasonably practicable, of achieving Lifestyling.

**"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.

**"Limited Annual Index Increase"** means at any Review Date the lesser of the Annual Index Increase and:

- (a) 8% in respect of benefits accrued or treated as accrued between 1 January 2013 and 31 March 2018 inclusive; or
- (b) 5% in respect of benefits accrued or treated as accrued on and from 1 April 2018.

**"Lower Cost Plan"** means the rate of accrual and the associated rate of Active Member contributions provided under Rules 14.7(c) and 4.1(c) of the DB Rules.

**"Lump Sum Death Benefit"** has the meaning given by section 168 FA 2004.

**"Maximum Period"** in relation to FS Pensionable Service means 42 years 6 months.



**"Member"** means a Beneficiary who has accrued benefit under the Scheme by virtue of his Active Membership. **"Membership"** has a corresponding meaning.

**"Member's Account"** means the amount from time to time standing to the credit of a Member as described in Rule 6 of the DB Rules.

**"Minimum Pension Age"** means:

- (a) before 6 April 2010, age 50;
- (b) on and after that date, age 55 or such other age as applies under section 279 of the FA2004 from time to time;

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.

**"Non-eligible Jobholder"** means a Jobholder to whom Section 7 of the Pensions Act 2008 (jobholder's right to opt in) applies.

**"Normal Pension Date"** means:

- (a) if the Member's 65<sup>th</sup> birthday fell before the Amendment Date and his pension and lump sum retirement benefit had not come into payment before the Amendment Date, the Amendment Date; or
- (b) if the Member's 65<sup>th</sup> birthday fell before the Amendment Date and his pension and lump sum retirement benefit had come into payment before the Amendment Date, the 31 July coincident with or next following the Member's 65<sup>th</sup> birthday; or
- (c) otherwise, the later of the Member's 65<sup>th</sup> birthday and the Member's birthday coincident with or immediately preceding the date on which he attains State Pension Age, for all purposes of the Scheme

save that all benefits attributable to FS Pensionable Service accrued (or credited or, if so specified, treated as credited) before the Amendment Date, shall be calculated with reference to a Normal Pension Date that is the Member's 65<sup>th</sup> birthday.

**"Old Employees Pension Fund"** means the Employees Pension Fund established under section 11 of the Universities of Oxford and Cambridge Act 1923.

**"Opt in Notice"** means a notice given by a Non-eligible Jobholder under Section 7 or a notice given by an Entitled Worker under Section 9 of the Pensions Act 2008 and which satisfies the requirements of the relevant Section and any regulations made under it.

**"Opt out Notice"** means a notice given under Section 8 of the Pensions Act 2008 and which satisfies the requirements of that Section and any regulations made under it.

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

**"PA2004"** means the Pensions Act 2004.

**"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)).

**"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 Death Benefit"** has the meaning given by section 167 FA2004.

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

**"Pension Salary Sacrifice Arrangement"** means an arrangement between a Member and his Employer by which the Member has sacrificed earnings from his Employer in exchange for payment by his Employer to the Fund of additional contributions in respect of the Member. It includes the Salary Sacrifice Arrangement introduced from 1 April 2008 and known as "Salary Exchange for Pension Contributions" (or such other name as the Employer shall from time to time determine).

**"Pension Salary Sacrifice Contributions"** means contributions payable to the Fund by an Employer in respect of a Pension Salary Sacrifice Member while he is an Active Member which are equal in amount to the contributions which that Active Member would have made under Rule 4.1 of the DB Rules or Rule 4.1 f the DC Rules (as the case may be), if he had not entered into the Pension Salary Sacrifice Arrangement.

**"Pension Salary Sacrifice Member"** means a Member who participates in the Pension Salary Sacrifice Arrangement.

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

**"Pensionable Salary"** means:

- (a) in relation to a Member (other than an Irregular Employee), his basic salary or wages from the Employer, including:
  - (i) any regular overtime required under his contract of employment and treated by the Employer as part of normal remuneration;
  - (ii) any pensionable recurrent additions but excluding other overtime and fluctuating emoluments; and
  - (iii) subject to Rule 5.3 of the DB Rules and 6.3 of the DC Rules in respect of any period of Service during which a Salary Sacrifice Member participates in a Salary Sacrifice Arrangement, and for all purposes of the Scheme, any additional earnings which the Employer determines would have been included in that basic salary or wages if he had not been participating in the Salary Sacrifice Arrangement;
- (b) in relation to a Member who is an Irregular Employee, such payments as are agreed as part of the terms upon which he is admitted to Active Membership of the Scheme in accordance with Rule 1.5 of the DB Rules or Rule 1.5 of the DC Rules.

The Employer shall determine the Pensionable Salary of a Member, and the Trustees shall be entitled to rely upon the Employer's determination. In making such determination for the purposes of these Rules, the Employer may allocate Pensionable Salary received to such period as it reasonably considers appropriate.

**"Pensionable Service"** in relation to a Member, means the period of his Active Membership together with any further period credited to the Member by the Trustees by notice in writing to him from the Trustees under Rule 3 of the General Rules (Receiving Transfers) but excluding

any period of Pensionable Service in respect of which a refund of contributions has been made under Rule 12 of the DB Rules or Rule 13 of the DC Rules (Refund of Contributions). In the case of a Member who has ceased to pay contributions in consequence of his reaching the Maximum Period of Pensionable Service prior to 6 April 2006, his Pensionable Service shall be limited to the Maximum Period unless he has continued to pay contributions, or resumed payment of contributions, under Rule 4 of the DB Rules (Member Contributions) in which case the period after he has reached the Maximum Period of Pensionable Service and during which he has paid such contributions shall count as Pensionable Service.

**"Pensioner"** (except in the expressions "Deferred Pensioner" and "Postponed Pensioner") means a person who is a Member entitled to be receiving a pension under the Scheme.

**"Pensions Acts"** means the PA1995 and/or the PA2004 according to the context.

**"Postponed Pensioner"** means a Member still in Service with the consent of the Employer after his Normal Pension Date who has elected to cease making contributions to the Scheme (or, in the case of a Member who is a Pension Salary Sacrifice Member, for his Employer to cease to pay Pension Salary Sacrifice Contributions under Clause 26 of the Trust Deed (Employers' Contributions)) at Normal Pension Date in accordance with Rule 4.6 of the DB Rules and Rule 4.6 of the DC Rules or has ceased to pay contributions at any time thereafter as a result of withdrawing from Active Membership in accordance with Rule 3.2 of the DB Rules and Rule 3.2 of the DC Rules or a Member still in Service who is not making contributions to the Scheme and was as defined for the purposes of the Scheme at that time, and was not at that time making contributions to the Scheme.

**"Preservation Laws"** means the provisions of Chapter I of Part IV of the PSA relating to the rights of a Member on termination of his Active Membership.

**"Professional Adviser"** means an actuary, auditor, fund manager, legal adviser, surveyor or any other adviser appointed by the Trustees in accordance with section 47 of the PA1995.

**"Prospective Pensionable Service"** means after the Amendment Date, in relation to a Member, the additional Pensionable Service that he would have completed if he had remained an Active Member up to his Normal Pension Date. In the case of an Irregular Employee, the additional Pensionable Service that he would have completed if he had remained an Active Member up to his Normal Pension Date shall be determined by the Trustees having regard to the average rate at which the Member has accrued Pensionable Service since he became an Irregular Employee or over the last five years if this is a shorter period.

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

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

**"Public Sector Transfer Club"** means the reciprocal arrangements for the payment and receipt of transfer values made under section 7 of the Superannuation Act 1972.

**"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 Scheme"** has the meaning given by Section 16 of the Pensions Act 2008.

**"Qualifying Service"** means in respect of a Member at any date that part of his last or only period of Service up to that date which was pensionable under the Scheme at the time of such Service together with any period of employment in respect of which he is entitled to benefits under the Scheme by virtue of a transfer into the Scheme, provided that for the purposes of this definition:

- (a) any period of his Service which is separated from a succeeding period by:
- (b) an interval not exceeding one month, or

- (c) an absence from work wholly or partly because of pregnancy or confinement after which the Member returns to work in exercise of her statutory rights under the Employment Rights Act 1996, or
- (d) an absence from work in furtherance of a trade dispute as defined in the PSA

shall be deemed to be part of such succeeding period; and

- (a) there shall be included for the purposes of this definition any earlier period of the Member's Service which gave rise to an entitlement under the Scheme (being an entitlement which the Member has retained); and
- (b) any period during which the Member was deemed to be in Service for the purposes of the Scheme while not actually in the employ of the Employer shall be excluded; and
- (c) any period of service in a part-time Service shall be reckoned as Qualifying Service at its elapsed length of time; and
- (d) no period shall be reckoned twice.

**"Recognised Transfer"** means a recognised transfer within the terms of section 169 of the FA2004.

**"Reference Scheme Test"** means the provision of benefits on the same basis as the reference scheme under Section 12B of the PSA applicable to the statutory standard for contracting-out on a salary-related basis.

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

**"Review Date"** means 1st April or such other date as the University shall determine and notify to the Trustees.

**"Rule"** means any of the Rules.

**"Rules"** means these rules (including the Appendices) and any amendments or modifications made to them from time to time.

**"Salary Sacrifice Arrangement"** means any of the following:

- (a) any Pension Salary Sacrifice Arrangement introduced by an Employer (including the arrangement introduced by the University on or after 1 April 2008 known as "Salary Exchange for Pension Contributions" (or such other name as the Employer shall from time to time determine)); and
- (b) any other arrangement introduced by an Employer with the intention of reducing earnings chargeable to tax or national insurance contributions, in exchange for alternative forms of remuneration or reward offered from time to time to its employees.

**"Salary Sacrifice Member"** means a Member who participates in a Salary Sacrifice Arrangement.

**"Scale Benefits"** means the pension and lump sum benefits accrued in respect of a Member by his Pensionable Service and calculated with reference to Final Pensionable Salary.

**"Scheme"** means the University of Oxford Staff Pension Scheme governed by this Trust Deed and Rules.

**"Scheme Administration Member Payment"** has the same meaning as for the FA 2004.

**"Scheme Year"** means the period of twelve months from 1st April each year to the next following 31st March inclusive.

**"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 continuous permanent employment with an Employer.

**"SERPS Offset"** means in respect of a Member a percentage of Final Pensionable Salary to be notified to or in respect of the Member calculated by the Trustees for the purposes of Rules 14, 15, 16 and 23 of the DB Rules on the advice of the Actuary with reference to the Member's Pensionable Service prior to 6 April 1995 (if any) having regard among other things to the date when the Member reaches State Pension Age.

**"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 Credit"** means an amount credited by the Trustees with the consent of the University, pursuant to Rule 31 of the 1997 Deed and Rules, to a Member who was in Active Membership on 31 July 1998, in order to provide additional benefits in respect of him, and any other amounts which may have been credited to him under Rule 64 or Rule 66 of the rules of the Scheme dated 26 October 2000, and any other amounts which may be credited to him under Rule 3 of the General Rules (Receiving Transfers) or Rule 17 of the General Rules (Discretionary and Special Benefits) of these Rules.

**"Spouse"** means in respect of a Member:

- (a) a wife or husband to whom the Member was legally married at the date of the Member's death; or
- (b) any person with whom the Member was in a Civil Partnership at the date of the Member's death.

The terms "spouse" or "marriage" (or any corresponding expression) when used in the Scheme shall be treated as including the relationship of being Civil Partners (within the Civil Partnership Act 2004) or a married same sex couple (within the Marriage (Same Sex Couples) Act 2013) or the appropriate equivalent corresponding expression.

**"Staging Date"** in relation to an Employer of a particular description, means the date prescribed under Section 12 of the Pensions Act 2008 in relation to employers of that description.

**"Standard Cost Plan"** means the rate of accrual and the associated rate of Active Member contributions provided under Rules 14.7(b) and 4.1(b) of the DB Rules.

**"State Pension Age"** has the meaning of pensionable age given by paragraph 1 of schedule 4 to the PA1995.

**"Statutory Pension"** means the minimum pension in respect of a widow or widower that must be provided by the Scheme in order that it satisfies the statutory standard specified in section 12A of the PSA.

**"Subsisting Rights"** has the meaning given to that phrase by section 67A(6) of the PA2004.

**"Term-time Worker"** means an Employee who is remunerated only for a proportion of a relevant period of Service (typically but not necessarily only for academic terms). A relevant period for this purpose is any period of 365 consecutive days.

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

**"Trivial Commutation Lump Sum"** shall have the meaning given by Part 1 of Schedule 29 to the FA2004 (as modified by the Taxation of Pension Schemes (Transitional Provisions) Order 2006 (as amended)).

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

**"Trust Deed"** means the trust deed by which the Scheme is governed and any amendments or modifications made thereto from time to time.

**"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.

**"University"** means The Chancellor, Masters and Scholars of the University of Oxford or any other body or institution that assumes the obligations of the University pursuant to Clause 22 of the Trust Deed (Reconstruction or Amalgamation of the University).

**"Winding-up Date"** means the date of commencement of winding up of the Scheme determined by the Trustees under Clause 36.2 of the Trust Deed.

**"Winding-up Deficit"** means the amount determined under Clause 37.1(a) of the Trust Deed.

**"Winding-up Lump Sum"** has the meaning as defined in paragraph 10 of Schedule 29 to the FA2004.

**"Winding-up Lump Sum Death Benefit"** has the meaning as defined in paragraph 21 of Schedule 29 to the FA2004.

**"Winding-up Regulations"** means the Occupational Pension Scheme (Winding-up) Regulations 1996.

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

**Appendix 5****Early Retirement Reduction Factors****(APPENDIX B TO THE 1997 RULES)**

The reduction factors to be applied to the Member's pension and lump sum at the date of early retirement in accordance with Rule 15 or Rule 16 (both of which are references to the 1997 Rules) as appropriate shall be as follows. See the definition of "Early Retirement Factors" in Appendix 4.

<b>AGE AT DATE OF EARLY RETIREMENT</b>	<b>REDUCTION FACTOR APPLICABLE TO RULE 15(A)</b>	<b>REDUCTION FACTOR APPLICABLE TO RULE 16(B)</b>
<b>50</b>	<b>0.60</b>	<b>0.45</b>
<b>51</b>	<b>0.63</b>	<b>0.48</b>
<b>52</b>	<b>0.66</b>	<b>0.51</b>
<b>53</b>	<b>0.69</b>	<b>0.54</b>
<b>54</b>	<b>0.72</b>	<b>0.57</b>
<b>55</b>	<b>0.75</b>	<b>0.60</b>
<b>56</b>	<b>0.80</b>	<b>0.63</b>
<b>57</b>	<b>0.85</b>	<b>0.66</b>
<b>58</b>	<b>0.90</b>	<b>0.69</b>
<b>59</b>	<b>0.95</b>	<b>0.72</b>
<b>60</b>	<b>1.00</b>	<b>0.75</b>
<b>61</b>	<b>1.00</b>	<b>0.80</b>
<b>62</b>	<b>1.00</b>	<b>0.85</b>
<b>63</b>	<b>1.00</b>	<b>0.90</b>
<b>64</b>	<b>1.00</b>	<b>0.95</b>
<b>65</b>	<b>1.00</b>	<b>1.00</b>

The Member's age at retirement should be calculated to the nearest month and the appropriate factor found by interpolation.

**END**