

# Master Trust Deed and Rules

governing the  
WealthKernel SIPP

Dated 26.01.2021

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This Master Trust Deed and Rules is made the 26 day of January 2021

**Between:**

- (1) **WealthKernel Limited** (company number 09686970) whose registered office is at City Place House, 55 Basinghall Street, 6th Floor, London EC2V 5DU (**Operator**); and
- (2) **WealthKernel Trustees Limited** (company number 12685292) whose registered office is at City Place House, 55 Basinghall Street, 6th Floor, London EC2V 5DU (**Scheme Trustee**).

**Background:**

- (A) The Operator wishes by this Master Trust Deed and Rules (**Deed and Rules**) to establish, with effect on and from the date of this deed, a self-invested personal pension scheme known as the **WealthKernel SIPP (Scheme)**.
- (B) The Operator has permission under the Financial Services and Markets Act 2000 to establish and operate a personal pension scheme.
- (C) The Operator wishes to appoint the Scheme Trustee to be the sole trustee of the Scheme.
- (D) The Operator wishes to be the scheme administrator, within the meaning of section 270 of the Finance Act (**Scheme Administrator**).

**It is agreed as follows:**

**1 Establishment of the Scheme**

- 1.1 With effect on and from the date of this Deed and Rules, the Operator by this Deed and Rules establishes the Scheme, which is a self-invested personal pension scheme registered under the Finance Act, and adopts this Deed and Rules to govern the Scheme.
- 1.2 The main purpose of the Scheme is the payment of benefits permitted by the Pension Rules, Lump Sum Rule, Pension Death Benefit Rules and Lump Sum Death Benefit Rule.

**2 Trust**

The Operator by this Deed and Rules establishes the Scheme under irrevocable trust.

**3 Scheme Trustee**

- 3.1 The Operator by this Deed and Rules appoints the Scheme Trustee as the trustee of the Scheme and the Scheme Trustee accepts its appointment.
- 3.2 The Scheme Trustee shall at all times exercise its powers under the Deed and Rules only in accordance with any directions given by the Operator, and any bank or other third party dealing from time to time with the Scheme Trustee in relation to Scheme shall be entitled to assume without further evidence that any exercise of those powers is in accordance with directions given by the Operator, and in accordance with the Deed and Rules generally and any limitations set out in the Deed and Rules.
- 3.3 All assets of the Scheme shall be held under the legal control of and registered in the name of the Scheme Trustee, except that the Scheme Trustee may (acting only in accordance with any directions given by the Operator) place assets of the Scheme in the name of any company as nominee for the Scheme Trustee or in the name of any person so authorised by the Operator in writing for this purpose.

3.4 The Scheme Trustee may (acting only in accordance with any directions given by the Operator), appoint and remove any investment manager, nominee, custodian, sub-custodian or other person concerned with the management or custody of assets under the Scheme upon such terms as it thinks fit.

3.5 The Operator has the power at any time by deed to remove the Scheme Trustee and to appoint one or more new or additional trustees of the Scheme in place of or in addition to the Scheme Trustee.

#### **4 Registered Pension Scheme**

4.1 The Scheme is a Registered Scheme for the purposes of the Finance Act.

4.2 Notwithstanding any of the other provisions of the Scheme, but subject to the following provisions of this clause 4.2, nothing in this Deed or the Rules shall entitle any Member to an Unauthorised Payment and no Unauthorised Payment may be made from the Scheme. If the Operator or the Scheme Trustee or the Scheme Administrator, as the case may be, makes any Unauthorised Payment not knowing that the payment was or would be an Unauthorised Payment, neither the Operator nor the Scheme Trustee nor the Scheme Administrator will be in breach of trust or of this Deed and Rules.

4.3 The Scheme will be subject to all limits and conditions imposed by HMRC as a condition of it being a Registered Scheme. In order to maintain the status of the Scheme as a Registered Scheme and in order to comply with any requirements of a Registered Scheme, the Scheme Administrator may give such undertakings to HMRC or such other regulatory body as may from time to time be required.

#### **5 Contributions**

Contributions may be paid to the Scheme by, or on behalf of, each Member or by each individual Member's Employer (if any), subject to Rule 4 of the Rules.

#### **6 Member Fund**

6.1 The Scheme Administrator shall establish in respect of each Member an account and a fund to which any contributions and transfer payments shall be credited and which shall be known as his or her Member Fund. The Member Fund shall comprise the aggregate values referred to in the Rules.

6.2 The assets comprising each Member Fund shall (subject to clause 3 of this Deed) be registered in the name of the Scheme Trustee as the sole trustee of the Member Fund, with such designation in respect of that Member Fund as the Scheme Administrator may in its discretion determine.

6.3 No Member shall have any entitlement under the Scheme to the withdrawal of funds or income from his Member Fund except in accordance with the provisions of the Scheme and of the Rules from time to time in force.

#### **7 Investments**

##### **7.1 Bank accounts**

The Scheme Trustee may (acting only in accordance with any directions given by the Operator) open a bank account in relation to one or more Member Funds with such bank, building society or Insurer as the Scheme Administrator may specify, on such terms as shall be agreed between the bank, building society or Insurer and the Scheme Administrator, provided that:

7.1.1 unless the Scheme Administrator agrees otherwise, the sole signatory to that account shall be the Scheme Trustee; and

7.1.2 the Scheme Trustee may (acting only in accordance with any directions given by the Operator) retain such of the money of the Scheme as the Scheme Administrator may decide in such bank account and, subject to any terms and conditions agreed between the Scheme Administrator or any one or more Service Operators and the Member, shall invest or apply the balance of that money as the Scheme Administrator thinks fit in any manner which:

7.1.2.1 it could do if it were absolutely and beneficially entitled to it; and

7.1.2.2 is permitted by the Finance Act or by HMRC in relation to a Registered Scheme.

## 7.2 Investment power

The Scheme Trustee shall have in relation to a Member Fund full powers of investment and application including all such powers which it could exercise if it were absolutely and beneficially entitled to the Member Fund (provided always that the Scheme Trustee may exercise these powers only in accordance with any directions given by the Operator). The Scheme Trustee may in particular (without prejudice to the generality of the above, but subject to any terms and conditions agreed between the Scheme Administrator or a Service Operator and the Member) enter into any one or more of the following transactions:

7.2.1 the purchase from an Insurer of an annuity policy for the life of any beneficiary or for any period (whether depending upon or calculated by reference to life or not) authorised and in accordance with the Rules; or

7.2.2 the establishment of any policy of life assurance (including the payment of premiums in accordance with the Rules); or

7.2.3 the purchase of, or subscription for, or the underwriting or sub-underwriting of (or guaranteeing a subscription of) any funds, securities, bonds, debentures, stocks or shares which may be investments or assets under this clause 7.2 and which are permitted by the requirements of HMRC relating to a Registered Scheme and in particular transactions in relation to United Kingdom securities or overseas securities conducted through a recognised stock exchange; or

7.2.4 the purchase of any units in unit trusts and Insurer's managed funds or unit linked funds and shares in any authorised open ended investment companies or investment trusts or other form of collective investment; or

7.2.5 the purchase of any interest in commercial land or real property; or

7.2.6 participating in any scheme of any description operated or administered by an Insurer; or

7.2.7 the Scheme Administrator may undertake, or direct the Scheme Trustee to undertake, such other transactions as may be appropriate subject at all times to the Rules and the requirements of the Finance Act and of HMRC relating to a Registered Scheme.

## 7.3 Investment transactions

7.3.1 The Scheme Trustee may (acting only in accordance with any directions given by the Operator) sell, lend, lease, surrender, assign, convert, improve, maintain, vary or transpose any of the investments or assets of the Scheme.

7.3.2 Unless otherwise agreed between the Scheme Administrator and the Member, the Member is responsible for selecting, maintaining and disposing of all investments of the Member Fund. This includes responsibility for managing and maintaining in good order any land or property held by the Member Fund, negotiating leases with tenants, arranging for the collection of rents due and interest and capital due on loans.

#### 7.4 Member direction

7.4.1 The Operator shall direct the Scheme Trustee to exercise the powers under clauses 7.2 and 7.3 above only in accordance with any directions given by the relevant Member or Survivor (or any professional individual or body acting with the prior written authorisation of that Member or Survivor), except that:

7.4.1.1 the Operator may in its absolute discretion from time to time impose restrictions on particular classes or types of investment or other transactions (which may be imposed in respect of the whole Scheme or any particular category or description of Members or Survivors);

7.4.1.2 the Scheme Trustee shall not make or retain any investment or enter into any transaction which would, in the opinion of the Operator, breach the provisions of the Scheme or of any Arrangement or prejudice the status of the Scheme as a Registered Scheme;

7.4.1.3 the Operator may in its absolute discretion not direct the Scheme Trustee to make or retain any investment or enter into any transaction which would, in its opinion, constitute an Unauthorised Payment or give rise to any Tax; and

7.4.1.4 the Operator may act in the absence of or contrary to any direction by the relevant Member so as to allow or to prevent unduly delaying the recovery of any amount under clauses 9 and 10 or payment of benefits or any other payment required for the proper execution of the trusts of the Scheme generally.

7.4.2 Where the Operator directs the Scheme Trustee to follow directions given by the relevant Member or Survivor, neither the Operator nor the Scheme Trustee is under any duty, obligation or liability to any person in respect of any loss or reduction in the value of the Member's Fund or of any other Member's Fund which results from following the Member's or Survivor's directions.

#### 7.5 Borrowing

Insofar as HMRC requirements and restrictions in respect of Registered Schemes permit, the Scheme Trustee, for or in respect of one or more Member Funds, may (acting only in accordance with any directions given by the Operator) borrow monies for any purpose and may give security over any assets of the Scheme, on such terms as it or they may think fit, upon a direction and with the written consent of the Member or Members concerned. Any such borrowing or giving of security by the Scheme Trustee may be made without the written consent of the Member or Members concerned where it is, in the reasonable opinion of the Scheme Administrator, necessary for reasons of liquidity, including (but not limited to) in order that benefits may be paid from the Scheme and/or to pay transfers out of the Scheme and/or for the purposes of investments of the Scheme.

**7.6 Lending**

Subject to any restrictions imposed by the Operator, the Scheme Trustee, for or in respect of one or more Member Fund, may (acting only in accordance with any directions given by the Operator) loan monies for any purpose, on any terms as the Operator thinks fit, upon a direction and with the written consent of the Member or Members concerned, provided that no loan may be made by the Scheme Trustee to any of the Members concerned or to any person which is connected with any of the Members concerned within the meaning of section 993 of the Income Tax Act 2007.

**7.7 No consultation with beneficiaries**

Except as specifically required by the Rules, the Operator and Scheme Trustee shall not be required to consult or act upon the wishes of beneficiaries of the Scheme. Notwithstanding any other provision of the Scheme, section 11(1) of the Trusts of Land and Appointment of Trustees Act 1996 does not apply to the Scheme.

**7.8 Joint investments**

The Operator may on specific written instruction from the relevant Members authorise all and any investments, including the purchase of assets and all and any investment in real property, across two or more Member Funds, to be held by the Scheme Trustee.

**7.9 Insurance**

The Operator shall have power to direct the Scheme Trustee to:

- 7.9.1 effect insurance for such risks and for such amounts and to insure any asset comprised in the funds of the Scheme on such terms as it considers prudent and thinks fit;
- 7.9.2 take out directors' and officers' insurance to cover any liability or potential liability of the Operator, Scheme Trustee or Scheme Administrator in relation to the Scheme;
- 7.9.3 to the extent permitted by section 256 of the Pensions Act 2004, to pay premiums out of income or capital of the Scheme; and
- 7.9.4 use any insurance money received to restore the assets or, if this is not possible or considered appropriate, to apply as if it were the proceeds of sale of the assets.

**7.10 Insurance of benefits**

Any provision made under the power to insure in respect of any benefits payable under the Scheme may be made by effecting an individual annuity contract or policy in the name of the beneficiary or of the Scheme Trustee or by assigning any such contract or policy to the beneficiary. Each contract or policy must be subject to any terms and conditions necessary to comply with the Pension Schemes Act. Following such purchase of an insurance policy or assignment of the benefit of an insurance policy, the Operator, Scheme Administrator and the Scheme Trustee shall be discharged from all claims in respect of such benefits.

**8 Amendment**

The Operator may at any time add to, alter, amend or modify any or all of the provisions of this Deed and Rules. Any such addition, alteration, amendment or modification shall be brought into effect by the execution by the Operator of a deed which may make the addition, alteration, amendment or modification effective from a date earlier than the date of the amending deed itself.

## 9 Costs, fees, expenses and liabilities

### 9.1 All Costs may be paid:

- 9.1.1 subject to the agreement of the Operator, in relation to any or all Costs, directly to the Scheme Administrator or the Scheme Trustee by the Member or on any other basis which the Operator agrees to; or
- 9.1.2 by the Scheme Administrator out of the Member Fund or other asset of the Scheme in respect of which the Costs have been incurred (for the avoidance of doubt the Operator may at any time direct that payment of Costs shall be made out of the Member Fund or other assets of the Scheme, notwithstanding any agreement to the contrary), insofar as permitted by the Finance Act, regulations under the Finance Act or by HMRC

Costs may be levied by the Operator and/or Scheme Trustee and/or the Scheme Administrator and/or by one or more Service Operators on each Member as may be determined and notified to the Member from time to time.

- 9.2 Each of the Operator, the Scheme Trustee, any Service Operator and any associated company within the same group of companies as the Operator (whether or not such associated company qualifies as a Service Operator) may receive such commissions, fees and other payments from the relevant Member Funds or any other source, or in respect of any investments in respect of any one or more Member Funds, as the Operator or the Service Operator, as the case may be, may from time to time decide in its absolute discretion.
- 9.3 Any Costs or other sums whatsoever to be levied or paid under clauses 9.1 and 9.2 above shall be paid to the Operator or Scheme Trustee or such Service Operator in such proportions and on such basis as the Operator or such Service Operator, as the case may be, in their sole discretion may determine and notify to the Member. For the avoidance of doubt, the Member's approval or consent is not required to any payment under clauses 9.1 and 9.2 above out of the Member Fund or other assets of the Scheme.
- 9.4 Without prejudice to the generality of this clause 9 and to clause 10, the Operator, without requiring the consent of any Member or beneficiary or of any other person, shall have the power, as attorney for the Member and any other beneficiaries in respect of the Member Fund, to direct the Scheme Trustee to sell all or any assets of the Scheme at market value, including assets of the relevant Member Fund, in order to meet any undischarged liabilities arising out of, or in connection with, a Member Fund. The Operator shall give prior written notice to the Member of any such sale. For the purposes of this clause, 'market value' means the price which those assets might reasonably be expected to fetch on a sale in the open market, which shall be determined by the Operator on the basis of an independent valuation.
- 9.5 Each of the Operator, Scheme Trustee, Scheme Administrator and any Service Operator will be reimbursed its expenses by the Scheme. Any corporate trustee and any trustee (or firm or company in which a trustee is interested) carrying on a profession or business, including in either case the Operator, Scheme Trustee (acting only in accordance with any directions given by the Operator), Scheme Administrator and any Service Operator, and any associated company within the same group of companies as the Operator (whether or not such associated company qualifies as a Service Operator (as defined above)), may charge for services rendered and may retain commissions and other like payments. Fees and charges may be levied by the Operator, Scheme Trustee (acting only in accordance with any directions given by the Operator), Scheme Administrator, Service Operator or such associated company on such basis as the Operator or such Service Operator may respectively determine.

9.6 The Operator, the Scheme Trustee (acting only in accordance with any directions given by the Operator), the Scheme Administrator and any Service Operator may each levy such additional expenses incurred in connection with:

9.6.1 the banking, administration, management, transactions and investment of the Scheme; and

9.6.2 any services for managing the property and assets of a Member Fund, if the Operator agrees, at its discretion, to provide such services;

as the Operator or such Service Operator may determine.

9.7 Each of the Operator, Scheme Trustee (acting only in accordance with any directions given by the Operator), Scheme Administrator and any Service Operator may, without requiring the consent or authority of the Member, pay or require the payment of any fees, charges or expenses due to it direct from any bank account in the name of the Scheme Trustee that is designated to that Member. To the extent that any such fees, charges or expenses are not paid out of the Scheme, each of the Members and beneficiaries shall each be personally liable on a joint and several basis to the Operator, Scheme Trustee, Scheme Administrator and such Service Operator for the payment of those fees, charges or expenses.

9.8 There shall not be:

9.8.1 a deduction from contributions to, or income or gains arising from, a Member Fund; or

9.8.2 a reduction in a Member Fund;

so as to make a payment to any person (except for the Operator) under an agreement between an Employer and that person.

## 10 Tax

10.1 Without prejudice to the generality of clause 9 above, the Scheme Administrator, without requiring the consent of any Member or beneficiary or of any other person, shall have the following powers in the event that there shall be any undischarged liability to Tax, arising out of or in connection with the Scheme:

10.1.1 power to recover the amount of the Tax from the relevant Member Funds and to discharge the Tax liability from those relevant Member Funds;

10.1.2 power to recover the amount of the Tax from the other assets of the Scheme and to discharge the Tax liability from those assets;

10.1.3 power to recover the amount of the Tax from the relevant Members or beneficiaries personally under their indemnities under clause 11; and

10.1.4 power, as attorney for the Member and any other beneficiaries in respect of the Member Fund, to direct the Scheme Trustee to sell all or any assets of the Scheme, including assets of the relevant Member Funds, in order to discharge the Tax liability from those assets.

10.2 The Scheme Trustee (acting only in accordance with any directions given by the Operator) or Scheme Administrator or any Service Operator may deduct from any payment made under the Scheme a sum equal to any Tax which becomes (or in the reasonable opinion of the Operator is likely to become) payable as a result of that payment. Such payment of Tax shall be made out of the Member Fund under which it rightly falls due. Where the amount of any such Tax liability is uncertain, the Operator

may at its absolute discretion require the Scheme Trustee to deduct such amount as it may determine or to postpone the payment.

## **11 Exoneration and indemnity**

11.1 The Operator, Scheme Trustee, Scheme Administrator and any Service Operator shall be entitled to all the indemnities conferred on trustees by law. Neither the Operator, nor the Scheme Trustee, nor the Scheme Administrator, nor any Service Operator shall be liable for any acts or omissions not due to their own deliberate bad faith and each Member in respect of whose Member Fund any relevant liability arises shall keep the Operator, Scheme Trustee, Scheme Administrator and all such Service Operators indemnified against any loss, liability, obligation, demand, claim, expenses or proceedings whatsoever (together referred to in this Deed and the Rules as the **Consequences**) of the exercise of all the Operator's, Scheme Trustee's and Scheme Administrator's powers and discretions, and against the Consequences of any breach of trust or other breach of duty, including in relation to the making of any Unauthorised Payment, except to the extent attributable to deliberate bad faith on the part of the Operator, Scheme Trustee, Scheme Administrator or such Service Operator. The Operator, Scheme Trustee, Scheme Administrator and such Service Operator shall be indemnified to the same extent from the assets of the Scheme. In this clause the words **Operator, Scheme Trustee, Scheme Administrator and Service Operator** shall include every operator, trustee, administrator and service provider for the time being of the Scheme and every director, employee or member of the Operator, a corporate trustee of the Scheme, the Scheme Administrator or Service Operator.

11.2 Without prejudice to the generality of clause 11.1 above, the Operator, Scheme Trustee, Scheme Administrator and any Service Operator, and each officer or representative and each delegate or nominee of the Operator, Scheme Trustee, Scheme Administrator or Service Operator shall (except to the extent that he recovers under any insurance claim) be indemnified from the assets of the Scheme, and from the assets of each relevant Member Fund, and by each relevant Member and beneficiary personally, from all and any Consequences to or in respect of or arising out of or in connection with any Tax, except to the extent attributable to that Operator's, Scheme Trustee's, Scheme Administrator's, Service Operator's, officer's, representative's, delegate's, or nominee's own act or omission knowingly and deliberately committed in bad faith. The Operator, Scheme Trustee (acting only in accordance with any directions given by the Operator), Scheme Administrator and Service Operator may each, at the expense of the Scheme, insure the Scheme and themselves, and such officers, representatives, delegates and nominees against any such Tax liability.

11.3 Neither the Operator, Scheme Trustee, Scheme Administrator nor any Service Operator, nor any officer, representative, delegate or nominee of such person, shall be under any liability to any Member or beneficiary in respect of any Unauthorised Payment, including (without limitation) in relation to any Tax, except to the extent attributable to that Operator's, Scheme Trustee's, Scheme Administrator's, Service Operator's, officer's, representative's, delegate's or nominee's own act or omission knowingly and deliberately committed in bad faith.

11.4 The duty of care under section 1 of the Trustee Act 2000 shall not apply to the Scheme Trustee or any other trustee in relation to the Scheme.

## **12 Agents**

The Operator, Scheme Trustee (acting only in accordance with any directions given by the Operator), Scheme Administrator and any Service Operator may employ agents to transact any business regarding the Scheme, including the payment of benefits. Any valid receipt given to an agent acting under this clause shall be a good and sufficient discharge to the Operator, Scheme Trustee, Scheme Administrator and any Service

Operator. Any person dealing with an agent appointed under this clause shall, on production of the Operator's, Scheme Trustee's, Schemes Administrator's or Service Operator's written authority for the agent so to act, be entitled to assume (unless he has express written notice of the revocation of that authority) that the authority remains unrevoked.

### **13 Delegation**

The Operator, Scheme Trustee (acting only in accordance with any directions given by the Operator), Scheme Administrator and any Service Operator may each delegate or authorise sub-delegation of any of their powers duties or discretions to any one or more persons and on any terms. For the avoidance of doubt, this includes the delegation of their powers and duties of making, holding and managing investments to any person, firm or company whom they consider competent to do so, and to pay from the relevant Member Fund to such person, firm or company such fees, or make such other payments from the relevant Member Fund, as may be agreed by the Operator, Scheme Administrator or Service Operator with that person, firm or company. Notwithstanding any such delegation made under this clause 13, the overall responsibility for the discharge of the obligations owed to the Scheme, by the delegating party, remains at all times with the delegating party.

### **14 Inalienability of benefits**

14.1 No pension, annuity or lump sum benefit payable under the Scheme may be assigned or charged to someone else. Subject to the provisions of the Welfare Reform and Pensions Act 1999, no Member shall be entitled to any benefit under the Scheme if any act or event occurs by which the benefits which would otherwise be payable to or in respect of the Member become wholly or partly payable to a third party, and the relevant Member Fund and any other former entitlements of the Member under the Scheme shall not vest in such a third party.

14.2 If, through the operation of clause 14.1, a benefit ceases to be payable, the Scheme Administrator may in its absolute discretion apply all or any part of it:

14.2.1 for the support and maintenance of the person who would have been the recipient had the benefit not ceased to be payable or of his spouse, children or remoter issue (but in no case shall any payment be made to an assignee or purported assignee); and/or

14.2.2 to become part of the General Fund.

### **15 Minors and incapacity**

15.1 In the case of a Member or Survivor who is under the age of 18, a parent or legal guardian shall act on behalf of the Member or Survivor in respect of all matters to which this Deed and Rules applies until the Member or Survivor attains the age of 18, from which time the Member or Survivor shall act for himself. All references to the Member or Survivor in this Deed and Rules, until the Member or Survivor attains the age of 18, shall be construed as referring to the Member's or Survivor's parent or legal guardian acting on his behalf.

15.2 At any time whilst a Member or Survivor is incapable of managing his own affairs, as determined by the Operator in its absolute discretion, the Operator shall have discretion to act on behalf of the Member or Survivor in respect of all matters to which this Deed and Rules applies and may act on the directions of any one or more of his parents, guardians, spouse or other person legally appointed or authorised to act on his behalf and the Operator shall not be under any liability to enquire further into the wishes of the Member or Survivor.

## **16 Operator**

- 16.1 The Operator is a person permitted by section 154 of the Finance Act to establish a Registered Scheme.
- 16.2 The Operator may at any time by deed agree with another person that that person shall be appointed as the replacement Operator to undertake the duties of the Operator under the Scheme. In that event, the outgoing Operator shall be discharged from the trusts of the Scheme and the Deed and Rules shall have effect as if the replacement Operator is the Operator.
- 16.3 The Operator may appoint and remove any actuary, solicitor, accountant, auditor or other adviser in relation to the Scheme upon such terms, as to remuneration, liability, indemnity and otherwise, as it thinks fit.

## **17 Scheme Administrator**

- 17.1 The Operator by this Deed and Rules appoints itself as the Scheme Administrator responsible for discharging the duties imposed by this Deed and the Rules and by the Finance Act in relation to the Scheme. The Operator by this Deed and Rules agrees to and confirms acceptance of its appointment to the role of Scheme Administrator, as evidenced by its execution of this Deed and Rules.
- 17.2 There shall at all times be a Scheme Administrator in relation to the Scheme.
- 17.3 The Operator may at any time appoint and/or remove the Scheme Administrator, provided that the Scheme Administrator may only be removed if at the same time another person is appointed as the replacement Scheme Administrator.

## **18 Notices**

- 18.1 Any option conferred upon a Member or other person with an interest in the Scheme may only be exercised by notice in writing to the Operator or Scheme Administrator (as applicable) or its agent or delegate, in the form required and in compliance with such other requirements as are notified by the Operator or Scheme Administrator to the Member or other person from time to time. The Operator or Scheme Administrator may waive all or part of these requirements in relation to any notice to be given to it.
- 18.2 Any notice to be given under the Scheme to any Member or other person with an interest in the Scheme may be given by sending the notice through the post, in a letter addressed to him at his last known place of residence, or by email, addressed to his last known email address. Any notice so sent shall be deemed to be served on the third working day following that on which it is posted in the case of a letter sent by post, or on the date of delivery in relation to the email.

## **19 Disputes**

- 19.1 In the event of any dispute arising between the Operator and/or the Scheme Trustee and/or the Scheme Administrator and the Member in the exercise of their powers under this Deed and Rules, such dispute shall be determined conclusively by the Operator, unless the Operator or the Member, as the case may be, elects in writing within 14 days of the dispute arising for the dispute to be determined by an arbitrator appointed jointly by the parties.
- 19.2 If the parties cannot agree to the appointment of an arbitrator within 28 days of the election, the dispute shall be determined by an arbitrator to be appointed by the President or Vice President of the Chartered Institute of Arbitrators. The determination of the arbitrator in either case shall be final and binding upon the Operator and/or the Scheme Trustee and/or the Scheme Administrator and/or the Member accordingly.

The arbitration shall have its seat in England but hearings may be held at any place to be fixed by the arbitrator after consultation with the Operator and/or the Scheme Trustee and/or the Scheme Administrator and/or the Member as appropriate. The Operator's, the Scheme Trustee's, the Scheme Administrator's and the Member's costs of any such arbitration shall be payable out of the relevant Member Fund or the other assets of the Scheme.

- 19.3 The Operator may determine conclusively whether or not any person is a beneficiary of the Scheme and the amount of any benefit.

## **20 Interpretation**

- 20.1 This Deed and Rules will be read and construed together and in accordance with the laws of England.

- 20.2 For the purposes of construing this Deed and Rules:

- 20.2.1 the terms referred to in this Deed (other than those specifically defined in this Deed) shall have the same meanings as are given to them in the Rules;
- 20.2.2 pronouns and adjectival pronouns denoting the masculine gender shall be construed as including the feminine;
- 20.2.3 words in the singular shall be construed as including the plural and words in the plural as including the singular; and
- 20.2.4 references to any enactment or regulations include references to that enactment or regulations as amended or extended or re-enacted by or under any other enactment or regulations.

## **21 Perpetuity period**

The perpetuity period applicable to the trusts of the Scheme shall mean the period of 125 years from the date of the establishment of the Scheme or such longer period as it may, from time to time, be lawful for the trusts of the Scheme to continue.

## **22 Counterparts**

- 22.1 This deed may be executed in any number of counterparts (but shall not be effective until each party has executed and delivered at least one counterpart), each of which, when executed and delivered, shall be an original and which together shall have the same effect as if each party had executed and delivered the same document.

- 22.2 Transmission of the executed signature page of a counterpart of this deed by:

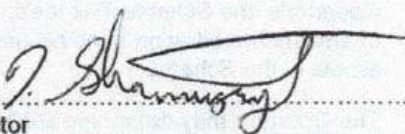
- 22.2.1 fax; or

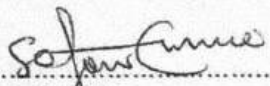
- 22.2.2 email (in PDF, JPEG or other agreed format);

shall take effect as delivery of an executed counterpart of this deed. If either method of delivery is adopted, without prejudice to the validity of the deed thus made, each party shall provide the others with the original of such counterpart as soon as reasonably possible thereafter.

In witness of which this Deed has been executed by the parties and is intended to be and is delivered on the date first written above.

Executed as a deed by  
WealthKernel Limited  
acting by Thuvakaran Shanmugarajah, a  
director, in the presence of:

  
.....  
Director

  
.....  
Witness signature

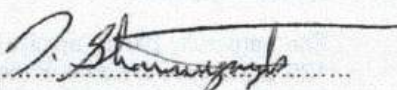
SEAN SOWEMIMO  
.....  
Witness name (block capitals)

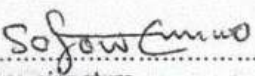
FLAT 7, EARL ATLEE COURT,  
.....  
16, WHARF LANE - LIMEHOUSE

E14 7PD  
.....  
Witness address

DATA ENGINEER  
.....  
Witness occupation

Executed as a deed by  
WealthKernel Trustees Limited  
acting by Thuvakaran Shanmugarajah, a  
director, in the presence of:

  
.....  
Director

  
.....  
Witness signature

SEAN SOWEMIMO  
.....  
Witness name (block capitals)

FLAT 7, EARL ATLEE COURT,  
.....  
16, WHARF LANE - LIMEHOUSE

E14 7PD  
.....  
Witness address

DATA ENGINEER  
.....  
Witness occupation

## Schedule 1

### Rules

#### 1 Introduction

##### 1.1 Registered scheme

The Scheme is a Registered Scheme. Notwithstanding any other provisions of the Scheme or of the Deed or the Rules, nothing shall entitle any person to receive an Unauthorised Payment. The Scheme is subject to all limits, restrictions and conditions imposed by the Finance Act and HMRC as a condition of being a Registered Scheme.

#### 2 Definitions

##### 2.1 The following words have the following meanings in the Deed and Rules:

<b>Annual Allowance Charge</b>	has the same meaning as in the Finance Act
<b>Annuity Protection Lump Sum Death Benefit</b>	has the same meaning as in paragraph 16 of schedule 29 to the Finance Act
<b>Arrangement</b>	has the same meaning as in the Finance Act
<b>Charity Lump Sum Death Benefit</b>	has the same meaning as in paragraph 18 of schedule 29 to the Finance Act
<b>Costs</b>	means all costs, charges, fees and expenses (including without limitation liabilities for any Tax and any liabilities of the Operator and/or Scheme Administrator and/or Scheme Trustee that arise out of, or in connection with, a breach by the Member of the terms of the Scheme or a breach by a Property Manager of the terms of his or her appointment or of any other terms agreed with the Scheme Administrator or Scheme Trustee) in connection with the administration, management and investment of the Scheme
<b>CREST</b>	means the electronic share settlement system currently operated by Euroclear UK & Ireland Limited
<b>Dependant</b>	has the same meaning as in paragraph 15 of schedule 28 to the Finance Act (but including the spouse of a Member who was married to the Member at the Member's Pension Date, albeit not immediately prior to the Member's death); it is for the Scheme Administrator to decide whether a person meets this definition
<b>De-registration Charge</b>	has the same meaning as in the Finance Act

<b>Drawdown Pension</b>	has the same meaning as in paragraph 4 of schedule 28 to the Finance Act
<b>Drawdown Pension Fund Lump Sum Death Benefit</b>	has the same meaning as in paragraph 17 of schedule 29 to the Finance Act
<b>Eligible Recipients</b>	<p>in relation to a person are, on the basis of reasonable enquiries made by the Scheme Administrator, one or more of the following:</p> <ul style="list-style-type: none"> <li>(a) his Spouse;</li> <li>(b) any ancestor or descendant (however remote) of the person or of his Spouse;</li> <li>(c) his Dependants;</li> <li>(d) any stepchild, brother or sister of the person (whether of the whole or of the half-blood) and any descendant of any such stepchild, brother or sister;</li> <li>(e) any person for whom a Drawdown Pension may be provided (whether actually provided or not);</li> <li>(f) his Nominees or Successors;</li> <li>(g) persons interested in his estate; and</li> <li>(h) any person nominated to the Scheme Administrator in writing for this purpose by the Member or (on the death of a Dependant) any person nominated for this purpose by the relevant Member (or if the Member made no nomination, the Dependant)</li> </ul>
<b>Employee Share Scheme</b>	<p>means:</p> <ul style="list-style-type: none"> <li>(a) a 'share incentive plan' being an employee share ownership plan within the meaning of the SIP Code (as defined in section 488 of the Income Tax (Earnings and Pensions) Act 2003), or</li> <li>(b) a savings-related share option scheme under schedule 9 to the Finance Act 2000</li> </ul>
<b>Employer</b>	means the current employer or employers of a Member
<b>Enhanced Protection</b>	means, in relation to an individual, the application to him or her of the protection in paragraph 12 of schedule 36 to the Finance Act
<b>Ex-spouse</b>	means an individual to whom Pension Credit Rights have been or are to be allocated following a Pension Sharing Order, agreement or equivalent provision

<b>Finance Act</b>	means the Finance Act 2004
<b>Fixed Protection</b>	means, in relation to an individual, the application to him or her of the protection in paragraph 14 of schedule 18 to the Finance Act 2011
<b>Fixed Protection 2014</b>	means, in relation to an individual, the application to him or her of the protection in paragraph 1 of schedule 22 to the Finance Act 2013
<b>Fixed Protection 2016</b>	means, in relation to an individual, the application to him or her of the protection in parts 1 and 3 of schedule 4 to the Finance Act 2016
<b>Flexi-Access Fund Lump Sum Death Benefit</b>	Drawdown has the same meaning as in paragraph 17A of schedule 29 to the Finance Act
<b>General Fund</b>	means any part of the assets of the Scheme which is not a Member Fund
<b>HMRC</b>	means HM Revenue and Customs
<b>Ill-Health Condition</b>	has the meaning given to it in paragraph 1 of schedule 28 to the Finance Act
<b>Income Withdrawal</b>	has the same meaning as in paragraph 7 of schedule 28 to the Finance Act
<b>Insurer</b>	means a UK insurance company, an EU insurance company or a UK friendly society
<b>Lifetime Annuity</b>	has the same meaning as in paragraph 3 of schedule 28 to the Finance Act
<b>Lump Sum Death Benefit Rule</b>	has the same meaning as in section 168 of the Finance Act and includes any payment of a lump sum death benefit that is an authorised member payment under section 164 of the Finance Act, or under Regulations made under that section, or is otherwise permitted by HMRC
<b>Lump Sum Rule</b>	has the same meaning as in section 166 of the Finance Act and includes any lump sum payment that is an authorised member payment under section 164 of the Finance Act, or under Regulations made under that section, or is otherwise permitted by HMRC
<b>Member</b>	means an individual who is admitted to join the Scheme under Rule 3, including an individual who was under the age of 18 when admitted to join the Scheme

**Member Fund**

means the aggregate of the accumulated values as determined by the Scheme Administrator of:

- (a) the contributions paid to the Scheme by or in respect of the Member
- (b) any transfer payment accepted by the Scheme in respect of the Member
- (c) any Pension Credit Rights accepted by the Scheme in respect of the Member
- (d) all accretions by way of income or capital gains received or acquired on all assets, investments or money relating to the Member concerned and
- (e) subject to the agreement of the Scheme Administrator and the Member, any benefits attributable to the Member as a result of the Member being a Survivor of a Member of another Arrangement under the Scheme. Such part of the Member Fund shall be a separate Arrangement under the Member Fund under these Rules, and any benefits payable from such separate Arrangement shall be payable in accordance with the Finance Act or otherwise as permitted by HMRC

less the following amounts which shall be deducted:

- (a) the cost of providing or securing any benefits for the Member or in relation to his Membership (including insurance premiums paid)
- (b) any Tax due in respect of any of the benefits in respect of the Member under the Scheme
- (c) fees, charges and expenses payable or levyable under the Deed and Rules, together with a due proportion of any other expenses borne by the Scheme and any commissions or other profits payable to the Operator, Scheme Trustee, Scheme Administrator or to any Service Operator, or any associated company within the same group of companies as the Operator or Scheme Administrator, such sum to be determined by the Operator and
- (d) any Pension Debit arising as a result of a

## Pension Sharing Order

<b>Nominee</b>	has the same meaning as in paragraph 27A of schedule 28 to the Finance Act
<b>Normal Minimum Pension Age</b>	has the same meaning as in section 279 of the Finance Act
<b>Pension Credit Rights</b>	means rights to benefits arising from a credit as defined in section 101P of the Pension Schemes Act, as inserted by section 37 of the Welfare Reform and Pensions Act 1999, or under corresponding Northern Ireland legislation
<b>Pension Date</b>	is the effective start date of Income Withdrawal or Drawdown Pension or Lifetime Annuity under Rule 5.1 in respect of a Member Fund. Where a Member Fund is split under Rule 3.5, each separate Member Fund may have a different Pension Date
<b>Pension Death Benefit Rules</b>	has the same meaning as in section 167 of the Finance Act and includes any payment of pension that is an authorised member payment under section 164 of the Finance Act, or under Regulations made under that section, or is otherwise permitted by HMRC
<b>Pension Debit</b>	means a debit under section 29(1)(a) of the Welfare Reform and Pensions Act 1999 or under corresponding Northern Ireland legislation
<b>Pension Rules</b>	has the same meaning as in section 165 of the Finance Act and includes any payment of pension that is an authorised member payment under section 164 of the Finance Act, or under Regulations made under that section, or is otherwise permitted by HMRC
<b>Pension Schemes Act</b>	means the Pension Schemes Act 1993
<b>Pension Sharing Order</b>	means any order or provision mentioned in section 28(1) of the Welfare Reform and Pensions Act 1999 or Article 26 of the Welfare Reform and Pensions (Northern Ireland) Order 1999
<b>Property Manager</b>	means, in relation to any commercial real property held in a Member Fund, the person appointed to act as the nominated property manager in relation to the real property
<b>Protected Pension Age</b>	has the same meaning as in paragraphs 21 to 23A of schedule 36 to the Finance Act

<b>Protection</b>	means Enhanced Protection, Fixed Protection, Fixed Protection 2014, Fixed Protection 2016 or any other form of protection from the lifetime allowance charge that is recognised by HMRC and which the Operator, at its discretion, decides is within the scope of this definition
<b>Operator</b>	means the person who established the Scheme or any successor thereto
<b>QROPS</b>	means a "qualifying recognised overseas pension scheme" as defined in section 169 of the Finance Act
<b>Recognised Transfer</b>	has the same meaning as in section 169 of the Finance Act
<b>Registered Scheme</b>	means a registered pension scheme within the meaning of section 150(2) of the Finance Act
<b>Regulation</b>	is a reference to a regulation of a Statutory Instrument
<b>Relevant UK Individual</b>	has the same meaning as in section 189 of the Finance Act
<b>Rule</b>	is a reference to a rule in this document
<b>Rules</b>	means these rules of the Scheme
<b>Scheme Documents</b>	means the documents that govern the Scheme (including the Deed and these Rules) as amended from time to time
<b>Scheme Sanction Charge</b>	has the same meaning as in section 239 of the Finance Act
<b>Serious Ill-Health</b>	means ill-health which is such as to give rise to a life expectancy of less than one year and such as to permit the Scheme Administrator to pay a Serious Ill-Health Lump Sum
<b>Serious Ill-Health Lump Sum</b>	has the same meaning as in paragraph 4 of schedule 29 to the Finance Act
<b>Service Operator</b>	means any one or more providers of administration or other services to the Scheme (including services relating to the management of Scheme assets) appointed by the Operator
<b>Spouse</b>	means, in relation to benefits payable on a Member's death, a person who was married to, or a civil partner (under the Civil Partnership Act 2004) of, the Member

	at the date of the Member's death
<b>Successor</b>	has the same meaning as in paragraph 27F of schedule 28 to the Finance Act
<b>Survivor</b>	means, in relation to a deceased Member, his Dependants, Nominees or Successors
<b>Survivor's Fund</b>	means so much of any Member Fund as is allocated at the discretion of the Scheme Administrator to a particular Survivor under these Rules taking account of any nomination by the Member in favour of a Spouse, Dependant or Nominee or of any other Survivor, and where relevant, taking account of any nomination by a Survivor in favour of any other Successor. The Scheme Administrator shall have sole discretion as to the form of benefit payable to each such Survivor, taking account of any expression of wish by the Survivor as to the form of benefit
<b>Tax</b>	means any tax, charge, imposition, duty, levy, excise duty, national insurance contribution, surcharge, rate or penalty whatsoever (without limitation) which may be imposed by Her Majesty's Treasury, HMRC or by any other body and includes (without limitation) any Scheme Sanction Charge, Annual Allowance Charge, De-registration Charge and any other tax under the Finance Act
<b>Tax Year</b>	has the same meaning as in section 4 of the Income Tax Act 2007
<b>Trivial Commutation Lump Sum Death Benefit</b>	has the same meaning as in paragraph 20 of schedule 29 to the Finance Act
<b>Unauthorised Payment</b>	has the same meaning as in section 160(5) of the Finance Act
<b>Uncrystallised Funds Lump Sum Death Benefit</b>	has the same meaning as in paragraph 15 of schedule 29 of the Finance Act

### 3 Membership

- 3.1 Membership is at the absolute discretion of the Operator and on such terms as the Operator may allow.
- 3.2 A person who wishes to become a Member (or the legal guardian acting for a person under the age of 18) must go through an application procedure and give such undertakings as are required by the Operator. By applying to become a Member, the Member (or a legal guardian acting for the Member) agrees to be bound by the Scheme Documents.
- 3.3 Where a legal guardian is representing a prospective Member under the age of 18, the legal guardian must give an undertaking that he or she understands that any payments

to the Scheme can only be used to provide benefits to the Member under the Rules, and will not be repaid except as permitted by the Rules.

- 3.4 Subject to the agreement of the Operator, an ex-spouse may become a Member of the Scheme on such terms as the Operator may determine, provided such terms do not conflict with the provisions of the Scheme Documents or the status of the Scheme as a Registered Scheme.
- 3.5 The Scheme Administrator may at any time, at the request of a Member, treat any existing part of the Member Fund for that Member and/or any new contribution in respect of that Member as if it were a separate Member Fund. In these circumstances, that part and/or that contribution shall constitute a separate Member Fund for the purposes of the Deed and these Rules, but shall not constitute a separate Arrangement for the purposes of the Finance Act, unless the Scheme Administrator so determines in its absolute discretion.

#### **4 Contributions**

##### **4.1 Eligibility to make contributions**

- 4.1.1 Any Member under the age 75 who is a Relevant UK Individual in respect of the relevant Tax Year is eligible to make contributions to the Scheme.
- 4.1.2 If permitted by the Operator, payments may be made in respect of a Member by a person other than the Member (including the Member's Employer) if the payments are being made on behalf of the Member and the Member (or, if relevant, the Member's legal guardian) is aware of the payment. These payments (other than payments made by the Member's Employer) will be treated as a contribution made by the Member.
- 4.1.3 Contributions made by the Member or other person on his or her behalf may be paid, if the Operator permits:
- 4.1.3.1 in money form (cash, cheque, debit card, credit card, standing order, direct debit, direct transfer or via BACS payments), or
- 4.1.3.2 as shares from an Employee Share Scheme or otherwise in specie, provided that the status of the Scheme as a Registered Scheme is not prejudiced thereby.

##### **4.2 Use of contributions**

Subject to the provisions of the Deed, the contributions and their proceeds under the Scheme must be used to provide benefits in accordance with these Rules.

##### **4.3 Using contributions to buy life insurance**

- 4.3.1 Subject to the agreement of the Operator, a Member may choose for all or part of the contributions in respect of him or her to be used by the Scheme Administrator as premiums on a life insurance contract with an Insurer.
- 4.3.2 The life insurance contract shall provide a lump sum to be paid into the Member Fund to be distributed with the other assets of the Member Fund in accordance with these Rules.

##### **4.4 Contribution that would cause loss of Protection**

If any contribution by or in respect of a Member would cause the loss of Protection for that Member, that contribution shall not form part of the Member Fund or Scheme or become held for the purposes of the Scheme in any way. The contribution shall

instead be held by the Operator on trust for the relevant contributor absolutely, unless before the making of that contribution the Operator and the Member have agreed in writing that this Rule 4.4 shall not apply.

## **5 Commencement of Member's benefits**

### **5.1 Commencement date**

5.1.1 Subject to Rule 5.2, payment of benefit derived from the Member Fund will commence on a date that is chosen by the Member with the agreement of the Scheme Administrator. The Member cannot choose a date earlier than his or her Normal Minimum Pension Age or, if earlier, the Member's Protected Pension Age (if any).

5.1.2 Where a Member has a Protected Pension Age, payment of benefit derived from the Member Fund may commence from such date as is permitted under the Finance Act.

### **5.2 Incapacity**

A Member's benefit may start earlier than Normal Minimum Pension Age, or the Member's Protected Pension Age, as the case may be, if the Member satisfies the Ill-Health Condition.

## **6 Benefits for Member**

### **6.1 Member's lump sum**

6.1.1 A Member may elect by notice in writing to the Scheme Administrator to receive one or more lump sums which are permitted by the Lump Sum Rule. Any such lump sums shall be subject to deduction of any applicable Tax.

6.1.2 The Operator may, with the agreement of the Scheme Administrator, direct the Scheme Trustee to allow a Member who is in exceptional circumstances of Serious Ill-Health on his pension starting to surrender the whole of his pension for a Serious Ill-Health Lump Sum.

### **6.2 Member's pension**

6.2.1 A Member may elect by notice in writing to the Scheme Administrator that his Member Fund will be used, from the Pension Date, to provide pension by way of either:

6.2.1.1 a Lifetime Annuity; or

6.2.1.2 a Drawdown Pension; or

6.2.1.3 with the consent of the Scheme Administrator, in any other way as is from time to time permitted by the Pension Rules.

6.2.2 The amount of the Member's pension will be subject to deduction of any applicable Tax and will be determined by the Scheme Administrator and will depend on the value of, and not be more than that which is capable of being provided by, his Member Fund. The Scheme Trustee may (acting only in accordance with any directions given by the Operator) suspend, until the Member's Pension Date, a Member's pension taken early where the Member ceases to satisfy the Ill-Health Condition.

6.2.3 A Member who is drawing pension by way of Income Withdrawal or Drawdown Pension may at any time elect to purchase a Lifetime Annuity with part or all of the remaining funds in his Member Fund, subject to the consent of the Scheme Administrator. The Member has the right to elect, by notice in writing to the Scheme Administrator within such period as it may from time to time decide, which Insurer is to provide any Lifetime Annuity that is to be purchased

### 6.3 Benefits in specie

The Scheme Administrator may, in its absolute discretion, direct the Scheme Trustee to pay any benefits under the Scheme in specie.

## 7 Dependants' and/or Nominees' pensions

7.1 Following the death of a Member, the Scheme Administrator may direct the Scheme Trustee to pay pensions which are permitted by the Pension Death Benefit Rules to or for the benefit of one or more persons each of whom is a Dependant or Nominee of the Member.

7.2 Each such pension will start on a date that the Dependant or Nominee may elect, subject to the agreement of the Scheme Administrator. The amount of each such pension will be determined by the Scheme Administrator and will be subject to deduction of any applicable Tax.

7.3 The Scheme Administrator may direct the Scheme Trustee to provide benefits under this Rule 7 by means of one or more insurance policies, which will form part of the Member Fund and will be distributed along with the remainder of the Member Fund in accordance with these Rules.

## 8 Successors' pensions

8.1 Following the death of a Member or Survivor, the Scheme Administrator may direct the Scheme Trustee to pay pensions which are permitted by the Pension Death Benefit Rules to or for the benefit of one or more persons, each of whom is a Successor of the Member.

8.2 Each such pension will start on such date as the Successor may elect, subject to the agreement of the Scheme Administrator. The amount of each such pension will be determined by the Scheme Administrator and will be subject to deduction of any applicable Tax.

8.3 The Scheme Administrator may direct the Scheme Trustee to provide benefits under this Rule 8 by means of one or more insurance policies, which will form part of the Member Fund and will be distributed along with the remainder of the Member Fund in accordance with these Rules.

## 9 Lump sum death benefits

9.1 On the death of a Member or Survivor, a lump sum death benefit may be paid equal to his Member Fund, or such lesser amount as the Scheme Administrator may determine, which is permitted by the Lump Sum Death Benefit Rule, including (without limitation) in one of the following ways:

9.1.1 Uncrystallised Funds Lump Sum Death Benefit;

9.1.2 Annuity Protection Lump Sum Death Benefit;

9.1.3 Drawdown Pension Fund Lump Sum Death Benefit;

- 9.1.4 Charity Lump Sum Death Benefit;
  - 9.1.5 Trivial Commutation Lump Sum Death Benefit; or
  - 9.1.6 Flexi-Access Drawdown Fund Lump Sum Death Benefit.
- 9.2 Any such lump sum death benefit shall be subject to deduction of any applicable Tax.
- 9.3 The Scheme Administrator may direct the Scheme Trustee to pay or apply such lump sum (and any payments of the Member's pension payable after his death under a guarantee) to or for the benefit of one or more Eligible Recipients in such proportions as it thinks fit in its absolute discretion.
- 9.4 The Scheme Administrator may direct the Scheme Trustee to pay all or any of the lump sum to trustees of another trust to benefit one or more Eligible Recipients or may direct all or any of the lump sum to be held by the Scheme Trustee or other trustees on such trusts, including discretionary trusts, and with such powers and provisions, including maintenance, advancement, accumulation, selection and variation, for the benefit of one or more Eligible Recipients as the Scheme Administrator thinks fit in its absolute discretion.
- 9.5 If and to the extent that (in the case of any Member) the lump sum is not paid or applied under Rule 9.3 or 9.4, the lump sum will be paid to his personal representatives, unless the deceased's estate passes bona vacantia, in which case no lump sum in excess of any already committed will be payable and the remaining Member's Member Fund will be applied by the Scheme Administrator towards the expenses of the Scheme.
- 9.6 If any lump sum is payable under a life insurance contract as described in Rules 4.3.1 and 4.3.2, it will be paid direct by the Insurer to the Scheme Administrator. It will form part of the Member Fund and be distributed along with the remainder of the Member Fund in accordance with those Rules.
- 9.7 For the purposes of this Rule, the Scheme Administrator and Scheme Trustee shall not be obliged to consider any Eligible Recipient of whom they are unaware, after having made reasonable enquiries.
- 9.8 To the extent that on the death of a Member or Survivor the Scheme Trustee (acting only in accordance with any directions given by the Operator) cannot apply a Member Fund in accordance with Rule 7, Rule 8 or the preceding provisions of this Rule 9, the Scheme Administrator may in its absolute discretion direct the Member Fund to be allocated to the General Fund.
- 10 Transfers out of the Scheme**
- 10.1 Member's right to a cash equivalent
- 10.1.1 A Member has a right to a "cash equivalent" under the provisions of Part 4 or Part 4A of Chapter 4 of the Pension Schemes Act.
  - 10.1.2 If a Member elects by notice in writing to the Scheme Administrator to apply for a "cash equivalent", all or part of the Member Fund under the Scheme may be transferred by way of a Recognised Transfer out of the Scheme, provided that the consent of the trustees or administrators of the receiving scheme is obtained.
  - 10.1.3 The Scheme Administrator may direct the Scheme Trustee to transfer assets by way of a Recognised Transfer, so that benefits (which may differ as to amounts, beneficiaries or otherwise from those under the Scheme) will be secured under the receiving scheme instead of benefits which would otherwise have been provided under the Scheme in respect of any

Member(s). The assets to be transferred will have a value equal to the amount of the relevant Member Fund(s) less any expenses of the transfer, on the basis of such valuations as the Scheme Administrator thinks fit.

#### 10.2 Transfer payments

If a Member does not elect to apply for a statutory right to transfer a "cash equivalent" under Rule 10.1.2, the Scheme Administrator may in its absolute discretion, nevertheless, at the written request of a Member, direct the Scheme Trustee to make a Recognised Transfer of the Member Fund on such terms as the Scheme Administrator may decide in its absolute discretion. Such a transfer may be in respect of all or any part of a Member's benefits under the Scheme.

#### 10.3 Pension Credit Rights

10.3.1 Any Pension Credit Rights must be implemented by a Recognised Transfer or, where the Scheme Administrator permits, by a new Member Fund for the Ex-spouse within the Scheme equal in value to an amount representing the Pension Credit Rights.

10.3.2 Any Member who is subject to a Pension Sharing Order shall procure, at the request of the Scheme Administrator, such valuation of assets of his Member Fund as the Scheme Administrator in its sole discretion requires in order for the Scheme Administrator to comply with its obligations under the Pension Sharing Order and under Part 3 of the Welfare Reform and Pensions Act 1999. The Scheme Administrator may procure such valuation on behalf of the Member and recover, in accordance with clause 9 of the Deed, any costs, fees or expenses incurred by the Scheme Administrator arising out of or in connection with the Pension Sharing Order (whether in the provision of any relevant information, the implementation of any relevant order or otherwise).

#### 10.4 Transfer to a QROPS

Where requested by a Member, the Operator may at its discretion direct the Scheme Trustee to transfer a Member Fund by way of a Recognised Transfer from the Scheme to a QROPS, provided that the status of the Scheme as a Registered Scheme is not prejudiced.

#### 10.5 Member withdrawing a request

The Member may withdraw a request under Rules 10.1 to 10.4 above by giving the Scheme Administrator notice in writing to that effect but may not withdraw a request after the Scheme Administrator has entered into a binding agreement with a third party to make a Recognised Transfer. A Member who has withdrawn a request may make another request by notice in writing to the Scheme Administrator.

#### 10.6 Transfer of Survivor's Fund

Where a Survivor is taking Income Withdrawal or Drawdown Pension in accordance with these Rules, and has not yet purchased an annuity, then the Scheme Administrator may direct the Scheme Trustee to make a Recognised Transfer in respect of the Survivor's Fund in question.

#### 10.7 Pension Credit Rights

Where a Pension Sharing Order is made before a Member's Pension Date but is not implemented by that date, then the Scheme Administrator may still direct the Scheme Trustee to make a transfer of Pension Credit Rights by way of a Recognised Transfer.

## 10.8 Discharge of rights

Entitlement to benefit under the Scheme for or in respect of a Member or Survivor will cease in respect of any rights transferred in accordance with these Rules and the Scheme, and the Scheme Trustee and the Scheme Administrator, will be discharged from any obligation to provide benefits in respect of those rights.

## 10.9 Multiple transfers

10.9.1 A Member may elect, with the consent of the Scheme Administrator, to transfer the whole or different parts of the Member Fund(s) from the Scheme by way of one or more Recognised Transfers.

10.9.2 The Scheme Trustee and the Scheme Administrator acknowledge that they may have obligations as to the payment of a cash equivalent under the Pension Schemes Act. The Scheme Administrator's powers under this part 10 are discretionary and it may withhold any transfer or application it might otherwise have made pending exhaustion of any rights which may arise under such legislation.

## 11 Transfers into the Scheme

### 11.1 Transferring scheme

11.1.1 The Scheme Administrator may, at the written request of a Member, direct the Scheme Trustee to accept a Recognised Transfer into the Scheme representing the value of the Member's rights (including any Pension Credit Rights) from another Registered Scheme or from any other source permitted by the Scheme Administrator and HMRC, provided that the continued status of the Scheme as a Registered Scheme is not prejudiced thereby.

11.1.2 The Scheme Administrator may direct the Scheme Trustee to accept a Recognised Transfer without the Member's written request or consent where the transfer originates from a Registered Scheme that is being wound-up and the rules of that scheme do not require the Member's request or consent to that transfer.

11.1.3 The Scheme Administrator must comply generally with all HMRC requirements for the acceptance of transfers and provision of benefits from transfer payments. Subject to the provisions of the Deed, the Recognised Transfer will be used to provide benefits in respect of the relevant Member in accordance with these Rules.

11.2 If the purpose of a transfer made to the Scheme is the provision or continuation of a pension permitted by the Pension Death Benefit Rules, these Rules shall apply to such pension as if the person in respect of whose death it is payable had been a Member (or, where appropriate, a Survivor) at the date of his death.

## 12 General provisions

### 12.1 Rights under the Scheme

12.1.1 A person's rights under the Scheme are only those given under the Scheme Documents or by any insurance or pension contract bought with the Member Fund.

12.1.2 The Scheme provides money purchase benefits only within the meaning of section 152(4) of the Finance Act.

## 12.2 Assignment or surrender

- 12.2.1 Rights to a lump sum benefit under the Scheme may not be assigned or surrendered, except to the extent necessary to give effect to or comply with a Pension Sharing Order.
- 12.2.2 No pension secured with a Member Fund may be assigned or surrendered except in the following circumstances:
- 12.2.2.1 a pension which continues under a guarantee to a person's estate after his or her death may be assigned by his or her will, or by his or her personal representatives in distributing his or her estate, for any of the following reasons:
- (a) to give effect to his or her will; or
  - (b) to give effect to the rights of those entitled on his or her intestacy; or
  - (c) to appropriate it to a legacy or to a share or interest in the estate;
- 12.2.2.2 to the extent necessary to comply with a Pension Sharing Order;
- 12.2.2.3 as permitted by sections 342A to 342C of the Insolvency Act 1986 and sections 36A to 36C of the Bankruptcy (Scotland) Act 1985, as amended by sections 15 to 16 of the Welfare Reform and Pensions Act 1999;
- 12.2.2.4 as permitted by section 273 to 278 of the Proceeds of Crime Act 2002;
- 12.2.2.5 to the extent applicable, as permitted by sections 91 to 95 of the Pensions Act 1995;
- 12.2.2.6 as permitted by any other rule of law, statute, statutory instrument or notice or concession by HMRC.

## 12.3 Beneficiary unable to act

If the Scheme Administrator believes that a person entitled to payments is unable to act for any reason, the Scheme Administrator may arrange that payments, instead of being made to that person, will be made to a responsible adult for the maintenance of that person and/or any of that person's Dependants. If any payments are not so made, they (and any proceeds) must be held by the Scheme Trustee for the person concerned until that person is again able to act. If that person dies without becoming able to act, and there are no Dependants, Nominees, Successors or Eligible Recipients, payment to whom would not result in an Unauthorised Payment, payment must be made to that person's estate. Any payment made in accordance with this Rule 12.3 will discharge the Scheme, Operator, Scheme Trustee and Scheme Administrator from any obligation to provide the benefits to which it relates.

## 12.4 Beneficiary's whereabouts unknown

- 12.4.1 Unless the Scheme Administrator decides otherwise, any person who is entitled to a benefit under the Scheme shall cease to have any claim to the benefit if the person has not claimed the benefit and at least six years have passed from the date payment of the benefit became due and the address of the person is not known to the Scheme Administrator. The Scheme Administrator must, however, first take reasonable steps to ascertain the address.

12.4.2 The Scheme Administrator in its absolute discretion may determine how to apply the assets of the Scheme relating to unclaimed benefits under Rule 12.4.1, including (but not limited to) in one or more of the following ways:

- (a) to meet the fees, charges and expenses of the Operator and/or Scheme Trustee and/or Scheme Administrator and/or any Service Operator; and/or
- (b) by allocation to the General Fund.

#### 12.5 Requests for evidence

The Scheme Administrator may require any Member or any other person to whom a pension or lump sum is payable under the Scheme to produce any evidence or information which the Scheme Administrator may from time to time reasonably require. If the Member or the other person does not produce the evidence or information so required, the Scheme Administrator may direct the Scheme Trustee to withhold payment of any benefit, or in accordance with Rule 10.9.1 withhold any transfer or application to transfer, to which it is relevant until it is produced.

### 13 Pension payment intervals

Any pension paid from a Member Fund may be paid in advance or arrears and at such intervals as may be determined by the Scheme Administrator.

### 14 Closing or winding-up the Scheme

#### 14.1 Closing the Scheme

14.1.1 The Operator may at any time stop admitting new Members to the Scheme and direct the Scheme Trustee to:

- 14.1.1.1 continue to accept contributions from, and in respect of, existing Members; or
- 14.1.1.2 stop accepting contributions from, and in respect of, existing Members.

14.1.2 If the Scheme is closed, the Scheme Administrator will continue to operate the Scheme under the Scheme Documents, unless the Operator decides to wind-up the Scheme. Where Rule 14.1.1.2 applies, the Scheme Administrator must notify each Member or other beneficiary of his or her rights and options under the Occupational and Personal Pension Schemes (Disclosure of Information) Regulations 2013 (SI 2013/2734) and the Pension Schemes Act and the Pensions Act 1995 (where relevant).

#### 14.2 Winding-up the Scheme

14.2.1 The Operator may wind-up the Scheme. The Scheme Administrator will then notify each Member of his or her rights and options under the Occupational and Personal Pension Schemes (Disclosure of Information) Regulations 2013. This notification will include notice of the Member's rights to a transfer under part 10 of these Rules.

14.2.2 Where a Member does not elect by notice in writing to the Scheme Administrator to request a Recognised Transfer of his Member Fund to another Registered Scheme, under part 10 of these Rules, within such reasonable period as shall be determined by the Scheme Administrator, the Scheme Administrator will direct the Scheme Trustee to transfer the Member Fund to another Registered Scheme of the Scheme

Administrator's choice. The Member's consent will not be required to such a transfer.

- 14.2.3 The Operator shall apply (or direct the Scheme Trustee to apply) any General Fund in accordance with Rule 18.

## **15 Withdrawal of Registered Scheme status**

### **15.1 In relation to the Scheme**

If HMRC withdraws the status of the Scheme as a Registered Scheme, the Scheme Administrator will inform the Members (and other beneficiaries, as appropriate) within three months of the date of receipt of the notice of withdrawal and will then wind-up the Scheme as described in part 14 of these Rules. If an appeal is made, the Scheme Administrator will inform the Members and other beneficiaries within three months of the date of receipt of the notice that the Special Commissioners have dismissed the appeal or have ruled that the decision is to have effect from a different date or have allowed the appeal, as the case may be.

### **15.2 In relation to a Member Fund**

If HMRC informs the Scheme Administrator that it is withdrawing the Registered Scheme status of a Member Fund under the Scheme, the Scheme Administrator will inform the Member within three months of the date on which the notice of withdrawal is received by the Scheme Administrator, unless the Scheme Administrator or Member appeals. If an appeal is made, the Scheme Administrator will inform the Member within three months of the date of receipt of any notice that the Special Commissioners have dismissed the appeal or have ruled that the decision is to have effect from a different date or have allowed the appeal, as the case may be. For the purpose of this Rule 15.2, Member should be read to include a Survivor, where relevant.

## **16 Investment management arrangements**

- 16.1 Unless the Scheme Administrator agrees otherwise, the Scheme Trustee must be a signatory to any investment management arrangement with any fund manager or broker. Such an arrangement must provide that any proceeds paid from the portfolio to the Scheme Trustee will be paid only into a Scheme bank or building society account of which the Scheme Trustee is a signatory. The Scheme Trustee does not, however, need to be a signatory to any nominee account that is set up by the fund manager or broker as part of the management of the portfolio unless that account can be accessed by Members.

- 16.2 The requirements in Rule 16.1 also apply to other management arrangements where shares are held on behalf of the Scheme Trustee by a nominee and any share transactions undertaken on non-UK stock exchanges that might require the share certificate to be registered in the name of a recognised nominee. Where shares are to be registered in the name of CREST, the Scheme Administrator must first obtain the written agreement of the fund manager that the shares cannot be transferred out of the control of the duly appointed fund manager (other than in the normal course of managing investments) without the prior written consent of the Scheme Administrator.

## **17 Pension Advice Allowance Payments**

The Scheme Administrator may, at its absolute discretion, permit a payment from a Member Fund that satisfies the conditions in regulation 21 of The Registered Pension Schemes (Authorised Payments) Regulations 2009 to be a "pension advice allowance payment".

**18 Application of the General Fund**

- 18.1 The Operator may at any time recover out of the General Fund any amounts described in clause 10 or 11 of the Deed to the extent the same are not recoverable from the relevant Member Funds and may set aside so much of the remaining General Fund as the Operator, in its absolute discretion, considers may be required to meet any such amounts in the future.
- 18.2 The Operator may at any time apply, or direct the Scheme Trustee to apply, any General Fund not applied or set aside under Rule 18.1 to:
- 18.2.1 create or augment a Member Fund or otherwise provide new or increased benefits for any person; and/or
  - 18.2.2 make a payment to a charity, provided it is not an Unauthorised Payment; and/or
  - 18.2.3 in any other way which in the opinion of the Operator is consistent with the status of the Scheme as a Registered Scheme.

