

Date:

14th June

2018

- (1) The University of Sussex
- (2) The University of Sussex Pension & Assurance Scheme Trustee Limited

2018 Definitive Deed and Rules

relating to

The University of Sussex Pension and Assurance Scheme

I certify this to be a true and complete copy of the corresponding page of the original document and confirm that I have seen the original document.

OPamll 20th June 2018

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THIS DEED IS MADE THE 14th DAY OF June 2018

BY

- (1) **The University of Sussex** of Sussex House, Falmer, Brighton, East Sussex BN1 9RH ("the **University**") and
- (2) **The University of Sussex Pension & Assurance Scheme Trustee Limited** (registered no. 07187774) c/o the University at the above address ("the **Trustees**").

INTRODUCTION

- (A) The University established the **UNIVERSITY OF SUSSEX PENSION AND ASSURANCE SCHEME** ("the **Scheme**") under irrevocable trusts by a trust deed dated 28 September 1961.
- (B) The Scheme is currently governed by rules ("the **2010 Rules**") adopted by a deed dated 25 May 2010.
- (C) Under rule 20 of the 2010 Rules the University may authorise the Trustees in writing to alter or add to the 2010 Rules.
- (D) The University and the Trustees have agreed to replace the 2010 Rules with this deed and the rules scheduled to it.
- (E) The Trustees have taken advice from their legal advisers regarding the requirements of section 67 of the Pensions Act 1995 and section 37 of the Pension Schemes Act 1993 as they affect the amendments made by this Deed and the attached rules.

DECLARATION

- 1 In accordance with rule 20 of the 2010 rules and all other powers so enabling:
 - 1.1 the University hereby authorises the Trustees to amend the 2010 Rules in the manner set out in this Deed and the attached rules ("the **Rules**").
 - 1.2 The University and the Trustees declare that:
 - 1.2.1 the 2010 Rules are replaced by the Rules with effect from the date of this Deed (the "**Revision Date**"), and
 - 1.2.2 benefits for and in respect of a Member whose Pensionable Service ended before the Revision Date will be calculated under the rules in force when such Member's Pensionable Service ended under such rules (the "**Previous Rules**") provided that rules 6.2 (augmentation), 16 (an Employer stops contributing), 17 (all Employers stop contributing), 18 ((Priority classes on termination), 19 (providing termination benefits), 30.5 (trivial pension), 31.8 (payment of lump sums), 31.9 (funeral expenses) and 31.10 (small estates), 35 (transfer options), 36 (benefit rights in special cases), 38 (contracting-out) of the Rules will apply to such a Member in place of the corresponding provisions in the Previous Rules.

- 1.3 Nothing in the Rules will operate so as to invalidate or affect the exercise of any power or discretion before the Revision Date by the Trustees, the Employers and the beneficiaries under the Scheme or by any of them.
- 1.4 Any lump sum which became payable on the death before the Revision Date of any person shall be paid or applied in accordance with the provisions of the rules in force when such person died.
- 1.5 To safeguard the Scheme against any error in the Rules, if any benefits otherwise payable or prospectively or contingently payable under the Rules exceed those which would have been so payable under the Scheme immediately before the Revision Date, no beneficiary shall have any entitlement to the excess. This clause overrides any contrary provision in the Rules.

IN WITNESS the parties have made this Deed on the date first shown above.

Executed as a Deed by affixing the common seal of
THE UNIVERSITY OF SUSSEX acting by:



Al C. Chell

Signature

M. Williams

Signature

Executed as a Deed by **THE UNIVERSITY OF SUSSEX PENSION & ASSURANCE SCHEME LIMITED** acting by a director and its secretary or by two directors:

[Signature]

Director

[Signature]

Director/Secretary

RULES

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PART 1
INTERPRETATION AND DEFINITIONS

1 INTERPRETATION

- 1.1** English law applies to the Scheme. A reference to an Act of Parliament or a regulation includes a connected amendment, consolidation, Act or regulation.
- 1.2** Where an event occurred before an Act of Parliament became law, a reference to that Act means a reference to the provisions applying at the time.
- 1.3** A reference to any legislation applicable to only part of the United Kingdom includes a reference to the corresponding legislation (if any) applicable to any other part of the United Kingdom.
- 1.4** Unless it is inconsistent with the context, the singular includes the plural and vice versa.
- 1.5** Nothing in the Rules will restrict or fetter an Employer's right to dismiss any Employee. No loss of any right, or prospective right, to benefits under the Scheme may be used by any Member to increase a claim for damages in any action, claim or counterclaim against his or her Employer in connection with his or her dismissal.
- 1.6** Any provision for consent or power given to an Employer under these rules is not fiduciary.
- 1.7** The headings in the Rules are for reference purposes only and will not affect the interpretation of the Rules or the deed introducing them.
- 1.8** Unless the reference in question specifically states otherwise or the context requires otherwise, a reference in the Rules to:
- 1.8.1 a spouse shall be interpreted to include a spouse of the opposite sex to the Member and a spouse of the same sex as the Member;
 - 1.8.2 a Member who marries shall be interpreted to include a Member who marries a person of the opposite sex and a Member who marries a person of the same sex;
 - 1.8.3 marriage shall be interpreted to include a marriage of persons of the opposite sex and a marriage of persons of the same sex;
 - 1.8.4 divorce shall be interpreted to include a divorce of a marriage between persons of the opposite sex and a divorce of a marriage between persons of the same sex;
 - 1.8.5 a widow shall be interpreted to include a woman who was married to a man and a woman who was married to a woman; and
 - 1.8.6 a widower shall be interpreted to include a man who was married to a woman and a man who was married to a man.

2 DEFINITIONS

Words in the Deed and Rules, including the Schedule, which begin with a capital letter or letters, and which are listed below, have the following meanings:

Accrued GMP	<p>for a Member the amount of guaranteed minimum pension (if any) (excluding increases before it comes into payment) accrued during a period of Contracted-out Employment before 6 April 1997 and calculated in accordance with the Pension Schemes Act 1993.</p> <p>The spouse's Accrued GMP is 50% of the Member's Accrued GMP provided that this will be based solely on earnings between 6 April 1988 and 5 April 1997 where:</p> <ul style="list-style-type: none">(i) the spouse is a widower who is of the opposite sex as the Member;(ii) the spouse is a widow or widower who is of the same sex as the Member; or(iii) the Member has a Civil Partner at the time of his death.
Acquiring Employer	<p>an employer other than an Associated Employer, which acquires an Employer or a part of its undertaking, or is a business associate of such employer.</p>
Actuarially	<p>a basis of calculation which the Trustees adopt and the Actuary confirms is reasonable.</p>
Actuary	<p>any individual appointed as the Scheme actuary under rule 11 who is a Fellow of the Institute and Faculty of Actuaries. Where the Pensions Act 1995 requires, the Actuary must not be a trustee of the Scheme.</p>
Associated Employer	<p>an employer which is associated in business with the University.</p>
Auditor	<p>a person or firm appointed as auditor to the Scheme under rule 11 and in accordance with the requirements of the Pensions Act 1995.</p>
AVC Account	<p>an account made up of the accumulated value of a Member's AVCs, less a share of any appropriate expenses under rule 4.1; subject to rule 5.2.</p>
AVC Fund	<p>the aggregate of all Members' AVC Accounts.</p>
AVCs	<p>a Member's voluntary contributions under rule 28.7 and his or her voluntary contributions transferred to the</p>

Scheme but not any which are refunded, or applied on the basis that they are not payable on Pensionable Service ending or death.

Beneficiaries

are:

- (a) a Member's Qualifying Partner,
- (b) a descendant of the Member or of the Member's Qualifying Partner; and the spouses or Civil Partners of those descendants,
- (c) an ancestor of the Member or of the Member's Qualifying Partner and those ancestors' descendants; and the spouses or Civil Partners of those ancestors or descendants,
- (d) any brother, sister, uncle or aunt (whether of the whole or half-blood) of the Member or of the Member's Qualifying Partner; and the descendants, spouses or Civil Partners of such brothers, sisters, uncles or aunts,
- (e) a person who in the Trustees' opinion the Member has at any time wholly or partly maintained or financially assisted,
- (f) a person (or body of persons, whether or not incorporated) who is named as a beneficiary in the Member's will (or if he or she dies intestate, who has an interest in his or her free estate),
- (g) a person whom the Member has asked the Trustees in writing to consider as a recipient of death benefits.

In this definition a person's legally adopted child or stepchild is regarded as his or her natural child and an illegitimate child is regarded as legitimate.

Cash Equivalent

the cash equivalent (as determined in accordance with the Pension Schemes Act 1993) of the benefits payable to and in respect of a Member, scaled down if necessary to comply with the requirements of the Occupational Pension Schemes (Transfer Values) Regulations 1996.

Cash Transfer Sum

the cash transfer sum as defined in section 101AB of the Pension Schemes Act 1993.

- Civil Partner** a person who is the Civil Partner of another person for the purposes of the Civil Partnership Act 2004.
- Contracted-out Employment** employment with an Employer which was contracted-out employment for the purposes of the Pension Schemes Act 1993 by reference to the Scheme.
- Dependent Child** means:
- (a) any person's child or legally adopted child, or
 - (b) any person's step-child by virtue of a marriage entered into by that person, or
 - (c) any person's illegitimate child who has been legitimised by a marriage entered into by that person, or
 - (d) any child towards whose maintenance a person was legally liable to contribute before his or her death otherwise than under the terms of a deed of covenant or other contract voluntarily entered into by that person.

A child is only a Dependent Child while he or she is:

- (a) under age 18, or
- (b) under age 23 and in full-time educational or vocational training, or
- (c) at the Trustees' discretion, under age 23 and in education or training given in the course of employment.

For the purposes of this definition a child includes a Member's legally adopted child or the Member's step-child provided the step-child was, in the Trustees' opinion, financially dependent on the Member

provided that:

- (i) if in the Trustees' opinion the child is suffering from a permanent physical or mental incapacity which makes him incapable of supporting himself, he or she will not have to satisfy the conditions in (a), (b) or (c) and will continue to be a Dependent Child for the rest of his or her life, and
- (ii) if the person dies within 6 months of entering into a marriage after retirement, the Trustees will have

absolute discretion as to whether any child or step child will be recognised as a Dependent Child for the purposes of this definition.

Employee	an employee of an Employer. In the event of any dispute as to whether a person is an employee of an Employer, the Employer's decision will be final.
Employer	the University and any Associated Employer or Acquiring Employer which participates in the Scheme.
Ex-Spouse	has the meaning described in the Schedule to the Rules (pension sharing). The Rules will apply to an Ex-Spouse to the extent that the Trustees decide is necessary for the purpose of providing the benefits to be provided under the relevant provisions of the Schedule.
Final Pensionable Earnings	the highest annual rate of a Member's Pensionable Earnings in the period of 3 years ending on the date his or her Pensionable Service ends.
Full-time Employee	a Member whose normal basic working week with his or her Employer is at least the standard working week (which must not be less than 30 hours) as determined in relation to a Member by the Employer and notified to the Member and the Trustees in writing.
Fund Share	such part of the Main Fund which the Trustees, taking into account the Actuary's advice and the assets and liabilities of the Scheme, decide relates to the Termination Beneficiaries concerned, less any amount that the Trustees deduct to pay expenses.
Funds	the Main Fund and the AVC Fund together.
GMP	<ul style="list-style-type: none">(a) for a Member, the guaranteed minimum amount of pension required by section 14 of the Pension Schemes Act 1993 in relation to Contracted-out Employment before 6 April 1997(b) for a widow who is of the opposite sex to the Member; an amount equal to 50% of the amount in (a) above(c) for the widower of a female Member or the widow or widower who is the same sex as the Member, an amount equal to 50% of the amount in (a) above which is based on earnings between 6 April 1988 and 5 April 1997

- (d) for the Civil Partner of a Member, an amount equal to 50% of the amount in (a) above which is based on earnings between 6 April 1988 and 5 April 1997.

GMP Pension Age

means a man's 65th birthday and a woman's 60th birthday

GMP Revaluation

means where a Member's Contracted-out Employment ended before GMP Pension Age or a Member's GMP starts after GMP Pension Age:

- (a) for a Member, the excess of (a) his or her GMP over (b) his or her Accrued GMP
- (b) for a widow who is of the opposite sex to the Member, 50% of the excess of (a) the Member's GMP when he or she dies over (b) his or her Accrued GMP
- (c) for a widower who is of the opposite sex to the Member or the widow or widower who is of the same sex as the Member, the excess of (a) the GMP of the widower who is of the opposite sex to the Member or the GMP of the widow or widower who is of the same sex as the Member when the Member dies over (b) 50% of the Member's Accrued GMP
- (d) for the Member's Civil Partner, the excess of (a) the Civil Partner's GMP when the Member dies over (b) 50% of the Member's Accrued GMP.

Only if Transferred GMP is expressed as part of another amount will it be used to calculate GMP Revaluation.

This definition is subject to rule 38.4 in relation to any Member who ceased to be in Contracted-out Employment on 6 April 2016.

Graduated Pension

a pension required by the National Insurance Act 1965 for membership of the Scheme or following a transfer into the Scheme.

IDS

means the Institute of Development Studies.

Incapacity

physical or mental deterioration in the Member's health which the Trustees consider, acting solely on Written Medical Evidence, makes the Member permanently incapable of carrying on his or her normal occupation because of physical or mental impairment. In order to

fall within this definition, the Member must have actually ceased to carry on his or her occupation.

Insurance Company

an insurance company as defined in section 275 of the Finance Act 2004.

Lifetime Allowance

the lifetime allowance under section 218 of the Finance Act 2004

Main Fund

all assets of the Scheme other than those in the AVC Fund.

Member

a person who became a Member of the Scheme before it was closed to new entrants or is otherwise admitted to membership of the Scheme by IDS under rule 27.9. For the avoidance of doubt, a person who is admitted to membership by IDS under rule 27.9 will only be entitled to such benefits as are agreed by IDS, the University and the Trustees under rule 27.9. A person will remain a Member for as long as he or she is entitled to any benefit from the Scheme.

Member Contributions

a Member's contributions that have been paid under rule 28.1 (or any equivalent rule under the previous provisions in force) and any transferred-in assets which are treated as his or her contributions to the Main Fund. Any contributions which are refunded or applied on the basis that they are not payable on Pensionable Service ending or death will be ignored.

Minimum Payments

has the same meaning as in section 8(2) of the Pensions Scheme Act 1993. Minimum payments were payable to the Scheme in relation to the period from 6th April 1997 up to 6th April 2012 when a Member was contracted-out on a protected rights basis.

Normal Retirement Date

- (a) the 30th September following the Member's 65th birthday, or
- (b) where the Member's birthday falls on 30th September, the Member's 65th birthday.

If a Member's employment terms allow him to retire at another age and the Trustees agree, Normal Retirement Date will mean the age that the University notifies to him.

Part-time Employee

a Member whose normal basic working week with his or her Employer is less than the standard working week as determined in relation to a Member by the Employer

and notified to the Member and the Trustees in writing

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 Main Fund of contributions in respect of the Member. It includes the salary sacrifice arrangement known as "Salary Exchange" or such other name as an Employer shall from time to time determine.

Pension Salary Sacrifice Member means a Member who participates in a Pension Salary Sacrifice Arrangement.

Pension Salary Sacrifice Contributions means contributions payable to the Main Fund by an Employer in respect of a Pension Salary Sacrifice Member while he is a Member which are equal in amount to the contributions that the Member would have made under rule 28.1 if he had not entered into the Pension Salary Sacrifice Arrangement.

Pensionable Earnings in any period the Member's basic salary or wages from his or her Employer for that period adjusted to include any contractual permanent additions and retrospective pay awards in respect of that period which are notified to the Member by the University as being pensionable. Pensionable Earnings shall include in respect of any period of Pensionable Service during which a Salary Sacrifice Member participates in a Salary Sacrifice Agreement, and for all purposes of the Scheme, any additional earnings which his Employer determines would have been included in that Member's basic salary or wages if he had not been participating in the Salary Sacrifice Arrangement.

Rule 33 (absence from work) and Rule 39 to the Rules (Members with part-time Service) may affect this definition.

In the event of any dispute as to whether a particular payment forms part of Pensionable Earnings, the University's decision will be final.

Pensionable Service continuous Service after becoming a Member until

- (a) the day before Normal Retirement Date or
- (b) the date Pensionable Service ends under rule 29.2

(early retirement), or

(c) the date Pensionable Service ends under rule 29.5 (late retirement), or

the earlier date on which his or her Pensionable Service ends under rule 27.5 (opting-out).

Whether it ends before or after Normal Retirement Date, a Member's Pensionable Service will be limited to 40 years.

In the case of a Member who was unable to join the Scheme until either age 21 or age 25 and who, when his or her Pensionable Service ends has completed 40 or more years continuous Service since age 18, his or her Pensionable Service will be increased to 40 years.

At the discretion of the Trustees, the periods before and after a break in a Member's Pensionable Service may be treated as continuous Pensionable Service if the break is 31 days or less.

In determining a Member's Pensionable Service, no period of time may be counted twice.

Rule 33 (absence from work) and Rule 39 to the Rules (Members with part-time Service) may affect this definition.

Post 2012 Money Purchase Pension

means the value of the Member's pension attributable to contributions paid by the Member under rule 28.1 on and after 6 April 2012 and, in the case of a Member who was a Salary Sacrifice Member, the value of any Pension Salary Sacrifice Contributions. The Post 2012 Money Purchase Pension will be calculated by the Trustees, acting on the advice of the Actuary (taking into account the investment return on the Member's contributions and the provision of increases in payment and benefits on death).

Pre 2012 Money Purchase Pension

means the sum of:

- (1) the Member's Protected Rights Pension; and
- (2) the value of the Member's pension attributable to contributions paid by the Member under rule 28.1 after 5 April 1997 up to 6 April 2012, and, in the case of a Member who was a Salary Sacrifice Member, the value of any

Pension Salary Sacrifice Contributions, but ignoring:

- (A) the Member's share of the Minimum Payments; and
- (B) in the case of a female Member who remains in Pensionable Service after State Pension Age and in respect of whom Minimum Payments were payable on the day before her State Pension Age, an amount equal to the share of the Minimum Payments which the Member would have paid after State Pension Age if she had been male.

The pension under (1) and (2) above will be calculated by the Trustees, acting on the advice of the Actuary (taking into account the investment return on the Member's contributions and the provision of increases in payment and benefits on death).

Preservation Date

- (a) in the case of a Member whose Pensionable Service ends before age 60, his or her 60th birthday, or
- (b) in the case of a Member whose Pensionable Service ends on or after his or her 60th birthday, Normal Retirement Date

provided that where the Member's pension under the Scheme consists solely of GMP, the "Preservation Date" will be the Member's GMP Pension Age.

Protected Rights Pension

means (where appropriate) the pension attributable to a Member's protected rights as described in section 10(2) of the Pension Schemes Act 1993 as it had effect immediately before its repeal on 6 April 2012.

Protected Rights Rules

means the statutory provisions relating to protected rights as they had effect immediately before 6 April 2012.

Qualifying Partner

the Member's legal spouse or Civil Partner. If there is no legal spouse or Civil Partner the Trustees, at their sole discretion, may decide that an adult person (other than a Dependent Child) who, in their opinion, was wholly or partly financially dependent on the Member will be the Member's Qualifying Partner for the purposes of the

Scheme.

If more than one person claims to be a Member's spouse or Civil Partner, the Trustees may in their absolute discretion recognise such person as the Member's spouse or Civil Partner as they see fit.

Registered Scheme

a scheme which is registered or seeking registration in accordance with section 153 of the Finance Act 2004.

Registration

registration of a pension scheme under Chapter 2 of Part 4 of the Finance Act 2004.

Related Schemes

are Registered Schemes, other than the Scheme, which provide Relevant Benefits for Service with an Employer.

Relevant Benefits

are benefits which may be provided by a Registered Scheme.

Revaluation Increase

if a Member's Pensionable Service ends at least one year before Preservation Date:

$A \times (B - C)$

Where:

A is the lesser of:

- (i) 5% per annum compound, or
- (ii) the percentage increase (over the reference period under paragraph 2 of Schedule 3 to the Pension Schemes Act 1993) in the general index of retail prices (for all items) published by the Office for National Statistics or, if that index is not published, any substituted index or index figures published by that Office or its successors

for the period from Pensionable Service ending to Preservation Date.

B is the sum of the Member's pensions under rule 29.8.1, rule 29.8.2(a) and rule 29.8.3(a).

C is the Member's Accrued GMP. Only if Pensionable Service is increased due to a transfer into the Scheme will any related Transferred GMP be used in C.

Revenue	HM Revenue & Customs (or any other name by which it may be known from time to time) or any other body which may succeed it as the authority responsible for Registered Schemes.
Rules	these rules and any amendment of these rules. The Schedule to these Rules forms part of the Rules.
Salary Sacrifice Arrangement	means any of the following: (1) the Pension Salary Sacrifice Arrangement; and (2) 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.
Scheme	the University of Sussex Pension and Assurance Scheme.
Scheme Administrator	the scheme administrator for the purposes of section 270 of the Finance Act 2004.
Scheme Year	a year starting on 1 April.
Serious Incapacity	physical or mental deterioration in the Member's health the consequence of which the Trustees decide (acting solely on Written Medical Evidence) is that the Member has a life expectancy of less than one year.
Service	unless the Rules state otherwise, a Member's latest or only period of continuous service with a current or former Employer. In the event of any dispute as to the length of a person's Service, the University's decision will be final.
State Pension Age	means pensionable age under Schedule 4 to the Pensions Act 1995.
State Scheme Premium	a payment by the Trustees to the State to meet: (a) GMP liabilities, or (b) rights for contracted-out employment under the Pension Schemes Act 1993 from 6 April 1997 to 5 April 2016 so far as they are attributable to the

	amount of the premium.
Statutory Leave	<p>(a) ordinary maternity leave (as provided for in section 71 of the Employment Rights Act 1996) and any additional maternity leave (as provided for in section 73 of the Employment Rights Act 1996) where Statutory Pay is paid,</p> <p>(b) ordinary adoption leave (as provided for in section 75A of the Employment Rights Act 1996) and any additional adoption leave (as provided for in section 75B of the Employment Rights Act 1996) where Statutory Pay is paid, or</p> <p>(c) statutory paternity leave (as provided for in section 80A of the Employment Rights Act 1996).</p>
Statutory Pay	statutory maternity pay, statutory adoption pay, or statutory paternity pay, all as described in the Employment Act 2002.
Tax Year	a year starting on 6 April.
Termination Beneficiaries	persons employed by the Employer and their dependants who have an entitlement to Scheme benefits on the Termination Date.
Termination Benefits	the benefits to which persons and their dependants are entitled under the Scheme which are to be provided by applying the Main Fund in accordance with rule 19 (termination). If Pensionable Service has not ended they are calculated as if it ended on the Termination Date. The Trustees may instead pay immediate pensions if the Rules would otherwise allow.
Termination Date	<p>(a) the date the Employer's liability to contribute ends, or</p> <p>(b) where an Acquiring Employer is involved, any later date it stops participating.</p>
Transferred GMP	GMP rights which result from a transfer into the Scheme.
Trustees	the trustees or sole trustee for the time being of the Scheme.
University	the University of Sussex or a corporation, company firm or person who assumes its obligations under rule 14.1

Written Medical Evidence

a written opinion received by the Trustees regarding the state of health of the Member from a medical practitioner who is a fully registered person within the meaning of the Medical Act 1983 or, in the case of a Member who is resident outside the United Kingdom, from a medical practitioner who is a person holding equivalent overseas qualification (whether or not such opinion was obtained from a practitioner appointed by the Trustees).

PART 2
ADMINISTRATION

3 PURPOSE OF THE SCHEME

3.1 Scheme purpose

The Trustees will hold the Funds on trust for the purpose of providing Relevant Benefits for Members and their dependants and other persons in accordance with the Rules.

3.2 Legal and regulatory compliance

The Trustees will administer the Scheme to comply with the relevant provisions of the Pension Schemes Act 1993, the Pensions Act 1995, the Pensions Act 2004 and the Finance Act 2004 and to maintain Registration. The Trustees will be the Scheme Administrator unless, with the University's approval, they appoint another person in the United Kingdom to be the Scheme Administrator.

3.3 Payments in Sterling and in the United Kingdom

All payments into and out of the Scheme will be made in Sterling in the United Kingdom unless the Trustees agree otherwise in any particular case. If they agree to do so then the Trustees alone will specify the exchange rate.

3.4 Power to accept donations

The Trustees may accept donations or bequests or the transfer of any monies or property from any person or body and apply them for the purpose of the Scheme as they see fit.

4 ADMINISTRATION EXPENSES, TAX AND CHARGES

4.1 Tax liabilities and expenses

The Trustees will meet any tax liabilities and charges arising under the Finance Act 2004 for which they are liable as Scheme Administrator, and any expenses including:

4.1.1 the administration expenses of the Scheme including the cost of professional services, and

4.1.2 the expenses to maintain, invest and insure the Funds

from the Main Fund or the AVC Fund as appropriate.

If a tax liability or any liability for an unauthorised payments charge (as defined in section 208 of the Finance Act 2004) or a lifetime allowance charge (as defined in section 214(1) of the Finance Act 2004) or for any other charge under the Finance Act 2004 arises on paying a benefit or sum from the Funds, the Trustees may reduce the benefit or sum by the tax or charge.

4.2 Ability to recover unpaid employer contributions

Nothing in rule 4.1 will prevent the Trustees from reclaiming any unpaid contributions from the Employers.

5 AVC FUND

5.1 The Trustees will administer the AVC Fund:

5.1.1 to maintain a separate AVC Account for each Member and so its value can be calculated at any time, and

5.1.2 to provide Relevant Benefits under rule 28.7 and for liabilities for taxes, charges and expenses relating to the AVC Fund which are not paid by the Employers.

5.2 Treatment of AVC Account when Scheme benefits become payable

When Scheme benefits become payable in respect of a Member, unless the Trustees decide otherwise, his or her AVC Account will become part of the Main Fund.

5.3 Annual details of a Member's AVC Account

The Trustees will send a Member the annual details of his or her AVC Account.

6 MAIN FUND

6.1 Application

Subject to rule 18.1 (priority classes on termination), the Trustees will use the Main Fund:

6.1.1 to provide Relevant Benefits to which Members and their dependants are entitled under the Scheme but in relation to AVCs only if rule 5.2 requires it

6.1.2 to meet liabilities for taxes, charges and expenses under rule 4 which are not payable from the AVC Fund or paid by the Employers, and

6.1.3 for any other purpose permitted by the Rules.

6.2 Augmentation

The Trustees may, with the consent of, or at the request of, the University use the Main Fund:

6.2.1 to provide

(a) extra Relevant Benefits, or Relevant Benefits not otherwise payable, for or in respect of a Member or his or her dependants, or

(b) Relevant Benefits for or in respect of an Employee or former Employee who is not a Member and his or her dependants, or

6.2.2 to pay interest, at such commercial rate as they decide, on sums due under the Scheme that are not paid within 28 days.

If, after taking the Actuary's advice, the Trustees decide that providing benefits under this rule may prejudice the security of Relevant Benefits for other persons, they may require the Employers to contribute extra to the Main Fund.

7 ACTUARIAL VALUATION AND STATUTORY FUNDING OBJECTIVE

7.1 Actuarial valuation

The Trustees will arrange for the Actuary to value the Main Fund's assets and liabilities and:

7.1.1 recommend appropriate rates of Employers' contributions and

7.1.2 report to them on the financial position of the Main Fund

at intervals up to 3 years. The Trustees will make a copy of the Actuary's report available to the Employers within 7 days of receiving it.

7.2 Statutory funding objective

Unless the Scheme is exempt by virtue of regulations made under section 221 of the Pensions Act 2004, the Trustees will comply with the requirements of Part 3 of the Pensions Act 2004 regarding the statutory funding objective.

7.3 Funding reports

As and when required by the Pensions Act 1995, the Trustees will arrange for the Actuary to prepare a signed report on the value of the Main Fund's assets and liabilities in accordance with the provisions of Part 3 of the Pensions Act 2004.

7.4 Main Fund in surplus

If any actuarial valuation under rule 7.1 shows a surplus of assets the University, after consulting the Actuary, may direct the Trustees to take action in any one or more of the following ways:

7.4.1 a reduction in or suspension of contributions by some or all of the Members under rule 28.1,

7.4.2 a reduction in or suspension of contributions by Employers paid under rule 28.3,

7.4.3 the provision of additional benefits under rule 6.2 (augmentation),

7.4.4 payment to one or more of the Employers, subject to the deduction of any tax for which the Trustees are liable as Scheme Administrator. The Trustees may only apply surplus in this way if they agree and the requirements of section 37 of the Pensions Act 1995 are first satisfied.

8 TRUSTEES' APPOINTMENT AND REMOVAL

8.1 The Trustees will arrange for Member nominated trustees (or Member nominated directors in the case of a sole corporate trustee) to be appointed in accordance with the terms of section 241 or section 242 of the Pensions Act 2004. Subject to the provisions of that Act, the following will apply:

8.1.1 there will be less than three trustees only if a company is the sole trustee. However if the number of individual trustees falls below three, the remaining trustees may, pending the appointment of a new trustee or trustees, continue to act temporarily as trustees.

8.1.2 the University may by deed (which may be executed by it alone) remove any Trustee from office and must remove any trustee from office who is disqualified from being a trustee under section 29 of the Pensions Act 1995.

A trustee may be removed under this rule without the trustee first having to give 1 months' notice to the University under rule 8.1.3.

8.1.3 A trustee may resign from office as a trustee by giving 1 month's written notice to the University. The University will execute a deed to remove him from office.

8.1.4 The University may by deed executed by it and any new or additional trustee, appoint a new trustee either:

(a) as an additional trustee, or

(b) in place of a trustee who dies or is removed from office.

8.1.5 Unless it decides otherwise, the University will, by deed, appoint a new trustee or trustees as soon as practicable if the number of trustees falls below the minimum number mentioned in rule 8.1.1.

If the number of trustees remains below the minimum in rule 8.1.1 for more than 3 months, the University will be deemed to be appointed as an additional trustee and the University will execute such documents as may be necessary to give proper effect to its appointment.

8.1.6 A trustee who leaves office for whatever reason must take such action as may be necessary to ensure that the continuing trustees have a valid title to the Funds.

8.2 Trustee may benefit

A Trustee, or the director of a corporate body which is a Trustee, may validly execute his or her trustee duties even if he or she is entitled to receive benefits under the Scheme or has an interest in the result of his or her actions.

8.3 Conflicts of Interest

A Trustee, or the director of a corporate body which is a Trustee, must exercise his or her trustee duties in accordance with the requirements of the Pensions Regulator and, in the case of a director of a corporate body, the Companies Act 2006.

8.4 Remuneration

A person may be paid such remuneration for acting as a Trustee as may be agreed between the University and the person concerned. The agreed remuneration may be treated as an expense under rule 4

8.5 Expenses

A Trustee's out of pocket expenses are treated as an expense under rule 4. If a Trustee is engaged in a profession or is a corporate body he or she is entitled to charge for work related to the Scheme. The work will be treated as an expense under rule 4.

8.6 Trustee appointed by the Pensions Regulator

If an independent person is appointed as a Trustee under section 23 of the Pensions Act 1995, all reasonable expenses incurred by such a Trustee and the reasonable fees for acting in that capacity, will be treated as an expense under rule 4.

9 INVESTMENT POWERS

9.1 Statutory requirements

The Trustees and any investment manager to whom their powers have been delegated under rule 10.1 must exercise the investment power under this rule in accordance with the requirements of section 36 of the Pensions Act 1995 and, where a transaction requires the Trustees or the investment manager to borrow money or act as a guarantor, section 36A of the Pensions Act 1995.

9.2 Scope of power

The Trustees must comply with any controls on employer-related investments under section 40 of the Pensions Act 1995. The Trustees may apply the Funds to:

- 9.2.1 current and deposit accounts with a bank, building society, local authority or other financial institution
- 9.2.2 hold an annuity or assurance contract or a deposit administration or managed fund arrangement with an Insurance Company
- 9.2.3 invest in stocks, shares, debentures or debenture stocks, units of a unit trust or other securities; and underwrite, sub-underwrite or guarantee the subscription of any of these investments, upon terms they arrange
- 9.2.4 purchase and dispose of an interest in land or personal property and manage or develop it as the Trustees see fit

9.2.5 deal in traded options and financial futures regarded as investments by virtue of section 659A of the Income and Corporation Taxes Act 1988

9.2.6 lend money to any person on security which the Trustees think fit or borrow money for a Scheme purpose.

The Trustees may also apply the Funds as if they were absolute owners of the Funds.

9.3 Power to give indemnities and encumber assets

The Trustees may for the purposes of rule 9.2 give indemnities secured on the Funds, grant mortgages or charges over the Funds and provide such undertakings or warranties as they think fit in relation to the Funds.

10 MANAGING INVESTMENTS AND BANK ACCOUNT

10.1 Investment managers

Subject to rules 11.2 and 11.3 (agents and delegation) the Trustees may appoint and dismiss investment managers to manage the investment of any of the Funds and delegate investment decisions to them.

An investment manager must

10.1.1 be an authorised person who has permission to carry on activities of the kind specified by article 37 of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001; and

10.1.2 have regard to the requirements of rule 9 and the statement of investment principles maintained by the Trustees in accordance with section 35 of the Pensions Act 1995.

10.2 Custodians

The Trustees may appoint and dismiss custodians to hold assets of the Funds. The Trustees will decide the terms on which any custodian will hold assets or exercise any rights in respect of those assets.

10.3 Insurance

The Trustees may insure assets of the Funds for amounts which they decide are appropriate.

10.4 Pooling investments

Subject to the consent of the Revenue if required, the Trustees may pool and jointly invest Scheme assets with another Registered Scheme if:

10.4.1 the University or an Associated Employer contributes to the other scheme, and

10.4.2 the Trustees agree in writing with the trustees of the other scheme, how to share expenses, income, gains and losses.

The Trustees may pool investments on a unitised basis (or any other basis) where:

10.4.3 a custodian holds and administers the investments of the participating schemes, and

10.4.4 the interests of the trustees of the participating schemes are restricted to the units issued by the investment manager and do not extend to the underlying assets.

10.5 Statement of investment principles

The Trustees will comply with the requirements of section 35 of the Pensions Act 1995 regarding the preparation and maintenance of a statement of investment principles.

10.6 Bank account

The Trustees will keep any money they receive in a separate account at an institution authorised and regulated under the Financial Services and Markets Act 2000 or make other arrangements which satisfy the Pensions Act 1995.

11 SECRETARY, AGENTS, DELEGATION AND PROFESSIONAL ADVICE

11.1 Secretary

The Trustees may appoint a person who may be a Member to be secretary to the Trustees.

11.2 Agents and professional advice

In accordance with section 47 of the Pensions Act 1995, the Trustees alone:

11.2.1 must appoint and keep appointed, an Auditor and an Actuary,

11.2.2 if the Scheme has investments within the meaning of the Financial Services and Markets Act 2000, must appoint and keep appointed an investment manager,

11.2.3 may appoint and keep appointed a legal adviser,

11.2.4 may appoint and keep appointed a custodian, and

11.2.5 may delegate any of their relevant powers and discretions to an adviser mentioned in this rule 11.2 whether incorporated or not.

11.3 Delegation

The Trustees may delegate any of the Trustees' powers and discretions to any person or persons, whether incorporated or not. A delegation of any of the Trustees' powers and discretions about investment decisions to some of their number under this rule must be to two or more of the Trustees.

11.4 Agents and third party services

In addition to their powers under rule 11.1, the Trustees may, with the University's agreement:

11.4.1 employ agents to perform any administrative duties

11.4.2 obtain professional advice and services when they think it necessary for the management of the Scheme.

11.5 Reliance on advice

The Trustees may rely on the skill or judgement of a professional adviser only if appointed under rule 11 or if the investment manager has sub-delegated part of his or her function.

11.6 Discharges

A person who deals with anyone who the Trustees have authorised in writing under rule 11 will be protected as if he or she was dealing with the Trustees.

12 MEETINGS, DECISIONS, ACCOUNTS, PAYMENTS AND RECORDS

12.1 Meetings

If at least one Trustee is an individual the following provisions apply:

12.1.1 the Trustees must meet at least twice a year and will make regulations to govern their meetings but must comply with the rest of this rule 12.1.

12.1.2 a majority of the Trustees present at a meeting (either in person or by means of a telephone conference call or audio-visual link) will form a quorum. At meetings all business will be decided by a majority of the votes of the Trustees present and voting. If a vote is tied the person chairing the meeting will have a casting vote.

12.1.3 the Trustees may appoint one of their number to take the chair at Trustees' meetings and may appoint another Trustee to replace him or her at any time. The appointment will be decided by a majority of the Trustees present and voting and if there is a tie the person will be chosen by lot.

12.1.4 if the person appointed cannot attend a meeting he or she may nominate another Trustee to chair that meeting. If no alternative person has been nominated, a majority of the Trustees present will elect the person to chair the meeting. If there is a tie, the person will be chosen by lot.

12.1.5 a notice will be sent to each Trustee's last known address at least 10 days (ignoring weekends, public holidays, bank holidays and the day of the meeting itself) before a meeting unless it is urgent to make a decision. The notice will state the meeting's date, time and place.

12.2 Written decisions

A written decision is as valid as a decision made at a meeting if all of the Trustees signed the decision or a copy of it.

12.3 Corporate trustee

A corporate trustee will conduct its affairs and make decisions in accordance with its memorandum and articles of association.

12.4 Accounts

The Trustees must prepare annual accounts for each Scheme Year and get them audited by an Auditor in accordance with the Pensions Act 1995

12.5 Payments and records

The Trustees must keep records of all transactions and make payments and collect money and property when due.

13 TRUSTEES' LIABILITY AND INDEMNITY

13.1 Indemnities conferred by law

The Trustees will be entitled to all the indemnities conferred upon trustees by law.

13.2 Circumstances where a Trustee may be liable

A Trustee, or a director of a corporate body which is a Trustee, will be liable only for a breach of trust caused by his or her personal conscious bad faith.

13.3 Employer indemnity

To the extent that such indemnity is not met under an insurance policy effected under rule 13.4, the University will indemnify each of the Trustees, or the directors of a corporate body which is a Trustee, against all or any claims, costs, demands, expenses and liabilities arising from any acts matters and things that they, or anyone acting on their behalf, have done, permitted or omitted in connection with the Scheme to the extent that such liability has not arisen due to a breach of trust caused by his or her personal conscious bad faith other than:

13.3.1 a fine imposed as a penalty or for a conviction, and

13.3.2 a penalty under section 10 of the Pensions Act 1995 or section 168(4) of the Pension Schemes Act 1993.

13.4 Insurance

The Trustees, with the agreement of the University, will be entitled to use the assets of the Main Fund to buy insurance which provides any or all of the following:

13.4.1 indemnity for the Funds against losses or expenses, or

13.4.2 indemnity for each Trustee, or the directors of a corporate body which is a Trustee, against liability not involving a breach of trust caused by his or her personal conscious bad faith, or

13.4.3 indemnity for the Trustees against:

- (a) claims from a person entitled to be a beneficiary under the Scheme but in respect of whom no provision has been made, and
- (b) claims from a beneficiary under the Scheme who alleges that the benefits provided are less than those to which he or she is entitled under the Scheme.

14 NEW PRINCIPAL EMPLOYER AND ADDING ASSOCIATED EMPLOYERS

14.1 New principal employer

The Trustees may enter into a deed with another corporation, company, firm or person, agreeing that it will assume the University's obligations under the Scheme. The University's agreement is needed if it still exists.

14.2 Adding Associated and Acquiring Employers

If the University and the Trustees agree, an employer which is an Associated Employer or an Acquiring Employer may participate in the Scheme. It must enter into a deed with the University and the Trustees agreeing to comply with the Rules.

15 SALE OF AN EMPLOYER

If an agreement is made which results in an Employer no longer being an Associated Employer its liability to contribute in respect of its Termination Beneficiaries must end and rule 16 will apply.

The Trustees and the University may instead agree to the Employer continuing to participate temporarily.

16 ACTION IF AN EMPLOYER STOPS CONTRIBUTING

16.1 Application of relevant part of the Fund

If an Employer's contributions stop under rule 28.5 the Trustees must first use:

- 16.1.1 the Employer's Fund Share (less any amount which the Trustees deduct to pay expenses attributable to the Employer's Fund Share) towards satisfying the liabilities for Termination Benefits in respect of the Employer's Termination Beneficiaries under section 73 of the Pensions Act 1995, and
- 16.1.2 the AVC Fund (less any amount which the Trustees deduct to pay expenses attributable to the AVC Fund) towards satisfying liabilities for Termination Benefits attributable to Member's AVCs in respect of the Employer's Termination Beneficiaries,

by one of the methods in rule 19 and unless section 73 of the Pensions Act 1995 requires otherwise, the Employer's Fund Share and the AVC Fund will be kept separate for this purpose.

16.2 Amounts due before the Termination Date

Subject to rule 16.1, the Trustees will pay lump sums, pension instalments, transfer values and State Scheme Premiums in respect of the Employer's Termination Beneficiaries and which have become due from the Employer's Fund Share before the Termination Date.

16.3 Remaining part of the Employer's Fund Share

After having complied with the requirements of rule 16.1 and rule 16.2, the Trustees will use any remaining part of the Employer's Fund Share towards satisfying the liabilities for Termination Benefits in respect of the Employer's Termination Beneficiaries in the order that their benefits appear in the priority classes described in rule 18.1 at the Termination Date, in so far as they have not already been satisfied by one of the methods in rule 19.

16.4 Death benefits

The provision of death benefits payable on death in Pensionable Service under rule 31.2, rule 32.2.1 and rule 32.2.2 for the Employer's Termination Beneficiaries will end on the Termination Date.

17 ACTION IF ALL EMPLOYERS STOP CONTRIBUTING

17.1 University's liability ends

Subject to rule 17.5 if:

- 17.1.1 the University's liability to contribute in respect of future Service ends under rule 28.5, or
- 17.1.2 the Actuary certifies that the Scheme is insolvent and the Employers fail (within a period specified in writing to them by the Trustees) to remedy the situation, or
- 17.1.3 the University fails to comply with any of the provisions of the Scheme which apply to it under the Rules and the University fails (within a period specified in writing to it by the Trustees) to remedy the situation, or
- 17.1.4 an order is made or an effective resolution passed for the winding-up of the University (except for the purpose of amalgamation or reconstruction), or
- 17.1.5 on the date 1 year before the trust period in rule 17.4 ends

then unless the University is replaced under rule 14.1, the Trustees must first use:

- 17.1.6 the Main Fund (less any amount which the Trustees deduct to pay expenses attributable to the Main Fund) towards satisfying the liabilities for Termination Benefits in respect of Members under section 73 of the Pensions Act 1995, and
- 17.1.7 the AVC Fund (less any amount which the Trustees deduct to pay expenses attributable to the AVC Fund) towards satisfying liabilities for Termination Benefits attributable to Member's AVCs,

by one of the methods in rule 19 and unless section 73 of the Pensions Act 1995 requires otherwise, the Main Fund and the AVC Fund will be kept separate for this purpose.

17.2 Amounts due before the Termination Date

Subject to rule 17.1, the Trustees will pay lump sums, pension instalments, transfer values and State Scheme Premiums in respect of Members which have become due from the Main Fund before the Termination Date.

17.3 Remaining part of the Main Fund

After having complied with the requirements of rule 17.1 and rule 17.2, subject to section 73 of the Pensions Act 1995, the Trustees will use any remaining part of the Main Fund towards satisfying the liabilities for Termination Benefits in respect of Members in the order that their benefits appear in the priority classes described in rule 18.1 at the Termination Date, in so far as they have not already been satisfied by one of the methods in rule 19.

17.4 Trust period

The Scheme's trusts may only continue up to the date 21 years from the death of the last survivor of the direct descendants of his late Majesty King George V living on 28 September 1961 or for a longer lawful period.

17.5 Alternative to winding-up

Unless the trust period in rule 17.4 has ended, the Trustees may decide that, instead of winding-up the Scheme, the Trustees will retain the Main Fund and pay benefits from the Scheme for so long as they think it appropriate (and the Revenue will allow) and rule 17.1, rule 17.2 rule 17.3 will not apply until such date that the Trustees decide or such earlier date on which rule 17.4 applies.

18 PRIORITY CLASSES ON TERMINATION

18.1 Priority classes

The priority classes described in 16.3 and rule 17.3 are:

- Priority 1**
- (a) Termination Benefits for pensioners and their dependants.
 - (b) Termination Benefits for persons who have reached Normal Retirement Date and their dependants not covered above.
- Priority 2**
- (a) Termination Benefits for Members whose Pensionable Service ended before the Termination Date and which are attributable to Pensionable Service completed before 6 April 1978 (or any later date on which Contacted-out Employment under the Scheme began) and their dependants not

covered above.

- (b) Termination Benefits for Members whose Pensionable Service ended on the Termination Date and which are attributable to Pensionable Service completed before 6 April 1978 (or any later date on which Contacted-out Employment under the Scheme began) and their dependants not covered above

Priority 3

Graduated Pension not covered above

Priority 4

GMPs or State Scheme Premiums not covered above

Priority 5

- (a) Termination Benefits for Members whose Pensionable Service ended before the Termination Date and which are attributable to Pensionable Service completed after 5 April 1978 (or any later date on which Contacted-out Employment under the Scheme began) and their dependants not covered above.

- (b) Termination Benefits for Members whose Pensionable Service ended on the Termination Date and which are attributable to Pensionable Service completed after 5 April 1978 (or any later date on which Contacted-out Employment under the Scheme began) and their dependants not covered above

Priority 6

Lump sum death benefits under rule 31.3 (death while in receipt of an early retirement pension)

Priority 7

Such increases to the benefits in priorities 1 to 6 (inclusive) as the Trustees decide

18.2 Priority order

The liabilities in each sub-priority within priorities 1, 2 and 5 will have equal priority with each other. Where benefits in a priority class in rule 18.1 may be only partly satisfied, the Trustees will satisfy those liabilities in the order of priority as far as possible. They will then reduce any remaining benefits in proportion. However, the Trustees may, as far as the funds available permit, secure Graduated Pension in full for any Members if they wish to do so.

To achieve equality of treatment among Members to whom priority 5 applies, the Trustees can satisfy the liabilities in that priority in any order and to such extent as they may decide, acting on the Actuary's advice and having regard to any Graduated Pension or GMP that has already been secured or State Scheme Premium that has already been paid.

18.3 Surplus

If:

18.3.1 where rule 16 (an employer stops contributing) applies, the Employer's Fund Share, or

18.3.2 where rule 17 (all employers stop contributing) applies, the Main Fund

is more than is needed to provide Termination Benefits for Members, the excess will be applied in one or more of the following ways, as the Trustees decide:

18.3.3 if the University agrees, by it being transferred to another scheme so long as Registration is not affected

18.3.4 by it being paid to the Employer, after getting the Revenue's agreement, if it is required, provided that:

(a) where rule 16 (an employer stops contributing) applies, the Trustees may exercise the power to pay it to the Employer but only if section 37 of the Pensions Act 1995 is first satisfied, or

(b) where rule 17 (all employers stop contributing) applies, section 76 of the Pensions Act 1995 must first be satisfied, and

(c) the payment is subject to any conditions which the Revenue may impose and the deduction of any tax for which the Trustees are liable as Scheme Administrator.

18.3.5 where rule 16 (an employer stops contributing) applies, by it being retained in the Main Fund.

19 PROVIDING TERMINATION BENEFITS

The Trustees will provide Termination Benefits under rule 16 (an employer stops contributing) or rule 17 (all employers stop contributing) in any one or more of the ways described in this rule.

Where rule 17 (all employers stop contributing) applies, the Trustees must also comply with section 74 of the Pensions Act 1995, including its requirements for transfers, securing benefits with an insurance company and giving notice to and obtaining consent from Members or beneficiaries.

19.1 Payment from the Scheme

If the Trustees think it appropriate, they may keep all or part of the Fund Share or the Main Fund (as the case may be) which they decide relates to the Termination Benefits and pay benefits from the Scheme.

19.2 Insurance policies

The Trustees may buy a policy from an Insurance Company in the name of:

19.2.1 the Member, the person concerned, or a person on whose death the benefits will become payable, or

19.2.2 a trustee or trustees

to secure Termination Benefits.

The policy benefits must match Scheme benefits as near as practicable and comply with all relevant requirements of the Pension Schemes Act 1993 and Registration.

19.3 Winding-up lump sums

If the relevant requirements of the Finance Act 2004 are satisfied, the Trustees may discharge their liability to pay Termination Benefits by paying winding-up lump sums.

19.4 Group transfer value to another scheme of the Employer

The Trustees may pay a transfer value to a Registered Scheme in which the Employer, or a successor to part of or all of its business, participates to provide benefits instead of the Termination Benefits otherwise payable for any group of persons.

The transfer may be made without Members' consents only if it meets the relevant requirements of the Pension Schemes Act 1993.

20 CHANGES TO THE SCHEME

20.1 Alteration power

Subject to rule 20.2 and rule 20.3, the University may from time to time and without the agreement of the Members authorise the Trustees to alter or add to the Rules or the deed introducing them. Alterations or additions may be effected retrospectively. Any change authorised by the University will be made by deed executed by the University and the Trustees provided that that any change to rules 27 to 39 (inclusive) or to the Schedule may be made by resolution of the Trustees.

20.2 Restrictions

No alteration or addition will be made which would:

20.2.1 prejudicially affect any pension already being paid in accordance with the Rules at the date such alteration or addition takes effect (unless it is necessary to secure the continued Registration of the Scheme)

20.2.2 prejudice any rights or interests which shall have accrued to each prospective beneficiary in respect of a benefit secured under the Scheme up to the date such alteration or addition takes effect (unless it is necessary to secure the continued Registration of the Scheme), or

- 20.2.3 authorise or permit the payment or transfer of any part of the Scheme to an Employer if this would prevent the continued Registration of the Scheme, or
- 20.2.4 cause the purpose of the Scheme to change from that set out in rule 3.1, or
- 20.2.5 would alter the trust period set out in rule 17.4, or
- 20.2.6 result in the ending of any employer's liabilities under the Scheme.

20.3 Written notice and statutory requirements

If written notice of any alteration or addition to the Rules, in a form agreed by the University and the Trustees, is given to any persons affected by it, until such time as they can be amended in accordance with this rule, the Rules will be deemed to be amended to the extent necessary to comply with such written notice. In the event of any doubt or dispute as to the interpretation of such written notice, the Trustees' decision will be final.

In exercising the power under this rule 20 the University and the Trustees will comply with the requirements of: section 37 of the Pension Schemes Act 1993 and section 67 of the Pensions Act 1995.

21 SETTLEMENT OF CLAIMS

The Trustees may settle, compromise or submit to arbitration any claim or matter relating to the Scheme.

22 NOTICES

22.1 Notice formalities

Any notice which the Rules require to be given to the Trustees or to any Employer will be treated as having been given if it is sent by first class post to:

22.1.1 in the case of the Trustees, their last known address (or where the Trustee is a corporate body, its registered office for the time being), or

22.1.2 in the case of an Employer, its registered office for the time being

and such notice will be treated as having been received 48 hours after the time of posting. In proving the notice was received, it will be sufficient to prove that the notice was properly addressed and posted.

22.2 Evidence of University decision making

Written confirmation from the University's Registrar and Secretary will be conclusive evidence of the University's decision for all Scheme purposes.

23 PLACE OF RESIDENCE

Every person who becomes entitled to a pension from the Scheme must give the Trustees written notice of their address on or before the date their pension starts and must give the Trustees written notice of any change in their address.

24 EVIDENCE

24.1 Evidence from Members

Before making any payment under the Scheme, the Trustees may require the production of a certificate (or such other evidence as they think fit) of a person's address, birth, marriage, Civil Partnership, continued survival or death.

24.2 Evidence from Employers

The Trustees may call for evidence of the exercise of any power or right given to an Employer under the Rules.

25 MIS-STATEMENTS

If any person makes a mis-statement to the Trustees on any matter referred to in the Rules then, on discovering such mis-statement, the Trustees (acting on the advice of the Actuary) will have the following powers:

25.1 to make such arrangement as they consider equitable by way of cancellation or adjustment of any benefit under the Scheme

25.2 to recover the repayment of any monies to which the recipient did not have a valid entitlement through legal proceedings.

26 DISPUTE RESOLUTION

The Trustees must ensure that a procedure which satisfies the Pensions Act 1995 is in place for an adjudicator to decide on disputes which may arise between the Trustees and any of the following:

26.1 a Member, the Qualifying Partner or dependant or non-dependent beneficiary of a Member who has died

26.2 a person who no longer falls within rule 26.1, and

26.3 a person whose dispute amounts to a claim to fall within rule 26.1 or rule 26.2.

Subject to the above, the Trustees' decision on a matter of doubt to do with the Scheme is final unless made on an error of fact or the Rules say the matter is to be decided by the University or the Employer.

PART 3
ENTRY

27 ENTRY

27.1 Eligibility before 30 September 2009

Up to and including 30 September 2009 an Employee who entered Service before 1 April 2009 and who:

27.1.1 was normally employed in Great Britain or Northern Ireland and

27.1.2 was aged at least 18, and

27.1.3 was aged less than 60

was eligible to be a Member under the Scheme.

27.2 Participation by Ex-Spouse who is already a Member

The Trustees may, at their absolute discretion, allow an Ex-Spouse who is already a Member in his or her own right, to participate in the Scheme in respect of his or her "pension credit benefit" (as defined in the Schedule to the Rules) and, if they do so, the relevant provisions of rule 36.3 (divorce or dissolution) will apply.

27.3 Closure to new entrants

27.3.1 No Employee who entered Service before 1 April 2009 is eligible to be a Member of the Scheme after 30 September 2009.

27.3.2 No Employee who enters Service after 31 March 2009 is eligible to be a Member of the Scheme.

27.4 Member may not rejoin after opting-out

No Member who opts-out of the Scheme under rule 27.5 after 30 September 2009 will be allowed to restart his or her Pensionable Service.

27.5 Opting-out

A Member may give 1 month's written notice to the Trustees that he or she wishes to end his or her Pensionable Service. The Trustees will notify the Member of the date on which his or her Pensionable Service will end.

A Member who opts-out under this rule will remain a Member for the purposes of any preserved pension for which he or she qualifies under rule 29.6.

27.6 Death benefit restrictions

Death benefits at any time are subject to any restrictions which the Insurance Company insuring the death benefits notifies to the Trustees or to any other restrictions which the

Trustees may decide to apply. In such cases, the Trustees will notify such restriction in writing to any Member affected.

If the Insurance Company requires it, where a Member is absent from work due to injury or illness when he or she joins the Scheme or on the date of any increase in the rate of death benefit, lump sum death benefits will be payable under rule 31.2.1 and dependants' pensions under rule 32 only when he or she satisfies any conditions which the Insurance Company may specify.

27.7 Data Protection Act

The provision of any benefit under the Scheme is conditional upon a Member, or any other person who may become entitled to a benefit under the Scheme, giving to the Employer or the Trustees such consent regarding the processing of his or her personal data as may be necessary to enable the Employer or the Trustees to comply with the relevant requirements of data protection laws.

27.8 Salary Sacrifice Arrangements

The Employer of a Member will notify the Trustees immediately in writing if any Member becomes or ceases to be a Salary Sacrifice Member.

The Employer of a Salary Sacrifice Member will determine the amount of the earnings that would have been included in the Salary Sacrifice Member's annual rate of basic salary or wages if he had not entered into the Salary Sacrifice Arrangement for the purposes of the definition of Pensionable Earnings and the Trustees can rely on the accuracy of any amount notified to it by the Employer without making further enquiry.

27.9 Discretionary Entry for certain employees of the IDS

27.9.1 This rule 27.9.1 will only apply to IDS and only for as long as it remains an Associated Employer.

27.9.2 Notwithstanding the provisions of rule 27.3 and rule 27.4, with the prior consent of the University and the Trustees, IDS may admit one or more of its employees to membership of the Scheme subject to the following:

- (a) the benefits to be provided from the Scheme for or in respect of the relevant IDS employee must be agreed in writing in advance between IDS, the Trustee and the University;
- (b) before being admitted to membership of the Scheme, the relevant IDS employee must also consent in writing to the benefits to be provided for or in respect of him under the Scheme. That consent may be given through an announcement agreed in advance between IDS, the Trustees and the University;
- (c) IDS will pay any additional contributions that the Trustees may require in order to provide the benefits for or in respect of any IDS Employee who is admitted to membership under this rule 27.9.

- (d) IDS will be responsible for all costs and expenses incurred by the Trustees and the University in connection with the admission to membership of any IDS employee in accordance with this rule 27.9.

27.10 Termination of the Discretionary Entry for certain employees of IDS

27.10.1 Rule 27.9 shall cease to have effect on the earlier of:

- (a) the date on which IDS is discharged from all liability under either section 75 or 75A of the Pensions Act 1995; and
- (b) the date IDS notifies to the Trustees and the University in writing (being not retrospective) that discretionary entry under rule 27.9 shall cease,

and immediately on rule 27.9 ceasing to have effect pursuant to this rule 27.10, IDS may no longer admit any further employees as Members of the Scheme.

PART 4
CONTRIBUTIONS

28 CONTRIBUTIONS

28.1 Member Contributions

Save for any Member who is a Pension Salary Sacrifice Member, a Member must contribute at the annual rate set out in the table below until the earlier of:

28.1.1 the date his or her Pensionable Service ends, or

28.1.2 the date on which he or she completes 40 years' Pensionable Service, or

28.1.3 his or her 75th birthday.

Period	Contribution
From 1 April 2009 to 31 July 2009	6% of Pensionable Earnings
From 1 August 2009 to 31 July 2010	7% of Pensionable Earnings
From 1 August 2010 to 31 July 2011	8% of Pensionable Earnings
From 1 August 2011 to 31 July 2017	9% of Pensionable Earnings
From 1 August 2017	The percentage agreed between the University and the Trustees and notified to the member in writing

The Member's Employer must collect and pay the contributions to the Scheme in a manner agreed with the Trustees.

Members who are Pension Salary Sacrifice Members will not contribute to the Main Fund under this rule 28.1

28.2 Unpaid Member's contributions

If in any Scheme Year a Member fails to pay all the contributions for which he or she is liable under rule 28.1, the Trustees will adjust the amount of the Member's benefits as they consider appropriate subject to any overriding statutory requirements.

28.3 Employer's contributions

Subject to rule 7.2, an Employer must pay its share of the contributions required taking account of rule 4 (administration expenses, tax and charges) and any Pension Salary Sacrifice Contributions payable by it under rule 28.4.1(b). The Trustees, after consulting with the University and having regard to the Actuary's advice, will decide the amount that each Employer will pay.

28.4 Pension Salary Sacrifice Contributions

28.4.1 Each Employer will:

- (a) procure that the Members in its Service who are not Pension Salary Sacrifice Members pay contributions to the Scheme at the rate applicable under rule 28.1
- (b) pay Pension Salary Sacrifice Contributions. These amounts will be payable at the same time as they would have been paid by the Pension Salary Sacrifice Member if he had not entered into the Pension Salary Sacrifice Arrangement and will be recorded as a separately identifiable amount in the schedule of contributions (as defined in section 227 of the Pensions Act 2004). Such Pension Salary Sacrifice Contributions will cease when the Pension Salary Sacrifice Member ceases to participate in a Pension Salary Sacrifice Arrangement. No Pension Salary Sacrifice Contributions will be payable when a Pension Salary Sacrifice Member completes 40 years Pensionable Service.

28.5 Stopping Employers' contributions

Subject to rule 28.6, an Employer's liability to contribute to the Scheme under rule 28.3 in respect of future Service must end if:

- 28.5.1 it ceases to carry on business because of liquidation or otherwise, or
- 28.5.2 it gives the Trustees written notice, or
- 28.5.3 rule 15 (sale of an Employer) or rule 17 (all Employers stop contributing) requires it, or
- 28.5.4 it fails to observe and perform all or any of its obligations under the Scheme and the Trustees inform the Employer that its liability will end.

The Trustees must tell Members affected without delay in writing and treat their Pensionable Service as having ended.

28.6 Further liability of the Employer

Where an Employer's liability to contribute to the Scheme has ended under rule 28.5, the Employer will still be liable to pay further sums to the Trustees in respect of one or more of the following:

- 28.6.1 any unpaid Employer's contributions,
- 28.6.2 any contributions deducted from Members' pay and not paid to the Trustees,
- 28.6.3 any debt due under section 75 of the Pensions Act 1995, and
- 28.6.4 such amount as the Trustees may require in respect of benefits for its Employees and/or their dependants granted under rule 6.2 (augmentation).

28.7 AVCs

28.7.1 A Member who was paying AVCs to the AVC Fund on 25 May 2006 may continue to do so. If such Member subsequently stops paying AVCs he or she may only restart them if the Trustees agree. No other Member may pay AVCs to the AVC Fund.

28.7.2 A Member's AVCs will be applied to his or her AVC Account. Subject to the following, the Trustees will secure additional Relevant Benefits in respect of the Member which are at least equal in value to his or her AVC Account:

- (a) the Trustees will determine the form of the extra Relevant Benefits to be secured under this rule after consulting the Member.
- (b) with the agreement of the Trustees, a Member may pay AVCs to secure additional years of Pensionable Service. If the Trustees agree to this option, the number of additional years of Pensionable Service and any adjustment required due to:
 - (i) the Member ceasing to pay AVCs on the grounds of financial hardship, or
 - (ii) the Member's Pensionable Service ending before Normal Retirement Date for any reason

will be determined by the Trustees having regard to the Actuary's advice.

- (c) A Member may stop or change AVCs by giving the Trustees such written notice (not exceeding 12 months) as the Trustees may require.
- (d) The Trustees may fix a minimum level of AVCs that they require to be paid by Members.
- (e) A Member may pay AVCs in the form of regular monthly payments or, if the Trustees agree, as one or more lump sums or a combination of the two.
- (f) The Trustees may agree to AVCs continuing while a Member is in Service after Normal Retirement Date and has deferred his or her retirement benefits.

28.8 Investing AVCs

In relation to any Member who is paying AVCs on a money purchase basis, the Trustees will invest his or her AVCs in an arrangement separate from the Main Fund which they choose and notify to the Member.

PART 5: BENEFITS

29 MEMBER'S PENSION BENEFITS

29.1 Pension at Normal Retirement Date

If a Member's Pensionable Service and Service end at Normal Retirement Date he or she is entitled to a pension equal to the aggregated sum of the following parts as may be relevant to the Member's Pensionable Service:

29.1.1 **Tranche 1** - For Pensionable Service completed before 6th April 1997, 1/60th of Final Pensionable Earnings for each complete year of Pensionable Service with a proportionate amount for additional days of Pensionable Service, and

29.1.2 **Tranche 2** - For Pensionable Service completed from (and including) 6th April 1997 up to (and including) 6th April 2012, the greater of:

(a) 1/60th of Final Pensionable Earnings for each complete year of Pensionable Service with a proportionate amount for additional days of Pensionable Service; or

(b) the Member's Pre 2012 Money Purchase Pension, and

29.1.3 **Tranche 3** - For Pensionable Service completed from (and including) 6th April 2012, the greater of:

(a) 1/60th of Final Pensionable Earnings for each complete year of Pensionable Service with a proportionate amount for additional days of Pensionable service, or

(b) the Member's Post 2012 Money Purchase Pension.

29.2 Early retirement

29.2.1 Subject to rule 29.3, a Member may take an immediate pension before Normal Retirement Date:

(a) with the Employer's agreement where the Member's Pensionable Service and Service ends on or after reaching age 55 and before age 60, or

(b) as of right, where the Member's Pensionable Service and Service ends on or after reaching age 60; or

(c) with the Employer's agreement where the Member's Pensionable Service and Service ends due to Incapacity.

29.3 General provisions

29.3.1 The benefits payable in respect of the Member under rule 29.2 must be at least Actuarially equal in value to the benefits which would apply if preserved benefits were payable and will be subject to all overriding requirements under the Pension

Schemes Act 1993. In determining the value of the pension the Actuary will take account of increases to pensions in payment under rule 34.

- 29.3.2 A pension payable under rule 29.2 will be subject to all relevant overriding requirements under contracting-out legislation.
- 29.3.3 The Trustees may pay a smaller pension before State Pension Age if the benefits payable in respect of the Member are at least Actuarially equal in value to the amounts which would apply under rule 29.1.
- 29.3.4 In determining whether a Member is suffering from Incapacity, the Trustees may only rely on Written Medical Evidence. The Written Medical Evidence will be treated as a Scheme record for the purpose of rule 12.5 (payments and records).
- 29.3.5 The Trustees may pay benefits under rule 29.2.1(c) even if the Member's state of health stops him or her asking for it.
- 29.3.6 That part of the pension attributable to Pensionable Service completed after 5 April 1997, after being Actuarially reduced for early payment will not be less than the amount of the Member's Pre 2012 Money Purchase Pension and/or the Post 2012 Money Purchase Pension as applicable (assuming this was paid immediately).
- 29.3.7 Rule 29.2.1(a) is subject to any earlier protected pension age that a Member may have under Part 3 of Schedule 36 to the Finance Act 2004.

29.4 Calculation of early retirement pension

29.4.1 **Early retirement between 55 and 60 (non-Incapacity)** – The pension under rule 29.2.1(a) will be calculated as follows:

- (a) The Actuary will calculate the value of a pension equal to $1/60^{\text{th}}$ of Final Pensionable Earnings for each complete year of Pensionable Service actually completed by the Member, with a proportionate amount for additional days of Pensionable Service reduced as follows:
 - (i) that part of the Member's pension attributable to Pensionable Service completed before 1st April 2009 will be reduced Actuarially for each year (or part year) between the date the pension is to start and the Member's 60th birthday, and
 - (ii) that part of the Member's pension attributable to Pensionable Service completed after 31st March 2009 will be reduced Actuarially for each year (or part year) between the date the pension is to start and the Member's 65th birthday

provided that no reduction will be made if the Member's Service is ending:

- (a) on the grounds of redundancy or
- (b) at the request of the Employer but only if the Member joined the Scheme before 1st December 2006.

29.4.2 **Early retirement from 60 (non-Incapacity)** - The pension payable under rule 29.2.1(b) will be calculated in accordance with rule 29.1 as if the date that the Member's Pensionable Service and Service ends was the Member's Normal Retirement Date and the Member's pension will be reduced as follows:

- (a) that part of the Member's pension attributable to Pensionable Service completed before 1 April 2009 will not be reduced for early payment, and
- (b) that part of the Member's pension attributable to Pensionable Service completed after 31 March 2009 will be reduced Actuarially for each year (or part year) between the date the pension is to start and the Member's 65th birthday provided that no reduction will be made if the Member's Service is ending:
 - (i) on the grounds of redundancy or
 - (ii) at the request of the Employer but only if the Member joined the Scheme before 1 December 2006.

29.4.3 **Incapacity early retirement** - The pension payable under rule 29.2.1(c) will be calculated in accordance with rule 29.4.1 subject to the following:

- (a) the Member's actual Pensionable Service will be increased by a period equal to the Pensionable Service he or she has already completed provided that the total period of Pensionable Service used (including any additional years attributable to the Member's AVCs) does not exceed the lesser of:
 - (i) the period of Pensionable Service the Member would have completed if he or she had remained in Service until Normal Retirement Date (excluding any additional years attributable to the Member's AVCs), or
 - (ii) 40 years.
- (b) The Member's pension under rule 29.4.3 will not be reduced for early payment and will be subject to rule 34.3 (suspension or reduction of Incapacity pensions).

29.5 Late retirement

If a Member remains in Service after Normal Retirement Date, the Member must elect either Option 1 or Option 2 as described in rule 29.5.1 and rule 29.5.2 below. If the Member fails to select one of these options, he or she will be deemed to have opted-out of the Scheme under rule 27.5.

29.5.1 **Option 1** – Under this option, the Member will remain in Pensionable Service until:

- (a) the date his or her Service ends, or
- (b) his or her 75th birthday, if earlier

provided at all times that Pensionable Service will be limited to 40 years.

The Member's pension under this rule will become payable on the date his or her Pensionable Service ends and will be calculated in accordance with rule 29.1 as if the date the Member's Pensionable Service ends was the Member's Normal Retirement Date. The Member's pension will not be increased Actuarially for late payment. The Member will continue to pay contributions under rule 28.1 during the period that his Pensionable Service continues

29.5.2 **Option 2** – Under this option the Member will cease to be in Pensionable Service on Normal Retirement Date and will receive a pension from:

- (a) the date his or her Service ends, or
- (b) his or her 75th birthday, if earlier.

The Trustees may agree to the Member's pension starting before his or her Service ends. The amount of the Member's pension will be the amount that would have applied at Normal Retirement Date under rule 29.1, increased Actuarially for late payment if it comes into payment after Normal Retirement Date.

29.5.3 A Member must agree to his or her GMP being postponed if such agreement is required by the Pension Schemes Act 1993. If the Member's GMP starts before the rest of his or her pension the Trustees shall adjust the other benefits accordingly.

29.6 **Qualifying for a preserved pension if Pensionable Service ends**

If a Member's Pensionable Service ends before Normal Retirement Date and he or she does not receive an early retirement pension he or she will be entitled to a preserved pension payable from the Preservation Date (or such later date that the Member may agree with the University and the Trustees) provided:

- 29.6.1 he or she has completed at least 2 years' qualifying service for the purpose of the Pension Schemes Act 1993, or
- 29.6.2 a transfer payment has been accepted from his or her personal pension scheme (as defined in section 1 of the Pension Schemes Act 1993).

29.7 **Preserved pension paid early or late**

If the University and the Trustees agree and subject to any statutory restriction, a Member who:

- 29.7.1 is either in Incapacity (including a Member whose state of health stops him asking for his or her pension) or has reached age 55 may take his or her preserved pension early
- 29.7.2 remains in employment after Preservation Date may defer his or her preserved pension but not after his or her employment ends or age 75, if earlier.

The pension and related benefits will be adjusted Actuarially and must, in the Trustees' opinion, be at least equal in value to the benefits that would otherwise apply. Where a Member takes his or her preserved pension due to Incapacity, the Trustees will keep the Written Medical Evidence on which they have based their decision as to whether the Member is suffering from Incapacity.

29.8 Amount of preserved pension

The preserved pension payable under rule 29.6 is the aggregated sum of the following parts as may be relevant to Member's Pensionable Service:

- 29.8.1 in relation to Pensionable Service completed before 6th April 1997, 1/60th of Final Pensionable Earnings for each complete year of Pensionable Service with a proportionate amount for additional days of Pensionable Service (or the Member's Accrued GMP if more), and
- 29.8.2 in relation to Pensionable Service completed from (and including) 6th April 1997 up to (and including) 6th April 2012, the greater of:
 - (a) 1/60th of Final Pensionable Earnings for each complete year of Pensionable Service with a proportionate amount for additional days of Pensionable Service; or
 - (b) the Member's Pre 2012 Money Purchase Pension, and
- 29.8.3 in relation to Pensionable Service completed from (and including) 6th April 2012, the greater of:
 - (a) 1/60th of Final Pensionable Earnings for each complete year of Pensionable Service with a proportionate amount for additional days of Pensionable Service, or
 - (b) the Member's Post 2012 Money Purchase Pension, and
- 29.8.4 the Member's GMP Revaluation, and
- 29.8.5 the Member's Revaluation Increase

provided that where a Member leaves Pensionable Service before age 60 and becomes entitled to a preserved pension payable from age 60 under rule 29.6, in relation to that part of the pension attributable to Pensionable Service after 30 November 2011, the pension will be reduced Actuarially for each year (or part year) between the date the pension is to start and the Member's 65th birthday.

A Member's preserved pension and related death benefits under rule 31 and rule 32 must, in the opinion of the Trustees (having regard to the Actuary's advice), be at least equal in value to his or her Member Contributions (and, in the case of a Member who is or has previously been a Pension Salary Sacrifice Member, any Pension Salary Sacrifice Contributions) excluding any transferred-in contributions.

29.9 Flexible Retirement

Notwithstanding anything to the contrary in the Rules, the Trustees may to the extent permitted under Part 4 of the Finance Act 2004 and consistent with the requirements of contracting-out and preservation legislation, subject to the consent of the University, permit a Member who remains in Service on or after age 55 to elect to receive benefits under the Scheme from such date as the Member will decide. The Trustees and the University will decide the basis on which benefits are payable in these circumstances. The Rules may be modified in respect of such Member to such extent as the Trustees and the University agree with the Member after taking advice from the Actuary.

30 RETIREMENT OPTIONS

30.1 Lump sum

A Member may give up part of his or her Scheme pension for a lump sum when his or her pension starts. The Member's pension will be converted to a lump sum at a rate decided by the University and the Trustees acting on the advice of the Actuary. Where the Member has paid AVCs, with the agreement of the Trustees, the Member may also use all or part of his AVC Account towards the lump sum. The lump sum must be payable no later than 12 months after the date on which the Member's Scheme pension starts.

30.2 Maximum amount

The maximum lump sum will be an amount equal to 25% of the value of the Member's initial pension. The value of the initial pension will be calculated Actuarially.

30.3 Restriction in lump sum

The Trustees must limit the option so that the remaining pension is at least equal to the Member's GMP at GMP Pension Age.

30.4 Member in Serious Incapacity

If in the Trustees' opinion a Member is in Serious Incapacity, they may pay the Member the Actuarially calculated value of his or her pension. Before doing so, the Member must:

30.4.1 ask in writing before his or her pension is due to start, or

30.4.2 be in Serious Incapacity which prevents him from asking and the Trustees decide to treat him as having made a request.

The payment must be made before the Member's 75th birthday and is subject to any deduction of tax that may be required under the Finance Act 2004. The Trustees will report the payment to the Revenue where required to do so under the Finance Act 2004.

On the death of a Member to whom a lump sum was paid under this rule, the provisions of rule 32.2.4 (dependants' pensions) will apply as if the Member had died after his pension had started. Any pension paid under rule 32.2.4 on the Member's death will be held in a separate arrangement (as defined in section 152 of the Finance Act 2004) within the Scheme.

30.5 Trivial Pension

The Trustees may pay a trivial pension lump sum in circumstances permitted by paragraphs 7 or 7A of Schedule 29 to the Finance Act 2004 (as modified by the Taxation of Pension Schemes (Transitional Provisions) Order 2006). The Trustees may also pay a commutation payment relating to trivial benefits rights in any of the circumstances permitted by Part 2 of the Registered Pension Schemes (Authorised Payments) Regulations 2009 subject to the satisfaction of any conditions specified therein.

The Trustees may administer the Scheme so as to take advantage of any future legislative changes relating to trivial pensions in such manner as they may agree with the University and which is permitted under the relevant legislation and regulations.

30.6 Dependant's pension option

With the Trustees' agreement, a Member may exchange part of his or her pension to provide an Actuarially calculated pension on his or her death. The pension may be for one or more of his or her Qualifying Partner, a child of the Member and a person who, in the Trustees' opinion, the Member was wholly or partly maintaining when the Member retired. The Member may exercise this option by making a written request to the Trustees before he or she retires. The Trustees may apply conditions that they consider appropriate and notify to the Member in writing. The following provisions will also apply to this option:

- 30.6.1 the Member's remaining pension must be at least equal to the total pensions payable before he or she exchanges any pension for a lump sum.
- 30.6.2 any request made by a Member will be cancelled automatically if the person chosen by the Member to receive the pension dies before the Member.
- 30.6.3 the request may also be cancelled if, following a written request from the Member, the Trustees agree.

31 LUMP SUM DEATH BENEFITS

31.1 General conditions

Lump sum death benefits under rule 31 are subject to rule 27.6 (death benefit restrictions).

31.2 Death in Pensionable Service

If a Member (including a Member to whom rule 29.5.1 applies) dies while in Pensionable Service, a lump sum is payable equal to the total of:

- 31.2.1 3.5 times the Member's Pensionable Earnings at the date of his or her death, and
- 31.2.2 his or her Member Contributions and AVC Account.

The lump sum will be paid in accordance with rule 31.8.

31.3 Death while in receipt of an early retirement pension

If a Member:

- 31.3.1 who joined the Scheme before 1 October 1991, dies before Normal Retirement Date while receiving an early retirement pension under rule 29.2.1(a), 29.2.1(b) or 29.2.1(c), or
- 31.3.2 who joined the Scheme after 30 September 1991, dies before Normal Retirement Date while receiving an early retirement pension on the grounds of Incapacity under rule 29.2.1(c)

a lump sum is payable equal to 3.5 times the Member's Pensionable Earnings at the date his Pensionable Service ended.

The lump sum will be paid to the Member's spouse or Civil Partner or, if the Member leaves no spouse or Civil Partner, to the Member's estate.

31.4 Death while pension is deferred due to late retirement

If a Member dies on or after Normal Retirement Date but before his or her 75th birthday while his or her pension is deferred under rule 29.5.2, a lump sum is payable. The lump sum will be the sum of:

31.4.1 either:

- (a) if the Member exercised the option to take a cash lump sum under rule 30.1, an amount calculated under rule 31.5 as if the balance of the Member's pension (excluding any pension that would have been payable in respect of the Member under the Protected Rights Rules) had started on the date of the Member's death, or
- (b) if the Member did not exercise the option to take a cash lump sum under rule 30.1:
 - (i) an amount calculated under rule 31.5 as if the Member's pension (excluding any pension that would have been payable in respect of the Member under the Protected Rights Rules) had started on the date of the Member's death, or
 - (ii) at the Trustees' discretion, the maximum amount that would have been payable under rule 30.1 if the Member had retired from Service on the day before he or she died, and

31.4.2 if no pension would have been payable in respect of the Member under the Protected Rights Rules, the value of the assets representing the Member's Protected Rights Pension (as determined by the Trustees acting on the advice of the Actuary).

31.5 Death within 5 years of pension starting

If a Member dies within 5 years of his or her pension starting and before reaching his or her 75th birthday, a lump sum is payable. The lump sum will equal the pension instalments which would have been paid during the rest of the 5 year period, excluding any future pension increases under rule 34. This rule will not apply to a Member who starts to receive his or her pension after reaching his or her 70th birthday. Where a female Member entitled to a preserved pension dies before Normal Retirement Date while receiving only her GMP, rule 31.7 will apply instead of rule 31.6.

The lump sum will be paid in accordance with rule 31.8.

31.6 Death before Preservation Date

If a Member (including a female Member who is receiving only her GMP) who is entitled to a preserved pension under rule 29.6 dies before Preservation Date and before the preserved pension starts, a lump sum is payable equal to the sum of:

- 31.6.1 his or her Member Contributions less, the Member's share of the Minimum Payments, and
- 31.6.2 the Member's AVC Account, and
- 31.6.3 If no pension is payable to a surviving spouse or Civil Partner, an amount equal to the value of the assets representing the Member's Protected Rights Pension (as determined by the Trustees acting on the advice of the Actuary).

The lump sum will be paid in accordance with rule 31.8.

31.7 Death in employment on or after Preservation Date

If a Member entitled to a preserved pension under rule 29.6 dies on or after Preservation Date while his or her pension is deferred under rule 29.7.2 (late payment of preserved pension), a lump sum is payable equal to the sum of:

- 31.7.1 if no Qualifying Partner's pension is payable in respect of the Member under rule 32, his or her Member Contributions less the Member's share of the Minimum Payments, and
- 31.7.2 the Member's AVC Account, and
- 31.7.3 If no pension is payable to a surviving spouse or Civil Partner, an amount equal to the value of the assets representing the Member's Protected Rights Pension (as determined by the Trustees acting on the advice of the Actuary; and
- 31.7.4 if the Member has exchanged all or part of his or her pension for a lump sum under rule 30.1, the amount calculated under rule 31.5 as if the Member's pension had started on the date he or she died.

If the Member has not taken a lump sum under rule 30.1, the Trustees may increase the lump sum payable under this rule by an amount equal to 25% of the value of the Member's initial pension. The amount will be Actuarially calculated.

The lump sum will be paid in accordance with rule 31.8.

31.8 Payment of lump sums

Within 2 years of the date on which they are informed of the Member's death (or within 2 years of the date on which they could reasonably be supposed to have known of the Member's death), the Trustees must select one or more of the methods below to make payment of lump sums due on his or her death which are payable under this rule:

31.8.1 payment to one or more Beneficiaries

31.8.2 payment to the Member's estate but not if it would pass to the Crown, or the Duchies of Lancaster or Cornwall

31.8.3 payment to one or more trusts outside the Scheme for the benefit of one or more Beneficiaries on terms which the Trustees decide.

The Trustees may deduct from the amount of any benefit paid to a trust under rule 31.8.3 the costs (if any) incurred by them in establishing that trust.

If at the end of the period set out above the Trustees know of no surviving Beneficiaries and the lump sum cannot be paid to the estate, it will be paid to the University.

Where payment to the Member's estate is prohibited under rule 31.8.2 and payment is not paid under either rule 31.8.1 or rule 31.8.3, the lump sum will be paid to the University.

31.9 Funeral expenses

The Trustees may reimburse any person who has paid all or part of the funeral expenses of a deceased Member and then deduct the amount reimbursed from the lump sum payable under rule 31.

31.10 Small estate

The Trustees may pay an amount due to a person's estate to one or more of his or her next of kin if the amount of the deceased person's estate (including the amount due under this rule) is less than £5,000.

32 DEPENDANTS' PENSIONS

32.1 General conditions

Dependants' pensions under rule 32 are subject to rule 27.6 (death benefit restrictions).

32.2 Qualifying Partner's pension

If a Member dies leaving a Qualifying Partner, the Qualifying Partner will be entitled to the following pension:

32.2.1 Death while in Pensionable Service before Normal Retirement Date

If a Member dies while in Pensionable Service before Normal Retirement Date, the pension will be 50% of the pension calculated under rule 29.1 (normal retirement), but using:

- (a) the Pensionable Service which would have applied if the Member had continued in Pensionable Service until Normal Retirement Date, and
- (b) the Member's Pensionable Earnings at the date of his or her death.

32.2.2 Death while in Pensionable Service on or after Normal Retirement Date

If a Member to whom rule 29.5.1 applies dies while in Pensionable Service on or after Normal Retirement Date, the pension will be 50% of the Member's pension under rule 29.1 based on the Member's Pensionable Service and Pensionable Earnings as at the date of his or her death.

32.2.3 Death while pension is deferred due to late retirement

If a Member dies while his or her pension is deferred under rule 29.5.2 (late retirement), the pension will be 50% of the pension the Member would have received under rule 29 if he or she had retired at the date of his or her death and had not chosen any options under rule 30.1 or rule 30.6 (unless he or she has already done so).

32.2.4 Death after the Member's pension starts

If a Member dies after his or her pension has started, the pension will be 50% of the pension the Member would have received under rule 29 at the date of his or her death if he or she had not chosen any options under rule 30.1 or rule 30.6 provided that:

- (a) If no lump sum is payable under rule 31.5 the first three instalments of the Qualifying Partner's pension under this rule will be equal to the instalments of pension the Member would have received under rule 29 at the date of his death if he or she had not chosen any options under rule 30.1 or rule 30.6. Subsequent instalments of the Qualifying Partner's pension will be as calculated above.
- (b) Where a Member's pension has been exchanged for a lump sum under rule 30.4 (Serious Incapacity), rule 32.2.4 will apply as if the Member:
 - (i) had not received a lump sum under that rule, and
 - (ii) had died while receiving his or her pension.

Where a female Member entitled to a preserved pension dies before Normal Retirement Date while receiving only her GMP, rule 32.2.6 will apply instead of rule 32.2.4.

32.2.5 Death before Preservation Date

If a Member (including a female Member who is receiving only her GMP) entitled to a preserved pension under rule 29.6 dies before Preservation Date and before the preserved pension starts, the pension will be the greatest of:

- (a) 1/160th of Final Pensionable Earnings for each complete year of Pensionable Service with a proportionate amount for additional days of Pensionable Service, or
- (b) 3/8ths of the Member's preserved pension under rule 29.6 calculated as at the date the Member's Pensionable Service ended, or
- (c) the Qualifying Partner's GMP.

32.2.6 Death in employment on or after Preservation Date

If a Member entitled to a preserved pension under rule 29.6 dies after Preservation Date while his or her preserved pension is deferred under rule 29.7.2, the pension will be 50% of the pension the Member would have received under rule 29.6 if the Member had retired on the date he or she died without choosing any options under rule 30.1 or rule 30.6.

32.2.7 Reduction for younger Qualifying Partner

The Trustees may reduce a Qualifying Partner's pension (other than a pension under rule 32.2.5) if the Qualifying Partner is 11 or more years younger than the Member. The reduction will be calculated Actuarially and must not:

- (a) be greater than 2.5% for each year by which the difference in ages exceeds 10 years,
- (b) result in the Qualifying Partner's pension being less than the Qualifying Partner's GMP, and
- (c) be applied to any part of the Qualifying Partner's pension which is attributable to Pensionable Service completed by the Member after 5 April 1997.

32.2.8 Death within 6 months of marriage

Where a Member marries or registers a Civil Partnership after his or her Scheme pension has started and dies within 6 months of the date of such marriage or registration, the Trustees may reduce the amount of the Qualifying Partner's pension to the sum of:

- (a) the Qualifying Partner's GMP, and

- (b) the Qualifying Partner's pension under the Protected Rights Rules (as determined by the Trustees acting on the advice of the Actuary).

32.3 Dependent Child's pension

Subject to rule 32.4, if a Member dies leaving one or more Dependent Children, the Dependent Children will be entitled to the following pension. Where a Member leaves two or more Dependent Children, the proportion of the pension each one receives will be decided by the Trustees.

Unless the Trustees decide otherwise, no Dependent Child's pension will be payable where rule 32.2.5 or rule 32.2.6 (death before the Member's preserved pension starts) applies.

32.4 Amount of Child's pension

The amount of the Dependent Children's pension will be:

32.4.1 Death while in Pensionable Service before Normal Retirement Date

If the Member dies in Pensionable Service before Normal Retirement Date and one Dependent Child survives the Member:

- (a) if a Qualifying Partner's pension is payable under rule 32.2, 25% of the pension calculated under rule 29.1 (normal retirement), but using:

- (i) the Pensionable Service which would have applied if the Member had continued in Pensionable Service until Normal Retirement Date, and

- (ii) the Member's Pensionable Earnings at the date of his or her death.

- (b) if no Qualifying Partner's pension is payable under rule 32.2, 33.33% of the pension calculated under rule 29.1 (normal retirement), but using:

- (i) the Pensionable Service which would have applied if the Member had continued in Pensionable Service until Normal Retirement Date, and

- (ii) the Member's Pensionable Earnings at the date of his or her death.

32.4.2 If the Member dies in Pensionable Service before Normal Retirement Date and two or more Dependent Children survive the Member:

- (a) if a Qualifying Partner's pension is payable under rule 32.2, 50% of the pension calculated under rule 29.1 (normal retirement), but using:

- (i) the Pensionable Service which would have applied if the Member had continued in Pensionable Service until Normal Retirement Date, and

- (ii) the Member's Pensionable Earnings at the date of his or her death.
- (b) if no Qualifying Partner's pension is payable under rule 32.2, 66.66% of the pension calculated under rule 29.1 (normal retirement), but using:
 - (i) the Pensionable Service which would have applied if the Member had continued in Pensionable Service until Normal Retirement Date, and
 - (ii) the Member's Pensionable Earnings at the date of his or her death.

32.4.3 Death while in Pensionable Service on or after Normal Retirement Date

If the Member dies in Pensionable Service on or after Normal Retirement Date and one Dependent Child survives the Member:

- (a) if a Qualifying Partner's pension is payable under rule 32.2, 25% of the Member's pension under rule 29.1 based on the Member's Pensionable Service and Pensionable Earnings as at the date of his or her death, or
- (b) if no Qualifying Partner's pension is payable under rule 32.2, 33.33% of the Member's pension under rule 29.1 based on the Member's Pensionable Service and Pensionable Earnings as at the date of his or her death.

32.4.4 If the Member dies in Pensionable Service on or after Normal Retirement Date and two or more Dependent Children survive the Member:

- (a) if a Qualifying Partner's pension is payable under rule 32.2, 50% of the Member's pension under rule 29.1 based on the Member's Pensionable Service and Pensionable Earnings as at the date of his or her death, or
- (b) if no Qualifying Partner's pension is payable under rule 32.2, 66.66% of the Member's pension under rule 29.1 based on the Member's Pensionable Service and Pensionable Earnings as at the date of his or her death.

32.4.5 Death after the Member's pension starts

If the Member dies after his or her pension has started and one Dependent Child survives the Member:

- (a) if a Qualifying Partner's pension is payable under rule 32.2, 25% of the pension the Member would have received under rule 29 at the date of his death if he or she had not chosen any options under rule 30.1 or rule 30.6; or
- (b) if no Qualifying Partner's pension is payable under rule 32.2, 33.33% of the pension the Member would have received under rule 29 at the date of

his death if he or she had not chosen any options under rule 30.1 or rule 30.6.

- 32.4.6 If the Member dies after his or her pension has started and two or more Dependent Children survive the Member:
- (a) if a Qualifying Partner's pension is payable under rule 32.2, 50% of the pension the Member would have received under rule 29 at the date of his death if he or she had not chosen any options under rule 30.1 or rule 30.6, or
 - (b) if no Qualifying Partner's pension is payable under rule 32.2, 66.66% of the pension the Member would have received under rule 29 at the date of his death if he or she had not chosen any options under rule 30.1 or rule 30.6.

32.5 Protected Rights Members

- 32.5.1 If a Member dies after becoming entitled to his Protected Rights Pension and no Qualifying Partner's pension is payable under rule 32.2, the total pensions payable under rule 32.4 for the period of 5 years from the date of the Member's death will not be less than the amount of the Member's Protected Rights Pension (as determined by the Trustees acting on the advice of the Actuary).
- 32.5.2 If a Member with a Protected Rights Pension dies before becoming entitled to his Protected Rights Pension and no pension would have been payable under the Protected Rights Rules, the Trustees may reduce the value of the pension payable under rule 32.4 by the Member's Protected Rights Pension. The amount of the reduction will be Actuarially calculated.

32.6 General conditions

- 32.6.1 If a Qualifying Partner who was receiving a pension under rule 32.2 subsequently dies leaving one or more Dependent Children, the Trustees will re-calculate the pension payable under rule 32.4 as though the number of Dependent Children after the date of the Qualifying Partner's death had been the number as at the date of the Member's death. The Trustees will pay the re-calculated Dependent Children's pension with effect from the instalment of the Dependent Children's pension following the date of the Qualifying Partner's death.
- 32.6.2 The Trustees may stop a Dependent Child's pension under rule 32.4 on the recipient ceasing to be a Dependent Child or they may increase the amount of the pension payable to any Dependent Child for any period but the total pensions must be the same.

33 ABSENCE FROM WORK

Rule 33 applies if a Member is in Pensionable Service when he or she becomes absent from work. While he or she is absent and remains in Service, rule 33 sets out the benefits and contributions payable.

33.1 Absence not due to Statutory Leave

Where a Member is absent due to a reason other than absence due to Statutory Leave, the following provisions apply.

33.1.1 Continued death benefits

So long as Registration is not affected, lump sum death benefits under rule 31.2.1 and dependants' pensions under rule 32 will be payable if the Member dies within the first 3 years of absence (or any longer period which the University may decide).

33.1.2 Pensionable Earnings and Final Pensionable Earnings

A Member's pension under rule 29 will be based on Final Pensionable Earnings calculated on the date the Member's Pensionable Service ends or, if greater, on the day before absence started.

A Member's Pensionable Earnings for the purpose of calculating lump sum death benefits under rule 31.2.1 and dependants' pensions under rule 32 will be determined by the Trustees.

33.1.3 Member Contributions and AVCs

A Member who is not a Pension Salary Sacrifice Member must pay Member Contributions while receiving pay unless the University agrees otherwise. In the case of a Pension Salary Sacrifice Member, the Employer will pay Pension Salary Sacrifice Contributions in accordance with the relevant Pension Salary Sacrifice Arrangement. If allowed to do so under rule 28.7, a Member (whether or not a Pension Salary Sacrifice Member) may continue to pay AVCs.

33.1.4 Pensionable Service

Absence while Member Contributions are paid, or in the case of a Pension Salary Sacrifice Member, Pension Salary Sacrifice Contributions are paid, will count as Pensionable Service. If no Member Contributions are paid, or, in the case of a Pension Salary Sacrifice Member, if no Pension Salary Sacrifice Contributions are paid, the Trustees will decide the effect on Scheme benefits.

33.2 Statutory leave

Where a Member is absent due to Statutory Leave, the following provisions apply.

33.2.1 Continued death benefits

Lump sum death benefits under rule 31.2.1 and dependants' pensions under rule 32 will be payable if the Member dies during the period of Statutory Leave.

33.2.2 Pensionable Earnings and Final Pensionable Earnings

Pension in respect of Pensionable Service under rule 32.2.4 and death benefits will, if higher, be calculated ignoring any reduction in the Member's pay on account

of absence due to Statutory Leave but taking account of any increase in pay made during such period of Pensionable Service (or of any increases during such period in the pay of employees in the same category of employment as the Member who are actively at work).

Member Contributions will be based on the Member's Statutory Pay (or, if relevant, actual pay) if this is less than the Member's Pensionable Earnings. In the case of a Pension Salary Sacrifice Member, the Employer will pay Pension Salary Sacrifice Contributions on the basis set out in the relevant Pension Salary Sacrifice Arrangement.

33.2.3 Member contributions and AVCs

A Member who is not a Pension Salary Sacrifice Member must pay Member Contributions while receiving pay or Statutory Pay during the period of Statutory Leave, unless the University agrees otherwise. In the case of a Pension Salary Sacrifice Member, the Employer will pay Pension Salary Sacrifice Contributions in accordance with the relevant Pension Salary Sacrifice Arrangement. If allowed to do so under rule 28.8, a Member (whether or not a Pension Salary Sacrifice Member) may continue to pay AVCs during the period of Statutory Leave.

33.2.4 Pensionable Service

The period while a Member takes Statutory Leave counts as Pensionable Service.

33.3 Unpaid contributions

If the University agrees, on his or her return to work, a Member may pay Member Contributions due for any period of absence (or period of Statutory Leave) that does not count as Pensionable Service. The University and the Trustees will decide the contributions that are due, the basis of payment and the effect on Scheme benefits. Where the Member pays unpaid contributions under this rule, the Employer at its sole discretion may decide whether or not it will pay any unpaid Employer's contributions.

34 PENSION PAYMENTS AND INCREASES

34.1 Frequency and duration

34.1.1 A Member's pension under rule 29 is an annual amount paid by equal monthly instalments in advance from Normal Retirement Date (or any other date which applies under the Rules) until the payment on or before death.

34.1.2 A dependant's pension under rule 32 is an annual amount paid by equal monthly instalments in advance. If it becomes due on:

- (a) a Member's death, it will start on the date of the Member's death if his or her pension had not started, or otherwise when the Member's next pension instalment was due, or
- (b) a Qualifying Partner's death, it will start when the Qualifying Partner's next pension instalment was due.

The last payment is the one on or before the dependant's death but a pension paid to a Dependent Child stops if he or she is no longer a Dependent Child.

34.2 Option to pay pensions in arrears or at longer intervals

The Trustees may decide to pay:

- 34.2.1 a pension monthly in arrears, or
- 34.2.2 an equivalent pension at longer intervals (but not less frequently than annually)

and if they do so, the Trustees will notify the recipient in writing of their decision. Where the pension is paid in arrears, the last payment is the one after the date of the recipient's death or, where appropriate, the one after the date that a child ceases to be a Dependent Child.

34.3 Suspension or reduction of Incapacity pensions

If a Member is receiving an early retirement pension under rule 29.2.1(c) (Incapacity) the Trustees may reduce or suspend his or her pension until Normal Retirement Date if:

- 34.3.1 they decide, on the basis of further Written Medical Evidence that the Member becomes able to resume his or her occupation with any employer; or
- 34.3.2 the Member does not provide Written Medical Evidence within 28 days of the Trustees asking him or her to do so, or
- 34.3.3 the Member fails to attend a medical examination arranged by the Trustees for the purpose of obtaining Written Medical Evidence.

Where the Member's pension has been stopped, it will be resumed when the Member reaches Normal Retirement Date.

34.4 Increases to pensions in payment

34.4.1 Subject to rule 34.4.3 and rule 34.4.4, Members' pensions under rule 29 and dependants' pensions under rule 32 will be increased after they have begun in accordance with the Pensions (Increase) Act 1971 as if they were official pensions under that Act, subject to a maximum increase of:

- (a) 6% per annum compound on that part of the pension attributable to Pensionable Service completed by the Member before 1 April 2009, and
- (b) 3% per annum compound on that part of the pension attributable to Pensionable Service completed by the Member after 31 March 2009.

Increases will take effect from the first instalment of the pension payable after 1 April each year (or where the instalment of the pension is payable on 1 April, on that date).

34.4.2 Where:

- (a) the pension has been in payment for less than 12 months, or
- (b) in the case of a Member to whom rule 34.4.3(a) applies, the period between the Member's 55th birthday and the first increase date is less than 12 months

the first increase will be a proportionate one. This will apply to both Member's pensions under rule 29 and to dependant's pensions under rule 32.

34.4.3 No increase will be made under this rule 34.4:

- (a) to a pension payable under rule 29.2 (early retirement) to a Member who has not attained age 55 unless the Member retired on the grounds of Incapacity,
- (b) to any part of a Member's pension given up under rule 30, or
- (c) to any part of a Member's or Qualifying Partner's pension which represents the Member's or Qualifying Partner's GMP. GMP will be increased in payment in accordance with the Pension Schemes Act 1993.

34.4.4 Limited price indexation

Any increase under this rule 34.4 to a person's Scheme pension (unless secured by AVCs) must not be less than the amount required to comply with section 51 of the Pensions Act 1995. If a pension relates to a transfer into the Scheme, this rule 34.4.4 applies to the extent the Pensions Act 1995 requires.

34.4.5 Periodic review

Any pensions payable under rule 34 may be reviewed from time to time and may be increased from the review date by such amount as the University and the Trustees may agree unless providing increases under this rule would prejudice Relevant Benefits for other persons.

34.5 Payments overseas

On receipt of a written request from the Member or other person (other than a child) entitled to a pension from the Scheme the Trustees may agree to pay the pension to an overseas bank account subject to the conditions that the person entitled to the pension:

- 34.5.1 meets all bank charges which arise from paying the pension to the overseas account, and
- 34.5.2 exonerates the Trustees from any responsibility for loss or delay in payment of any instalment of the pension, and
- 34.5.3 discharges the Trustees from any liability in respect of the pension if they comply with the written request from the person to the extent they are lawfully permitted to do so.

35 TRANSFER OPTIONS

35.1 Transfer into the Scheme

The University and the Trustees may at their discretion agree to accept a transfer of assets from a Registered Scheme or any other scheme which is a "qualifying recognised overseas pension scheme" for the purposes of section 169(2) of the Finance Act 2004.

35.2 Further provisions

The Trustees must:

- 35.2.1 accept GMPs and other rights for former contracted-out employment in accordance with the requirements of the Pension Scheme Act 1993
- 35.2.2 provide Relevant Benefits which are calculated Actuarially, subject to rule 34.4.4 (limited price indexation)
- 35.2.3 treat any transferred assets which the trustees or managers of the other Registered Scheme, arrangement or insurance policy confirm as an individual's contributions, either as his or her Member Contributions or his or her AVCs.

35.3 No right to transfer-in

Nothing in this rule 35 will give a Member the right to require the University and the Trustees to accept a transfer of assets into the Scheme.

35.4 Transfer out of the Scheme

- 35.4.1 The Trustees may pay an Actuarially calculated transfer value to a Registered Scheme or, subject to complying with the Revenue's reporting requirements, to any other scheme which is a "qualifying recognised overseas pension scheme" for the purposes of section 169(2) of the Finance Act 2004.
- 35.4.2 The Trustees must obtain a Member's or other person's consent to a transfer if required by the Pension Schemes Act 1993. If a transfer is made without consent it must meet the requirements of that Act.
- 35.4.3 For as long as those provisions apply, the Trustees may transfer rights for GMPs and contracted-out employment under the Pension Schemes Act 1993 after 5 April 1997 only to a Registered Scheme which is capable of receiving such rights under the Contracting-out (Transfer and Transfer Payment) Regulations. The Trustees must:
 - (a) observe the terms of any undertaking given to the Revenue, and
 - (b) inform the receiving scheme of any Member Contributions or AVCs in the transfer.
- 35.4.4 The Trustees will be discharged from their obligations to any person in respect of any benefits to which the transfer relates.

36 BENEFIT RIGHTS IN SPECIAL CASES

36.1 Attempt to assign or charge benefits

If a person:

36.1.1 tries to assign or charge any benefits relating to him, or

36.1.2 does or is subject to any act by which a benefit would become payable to another person

unless permitted by the Pensions Act 1995 or the Rules, all benefits or rights to benefits relating to him or her will come to an end.

The Trustees may pay all or part of those benefits to one or more of: (1) the person concerned, (2) his or her Qualifying Partner, (3) any dependant or child of the person and (4) any other person to whom those benefits could have been paid under the Rules except that no payment may be made to any alleged assignee or chargee.

36.2 If a beneficiary is incapable

A Scheme benefit may become payable to a person who is a minor or, in the Trustees' opinion, a person who is unable to act by reason of physical or mental incapacity or otherwise. In these circumstances, the Trustees may pay all or part of the benefit in one or more of the following ways for the benefit of that person or his or her dependants:

36.2.1 to the person, any individual or body which in the Trustees' opinion, is supporting or caring for the person or a dependant of the person

36.2.2 to a trust which is separate from the Scheme trusts, on terms which the Trustees decide.

The receipt of the person, individual or body which receives the payment will discharge the Trustees from all liability in respect of that benefit.

The Trustees may deduct from the amount of any benefit paid to a trust under rule 36.2.2 the costs (if any) incurred by them in establishing that trust.

36.3 Divorce or dissolution of Civil Partnership

The Trustees will:

36.3.1 give an estimated transfer value if a Member who is involved in divorce or dissolution or related proceedings requests

36.3.2 follow a court order directing that all or part of a Member's benefits will be paid to another person, and

36.3.3 where rule 36.3.2 applies, inform the other person (and the other scheme trustees if relevant) if:

- (a) a transfer value is paid to another scheme for any benefits which relate to the Member, or
- (b) an event occurs which is likely to result in a significant reduction in Scheme benefits, other than a change in the Funds' value due to interest rates or other market conditions.

Where the courts have made a pension sharing order, agreement or equivalent provision in accordance with the Welfare Reform and Pensions Act 1999, the Trustees must also comply with the provisions of the Schedule to the Rules (pension sharing).

36.4 Bankruptcy

Where a bankruptcy order made against a Member is presented on or after 29 May 2000, the Welfare Reform and Pensions Act 1999 excludes the Member's Scheme benefits from his or her estate, subject to sections 15 and 16 of that Act (excessive pension contributions made by persons who have become bankrupt).

36.5 Court orders for attachment of earnings and income payments

A person's entitlement or accrued right to benefit can be subject to:

- 36.5.1 an attachment of earnings order under the Attachment of Earnings Act 1971
- 36.5.2 an income payments order under the Insolvency Act 1986, or
- 36.5.3 the equivalent orders applying to Scotland.

37 CONTRIBUTION AND BENEFIT LIMITS

37.1 No Limits

Unless the Rules provide otherwise, no limits will apply under the Scheme to:

- 37.1.1 the increase in the value of a Member's pension in any Scheme Year (including any increase arising from any AVCs paid under rule 28.7); and
- 37.1.2 the total value of the Member's benefits at retirement (including the value of any benefits payable on his or her death under rule 31 and rule 32).

37.2 Unauthorised payments

Any payment which, by virtue of section 160 of the Finance Act 2004, would be an unauthorised payment may only be paid at the discretion of the Trustees and the University. Any amount withheld by the Trustees and the University under this rule will be kept in the Main Fund and used for Scheme purposes.

37.3 Transitional Protection under the Finance Act 2004

Where a Member is subject to the transitional provisions under section 283 of the Finance Act 2004, the Trustees may adjust the benefits paid to or in respect of that Member in accordance with the requirements of Schedule 36 to that Act.

38 CONTRACTING-OUT

38.1 GMPs for Contracted-out Employment before 6 April 1997

The Trustees must administer the Scheme to satisfy section 9(2A) of the Pension Schemes Act 1993 in respect of Contracted-out Employment completed before 6 April 1997 and in particular any part of GMPs in payment related to earnings in Tax Years from 1988/89, must increase as set out in sections 109 and 110 of the Pension Schemes Act 1993. Rule 30.5 (trivial pension) and rule 36.4 (bankruptcy) will override any requirement to provide GMP for any person under the Scheme. A Civil Partner of a Member (regardless of that person's gender) will be treated in the same way as a widower of a Member who is of the opposite sex to the Member for the purposes of calculating the GMP of that Civil Partner. A widow or widower of a Member who is of the same sex as the Member will be treated in the same way as a widower of a Member who is of the opposite sex to the Member for the purposes of calculating the GMP of that widow or widower.

38.2 Contracted-out Employment after 5 April 1997 up to 6 April 2012

Between 5 April 1997 and 6 April 2012 the Scheme was contracted-out on a protected rights basis and the Trustees were required to administer the Scheme in order to satisfy the specific requirements of the Pension Schemes Act 1993 relating to protected rights. Contracting-out on a protected rights basis was abolished from 6 April 2012 and, unless the Rules expressly provide otherwise, there will be no restrictions relating to assets that were treated as protected rights assets before 6 April 2012.

38.3 Contracted-out Employment after 5 April 2012 up to 6 April 2016

- 38.3.1 In this Rule 38.3 "section 9(2B) rights" has the same meaning as the Occupational Pensions Schemes (Contracting-out) Regulations 1996.
- 38.3.2 The Scheme will be administered so as to comply with all relevant statutory requirements relating to section 9(2B) rights in respect of Contracted-out Employment for the period after 5 April 2012 until 6 April 2016.
- 38.3.3 The Trustees may at any time pay a contributions equivalent premium in respect of any person entitled to section 9(2B) rights under the Scheme in accordance with Part VI of the Occupational Pension Schemes (Contracting-out) Regulations 1996 and may make such other arrangements for the restoration of State scheme rights as the Trustees decide.

38.4 Members who ceased to be in Contracted-out Employment on 6 April 2016

- 38.4.1 In relation to an 'earner' who:
 - (a) was before 6 April 2016 in Contracted-out Employment ; and

- (b) ceased to be in Contracted-out Employment on 6 April 2016; and
- (c) ceases to be in Pensionable Service under the Scheme before the 'relevant final year'

for the purpose of section 14(2) of the Pension Schemes Act 1993, the 'earnings factors' shall for that person be determined in accordance with section 16(2) of the Pension Schemes Act 1993

38.4.2 The terms 'earner', 'relevant final year' and 'earnings factors' shall be interpreted in accordance with the Pension Schemes Act 1993

39 PART TIME WORKING

39.1 Application

The provisions of this rule will override any provisions elsewhere in the Rules which are inconsistent with them. This rule will apply only to a Member who at any time during his or her Pensionable Service is a Part-time Employee:

39.1.1 for the purpose of calculating a Member's benefits and Member Contributions under the Rules, the definitions of "Pensionable Earnings" and "Pensionable Service" are calculated as follows:

- (a) the definition of "Pensionable Earnings" in rule 2 of the Rules (definitions) is amended so that:
 - (i) where a Member becomes a Part-time Employee, Pensionable Earnings for the purpose of calculating any Member Contributions and benefits payable on death in Pensionable Service will immediately be based on the Member's rate of fixed salary or wages as a Part-time Employee
 - (ii) where a Member who is a Part-time Employee becomes a Full-time Employee, Pensionable Earnings for the purpose of calculating any Member Contributions and benefits payable on death in Pensionable Service will immediately be based on the Member's rate of fixed salary or wages as a Full-time Employee
 - (iii) for any part of his or her Pensionable Service where the Member is a Part-time Employee, Pensionable Earnings for the purpose of calculating the Member's pension will from the date he or she became a Part-time Employee, or from the date of joining the Scheme if he or she joins as a Part-time Employee, be determined by reference to his or her salary or wages multiplied by

FT/PT

Where

FT is the Member's normal weekly working hours at the time his or her period of Service as a Full-time Employee ends, or what the Trustees determine would be such working hours if he or she were to become a Full-time Employee, and

PT is the Member's normal weekly working hours as a Part-time Employee.

- (b) The definition of Pensionable Service in rule 2 of the Rules (definitions) is amended so that for a Member who is a Part-time Employee during any part of his or her Pensionable Service, his or her Pensionable Service for Service as a Part-time Employee will be calculated as:

Service as a Part-time Employee X PT/FT Employee

Where

PT is the Member's normal weekly working hours as a Part-time Employee

FT is the Member's normal weekly working hours at the time his or her period of Service as a Full-time Employee ends, or what the Trustees determine would be such working hours if he or she were to become a Full-time Employee.

39.1.2 This rule will apply each time that a Member's normal weekly working hours as a Part-time Employee are changed.

39.1.3 Rule 39.1.1(a)(i) and rule 39.1.1 (a)(ii) will also apply in calculating any Pension Salary Sacrifice Contributions in relation to a Pension Salary Sacrifice Member.

Schedule
Pension Sharing on Divorce or Dissolution

1 Interpretation

In this Schedule, words which begin with a capital letter have the meaning given in rule 2 of the Rules (definitions); and the following expressions have the following meanings:

- Dependant** any of:
- (a) a person who is financially dependent on, or financially interdependent with, the Member, or was so dependent (or interdependent) at the time of the Member's death or retirement
 - (b) a person who is dependent on the Member because of disability, or was so dependent at the time of the Member's death or retirement
 - (c) the Member's Qualifying Partner
 - (d) the Member's natural or adopted children who, at the time of the Member's death, are (i) under age 18, or (ii) over age 18 but under age 23 and continuing to receive full-time education or vocational training, or (iii) dependent on the Member because of disability
 - (e) a person who the Revenue agree may be treated as a "Dependant" for the purposes of this Schedule
- Ex-Spouse** an individual to whom Pension Credit Rights have been or are to be allocated under the Scheme following a Pension Sharing Order, agreement or equivalent provision
- Ex-Spouse Participant** is an Ex-Spouse who participates in the Scheme. For this purpose the Ex-Spouse Participant must participate in the Scheme, either
- (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

Lump Sum Retirement Benefit	the total value of all retirement benefits payable in any form other than non-commutable pension under this and any other Registered Scheme
Negative Deferred Pension	the amount by which the Member's pension or deferred pension under the Scheme which arises from Service with the Employer, is reduced at the Relevant Date by section 31 of the Welfare Reform and Pension Act 1999 following a Pension Sharing Order, agreement or equivalent provision. For this purpose, Service with the Employer includes all periods of service with other employers which have been treated as if they were Service with the Employer where a transfer payment has been made to the Scheme in respect of that other service
Pension Credit	a credit under section 29(1)(b) of the Welfare Reform and Pensions Act 1999
Pension Credit Benefit	in relation to a scheme, means the benefits payable under the scheme to or in respect of a person by virtue of rights under the scheme attributable (directly or indirectly) to a Pension Credit
Pension Credit Rights	rights to future benefits under a scheme which are attributable (directly or indirectly) to a Pension Credit
Pension Debit	a debit under section 29(1) (a) of the Welfare Reform and Pensions Act 1999
Pension Debit Member	a Member whose benefits have been permanently reduced by a Pension Debit.
Pension Sharing Order	any order or provision as is mentioned in section 28(1) of the Welfare Reform and Pensions Act 1999

2 **Assignment**

Rule 36.1 of the Rules (attempted assignment) is amended to permit the assignment of part or all of the Member's retirement benefits or rights to benefits under the Scheme to his or her Ex-Spouse to the extent necessary to comply with a Pension Sharing Order, agreement or equivalent provision or the assignment of part or all of the Ex-Spouse Participant's benefits or rights to benefits under the Scheme to his or her Ex-Spouse to the extent necessary to comply with a Pension Sharing Order, agreement or equivalent provision.

3 **Treatment of Pension Credit Benefit**

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

4 Participation in the Scheme by Ex-Spouse

Participation in the Scheme may be offered by the Trustees to an Ex-Spouse either where the requirement in paragraph 3 of this Schedule is satisfied, or where the Ex-Spouse only has Pension Credit Benefits under the Scheme.

The following options will be available to the Ex-Spouse Participant in relation to the Pension Credit Benefit, subject to the agreement of the Trustees and compliance with any overriding statutory requirements.

- 4.1 A pension can be paid at the request of the Ex-Spouse Participant at any time between attaining age 55 and 75, or earlier on grounds of incapacity where he or she is simultaneously taking benefits on incapacity grounds arising from Service as an employee under the Scheme in which the Pension Credit Benefits are held. Additionally a pension not yet in payment may be fully commuted, at any age, on the grounds of exceptional circumstances of Serious Incapacity. The Ex-Spouse Participant cannot defer commencement of the pension beyond his or her 75th birthday. If he or she is aged 75 or over at the date the Pension Sharing Order is implemented, the pension must come into payment immediately. There is no limit on the amount of the pension. Such a pension should not be commuted, surrendered or assigned except in accordance with the Rules. Such a pension must be payable for life unless it is fully commuted under paragraph 4.8 of this Schedule, and may be guaranteed.
- 4.2 No lump sum may be paid to the Ex-Spouse Participant where the Member (who was formerly married to, or in a Civil Partnership with, the Ex-Spouse Participant) has already received a Lump Sum Retirement Benefit from the Scheme before the date of the implementation by the Scheme of the Pension Sharing Order, agreement or equivalent provision.
- 4.3 No lump sum may be paid to the Ex-Spouse Participant where all of the Pension Credit Rights under the Scheme have been transferred into the Scheme with a lump sum nil certificate.
- 4.4 Otherwise the Ex-Spouse Participant may choose to take a lump sum in commutation for part of the pension, at the time the pension first becomes payable. The lump sum is limited to a maximum of 25% of the value of the initial pension payable. For this purpose, the initial annual pension should be calculated on the following basis:
 - 4.4.1 if the pension payable for the year changes, the initial pension payable should be taken
 - 4.4.2 it should be assumed that the Ex-Spouse Participant will survive for a year
 - 4.4.3 the effect of commutation should be ignored.

- 4.5 Where the Ex-Spouse Participant dies before benefits come into payment a lump sum death benefit may be paid. This lump sum can be paid to any one or more of the Beneficiaries at the discretion of the Trustees.

The lump sum is limited to 25% of what would have been the Cash Equivalent of the Pension Credit Rights at the Ex-Spouse Participant's date of death. The balance of the said Cash Equivalent may be used to provide a non-commutable pension to one or more dependants of the Ex-Spouse Participant.

Such pensions must be payable for life, except that pensions paid to children must cease on the attainment of age 18 or, if still in full-time education at that age, on the cessation of full-time education or the earlier attainment of age 23. Such pensions may, however, be fully commuted for a lump sum on the grounds of triviality under rule 30.5 at the time that such a pension becomes payable.

- 4.6 Where the Ex-Spouse Participant dies after her pension has come into payment, a non-commutable pension may be payable to one or more dependants of the Ex-Spouse Participant.

Such pensions must be payable for life, except that pensions paid to children must cease on the attainment of age 18 or, if still in full-time education at that age, on the cessation of full-time education or the earlier attainment of age 23. At the request of the person entitled to the pension, any such pension may, however, be fully commuted for a lump sum on the grounds of triviality under rule 30.5 at the time that such a pension becomes payable provided that the Ex-Spouse Participant had not attained age 75 at the date of death and the lump sum is paid before the date on which the Ex-Spouse Participant would have attained such age.

Where the Ex-Spouse Participant selected a guarantee and the guarantee period has not expired, the remaining balance of the pension instalments can be paid as a lump sum. This lump sum can be paid to any one or more of the Beneficiaries at the discretion of the Trustees.

- 4.7 On the date the Ex-Spouse Participant's pension becomes payable (but not where the pension is paid in the form of income drawdown), part of this pension may be surrendered for the provision, on the death of the Ex-Spouse Participant, of a pension payable to a dependant of the Ex-Spouse Participant. The amount of pension surrendered should not exceed the reduced pension that the Ex-Spouse Participant retains.

- 4.8 Full commutation of the Pension Credit Rights on the grounds of triviality under rule 30.5 or in exceptional circumstances of Serious Incapacity is permitted when the pension first becomes payable. Where the Ex-Spouse Participant is also entitled to benefits under the Scheme arising from Service as an Employee, for the purposes of determining whether the Member's pension is a trivial pension, benefits from Pension Credit Rights must be included. Where the Ex-Spouse Participant is also entitled to benefits under the Scheme arising from Service as an Employee, full commutation of the Pension Credit Rights on the grounds that they are trivial pensions will only be permitted where benefits arising from Service as an Employee are simultaneously commuted. A trivial pension may only be commuted at the request of the Ex-Spouse Participant and if he or she has reached his or her 60th birthday but not reached his or her 75th birthday.

- 4.9 The Ex-Spouse Participant may request that the Trustees arrange a transfer of her Pension Credit Rights to another Registered Scheme if she is already a member of, or an ex-spouse participant in that Registered 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 Participant.
- 4.10 At the point the pension becomes payable, the Ex-Spouse Participant may request that the Trustees arrange for the purchase of an annuity from an Insurance Company of his or her choice.
- 4.11 The rights to a Pension Credit Benefit under the Scheme will not be absolute, but will be forfeited upon the bankruptcy of the Ex-Spouse Participant. Such benefits may then be paid to any individuals or individual as specified by the Trustees, in their absolute discretion.

5 Benefit limits for a Pension Debit Member

Notwithstanding any other provisions of the Rules, the benefits for a Pension Debit Member are additionally subject to the following limits. Subject to compliance with statutory requirements, the lump sum from the Scheme will not exceed 25% of the value of the initial annual pension payable. For the purposes of this rule, the initial annual pension should be calculated on the following basis:

- 5.1 if the pension payable for the year changes, the initial pension payable should be taken
- 5.2 it should be assumed that the Pension Debit Member will survive for a year
- 5.3 the effect of commutation should be ignored.

6 Transfers-out

The Trustees must give a lump sum certificate specifying the maximum permissible lump sum, to the receiving scheme or arrangement where the fund underlying the benefits for a Pension Debit Member is transferred to another Registered Scheme.

7 Transfers-in

Where the Trustees accept a transfer payment for an individual who is already a Member or is already an Ex-Spouse Participant in the Scheme and are informed by the transferring scheme or arrangement that the transfer value consists wholly or partly of Pension Credit Rights in the former scheme or arrangement, then the Trustees must separately identify the transfer payment relating to the Pension Credit Rights or the part of the transfer payment relating to the Pension Credit Rights from other funds held for the benefit of the Member. Furthermore the Trustees must comply with the requirements of paragraph 3 of this Schedule in respect of the transferred-in Pension Credit Rights. Then the individual will acquire the status of an Ex-Spouse Participant in the Scheme in relation to his or her transferred-in Pension Credit Benefits. Such Pension Credit Benefits will not count towards any limit on benefits for that Member.

8 Death of Ex-Spouse

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

- 8.1 A lump sum death benefit may be paid to any one or more of the Beneficiaries at the discretion of the Trustees.
- 8.2 The lump sum is limited to 25% of what would have been the Cash Equivalent of the fund which would have provided the Pension Credit Rights for the Ex-Spouse. The balance of the fund may be used to provide a non-commutable pension to one or more Dependants of the Ex-Spouse.
- 8.3 Such pensions must be payable for life, except that pensions paid to children must cease on the attainment of age 18 or, if still in full-time education at that age, on the cessation of full-time education or the earlier attainment of age 23. At the request of the person entitled to it, any such pension may be fully commuted for a lump sum under rule 30.5 on the grounds of triviality.
- 8.4 Any amount, which would have comprised the Ex-Spouse's Pension Credit, remaining after a lump sum death benefit or dependant's pension is paid (if any), under this paragraph 8, will be kept in the Main Fund and used for Scheme purposes.

9 **Charges**

The Trustees will be entitled to charge the Member and/or Ex-Spouse for the provision of information in connection with, and the implementation of, a Pension Sharing Order. Such charges imposed will be calculated in accordance with section 41 of the Welfare Reform and Pensions Act 1999 and regulations made under that Act.

10 **Surplus distribution**

An Ex-Spouse Participant will only be entitled to any distribution of surplus which may arise under the Scheme to the extent that the Ex-Spouse Participant is also a Member.